

ASX Company Announcements  
Australian Securities Exchange  
20 Bridge Street  
SYDNEY  
NSW 2000

08 March 2016

#### **CLARIFICATION OF MEDIA REPORTS**

Australian Rural Capital Limited (**ARC, the Company**) refers to an article published today in The Australian in relation to ARC's proposed participation with a member of the Shanghai Pengxin Group in the acquisition of S. Kidman and Co. Limited (**Kidman**).

ARC confirms that it is working exclusively with a member of the Shanghai Pengxin Group and its advisors in relation to the proposed acquisition of Kidman (**the Proposed Transaction**). If completed, the Proposed Transaction would result in ARC holding a direct ownership stake in Kidman as a partner to the Shanghai Pengxin Group member.

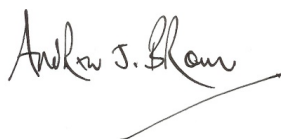
Consistent with our business model at ARC, it is the current intention of ARC to seek to raise equity funds in the Australian capital markets which will enable Australian investors the unique and direct opportunity to invest in Kidman in a fund and/or investment company managed by ARC.

An application has been made to the Foreign Investment Review Board by the Shanghai Pengxin Group member in relation to the Proposed Transaction. The application includes the proposed ownership and role of ARC in the Proposed Transaction. A recommendation by the Foreign Investment Review Board (FIRB) and an approval by the Treasurer are required for the Proposed Transaction to proceed.

When the FIRB recommendation and the Treasurer's decision has been announced and if the Proposed Transaction is to proceed, ARC will then update the market in relation to ARC's participation in the Proposed Transaction.

Investor enquiries should be directed to Executive Chairman, James Jackson on 0402 435 762 and please direct all media enquiries to Mark Rudder at Gracosway on +61 411 362 362

Yours sincerely,



Andrew Brown : Company Secretary