

## ASX ANNOUNCEMENT

### RURALCO HOLDINGS LIMITED (ASX CODE: RHL) FRONTIER ANNOUNCEMENT

Ruralco Holdings Limited announces that one of its two live export businesses, Frontier International Agri (FIA), which exports breeder cattle from Southern Australia, has received notice of the cancellation of its export licence. The notice was received from the Department of Agriculture and Water Resources (DAWR), and follows a number of dairy cattle testing positively to Bovine Johnes Disease on arrival in Japan.

While the cattle tested negative prior to departure from Australia, it has become evident that certain preparation and isolation procedures within the supply chain were not adequately followed. A review has commenced and appropriate action will be taken once concluded.

Ruralco's other live export business, Frontier International Northern (FIN), which relates to the export of feeder and slaughter cattle from Northern Australia, continues to operate as usual. FIN's business represented more than 80 per cent of Ruralco's live export sales in FY15.

Ruralco takes the obligations of its live export business extremely seriously and is working in close consultation with DAWR. Ruralco is also providing assurances around its feeder and slaughter business, which operates as a separate entity and serves a different part of the market.

In FY15, Ruralco reported gross profit of \$307 million, of which the whole Frontier business contributed gross profit of approximately \$10 million.

Further Information:

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