



Allied Farmers Ltd

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Loan Asset Sale - Update

On 5 April 2017 Allied Farmers Limited (Allied Farmers, NZX: ALF) advised that it is a party to a Deed of Assignment which includes, as part of the consideration payable to Allied, that if the Liquidators of Property Ventures Limited (in Liquidation) (the **Company**) and various of its subsidiaries succeeds in its litigation against the Company's directors and its auditors, ALF is entitled under the terms of a Deed of Assignment to a proportion of any net proceeds of that litigation (that proportion being confidential).

On 30 August 2017 Allied advised that the Liquidators achieved a partial settlement and settled the litigation against the Company's auditors for a confidential amount (the **Auditor Settlement**), but that the litigation against the Directors continues.

Allied has become aware of a media article on 9 January 2018 stating that the Liquidators have settled with the Directors. However, the Liquidators have advised Allied that the media article is premature and that the Liquidators are not aware of a final settlement having been formally reached.

As previously announced, Allied has no knowledge of the amount received or to be received by the Liquidator as a result of the Auditor Settlement. Allied also has no further information in relation to the litigation against, or any settlement with, the directors of the Company, beyond the above statements, and therefore is not able to provide any further guidance (provided in the 30 August 2017 update) on the proportion of the net proceeds, if any, payable to Allied.

Allied Farmers will make a further market release once it is in a position to inform the market.

Garry Bluett

A handwritten signature in black ink, appearing to read "G. Bluett", with a horizontal line underneath.

Chairman