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14 May 2019

Small Shareholder Sale Reminder

On 26 February 2019 the Board of Allied Farmers Limited (**ALF**) gave notice to shareholders that at the expiration of three months after that notice, being 27 May 2019, the Board will, unless shareholders increase their shareholding to more than 2,000 shares, exercise the power of sale of individual holdings of less than 2,000 shares.

Shareholders are reminded that if they do not increase their shareholding to above 2,000 shares before 27 May 2019, all of those shares will be sold.

The details of the options for these shareholders were set out in the notice, and are summarised below:

Option 1: Do nothing.

After 27 May 2019 a broker, instructed by Allied Farmers, will sell your shares through the NZX (or in some other manner approved by the NZX (which may include Allied Farmers repurchasing the shares)) and, subject to the costs not exceeding the proceeds, you will receive the proceeds from the sale of your shareholding, less reasonable sale expenses. While the sale expenses will not be certain until completion of the sale process, it is anticipated that this will be approximately \$2.50 per shareholder. Therefore, if you hold less than \$2.50 worth of shares, you are not likely to receive any proceeds from the sale of your shares. Bank account details can be updated online by visiting the Link Investor Centre at www.linkmarketservices.co.nz.

It is proposed that:

- The shares will be offered for sale both off market and on the NZX trading platform for a period of 10 trading days commencing shortly after 27 May 2019 at minimum price equivalent to the volume weighted average price of ALF's shares for the 10 business days preceding 27 May 2019;
- Any shares not sold in the manner described above will be repurchased by Allied at the volume weighted average price referred to above; and
- Any shares repurchased by Allied will be cancelled, thereby reducing the total number of shares on issue. As such, every remaining Allied shareholder will gain a small increase in their proportionate equity holding.

Option 2: Increase your shareholding:

Purchase additional shares to increase your holding to more than 2,000 shares **prior to 27 May 2019.**

Yours faithfully,

Allied Farmers Limited

Mark Benseman, Chairperson