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FINAL CHANCE TO INVEST IN ALLIED RIGHTS ISSUE FOLLOWING SUCCESSFUL RURAL LAND COMPANY IPO

- *Shareholders are reminded that Allied Farmers's Rights Offer @ 50cps closes this Friday 18 December 2020.*
- *The NZ Rural Land Company Limited (NZRLC) IPO has successfully satisfied its minimum raise condition of \$75 million in its Initial Public Offering, meaning that Allied Farmers will acquire a 50% interest in NZ Rural Land Management Partnership (the **Manager**). To assist in the success of the IPO capital raise, Allied agreed to invest \$750,000 in the NZRLC IPO.*

Final Chance to Invest in Allied Farmers' Rights Issue Capital Raise

Allied Farmers Limited's ("Allied Farmers"; NZX: **ALF**) shareholders are reminded that Allied Farmers's Rights Offer closes this Friday 18 December 2020. For those shareholders that may have been waiting to understand the outcome of the acquisition of a 50 percent share in the Manager, you will see from the update below that you can now do so with confidence that this will be proceeding.

We encourage shareholders to consider investing, as it provides the opportunity to acquire shares in Allied Farmers's for 50 cents per share, (being a discount of 19.4% against the closing price of 62 cents per share on 15 October 2020, being the date immediately prior to the date Allied Farmers's capital raising plan was announced), and goes some way to reducing the impact of full dilution by those that do chose to participate.

Acquisition of 50% of Management Company

Allied Farmers's is pleased to confirm that it has been advised by NZ Rural Land Company Limited (**NZRLC**) that it has successfully satisfied its minimum raise condition of \$75 million in its Initial Public Offering.

As a result, the previously announced conditional agreement for Allied Farmers to acquire 50 percent ownership in the Manager will be completed in the coming days. The Manager holds the external management contract to NZRLC.

Allied Farmers's Chairperson, Richard Perry, said "We are delighted that this significant milestone has been achieved, and we look forward to NZRLC commencing its farm acquisitions. We believe this is an excellent outcome for Allied Farmers, as it generates

additional cash return for a modest capital outlay, and enables us to diversify in a manner consistent with our strategy and values”.

Additional Investment in NZ Rural Land Company Ltd

Allied Farmers has agreed to invest \$750,000 in the NZRLC capital raise. The \$750,000 investment, made from existing group reserves, is in addition to the \$375,000 in costs loans that convert to shares in NZRLC, taking Allied Farmers’s investment in NZRLC to \$1,125,000 (based on a subscription price of \$1.25 per share). This ensures that the owners of the Manager all have a meaningful investment in the entity it will manage (the owners of the remaining 50% of the Manager have invested a similar amount into NZRLC).

This investment has been made for two equally compelling reasons. First, it has assisted NZRLC to achieve the \$75 million minimum capital raise, and therefore triggers the acquisition of Allied Farmers’s 50 percent interest in the Manager. Second, Allied Farmers firmly believes that its investment in NZRLC aligns with its strategy to invest in businesses that complement our existing core activities and that provide solutions to the issues facing the agricultural sector

Richard Perry

Chairman