

11 February 2014

Company Announcements Platform
Australian Securities Exchange

<p style="text-align: center;">AGRICULTURAL LAND TRUST (AGJ)</p> <p style="text-align: center;">ENTITLEMENT OFFER – LETTERS TO UNITHOLDERS</p>
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Agricultural Land Management Limited ("ALML") advises that letters to eligible and ineligible unitholders in relation to the entitlement offer announced to the market on 10 February 2014 were dispatched today.

A copy of each letter is attached in accordance with ASX Listing Rule 3.17.1.

For further information contact:

Tom Pascarella
Chairman 0407 890 933

Alan Herald
Acting General Manager (08) 8425 5022

11 February 2014

Dear Unitholder

Pro-Rata Non-Renounceable Entitlement Offer - Notification to Eligible Unitholders

Agricultural Land Management Limited ACN 072 899 060 (**ALML**) in its capacity as responsible entity of the Agricultural Land Trust ARSN 096 588 046 (**ALT**) has announced its intention to raise approximately \$3.79 million by way of a 3 for 4, non-renounceable, pro-rata entitlement offer (**Entitlement Offer**) to eligible existing ALT unitholders at an offer price of \$0.085 per new unit (**New Units**).

The Entitlement Offer is non-renounceable, meaning that eligible unitholders are not entitled to sell their entitlements if they do not wish to take them up.

Details of the Entitlement Offer are summarised below and set out in full in the Offer Booklet released on the Australian Securities Exchange (**ASX**) on 10 February 2014. The Offer Booklet is available on the ASX website at www.asx.com.au and on ALT's website at www.agriculturallandtrust.com.au.

Background to Entitlement Offer

The Entitlement Offer forms part of a broader restructure of the affairs of ALT as announced to the market on 28 October 2013 (**Restructure**). The purpose of the Restructure is both to satisfy the requirements of ALT's lenders under its senior debt facility and to facilitate the exit by Elders Limited and its subsidiaries (**Elders**) from its interests in ALT (as shareholder of ALML, unitholder, lessee and financier). The terms of the Restructure are set out in an Implementation Agreement between Elders and ALML dated 28 October 2013 (**Implementation Agreement**).

Certain elements of the Restructure required the approval of unitholders; a meeting was held on Monday 16 December 2013 (**Original Meeting**) for the purpose of obtaining those approvals but was adjourned to Friday 31 January 2014 and subsequently postponed until Friday 7 February 2014. The approvals were obtained at the meeting on Friday 7 February 2014 (**Approval Meeting**). The notice of meeting and explanatory booklet for the Original Meeting (released to the market on 21 November 2013) set out in detail the elements of the Restructure, the nature of the Unitholder approvals required and the terms of the Implementation Agreement (**Notice of Meeting**). A supplementary notice of meeting for the Approval Meeting was released to the market on Tuesday 7 January 2014 and contained further information in relation to the Restructure (**Supplementary Notice of Meeting**). For further information in relation to the Restructure, please consult the Notice of Meeting and Supplementary Notice of Meeting (together, the **Notices**), which are available on the ASX website www.asx.com.au and on ALT's website www.agriculturallandtrust.com.au.

Details of Entitlement Offer

The Entitlement Offer will be conducted without a disclosure document under Part 7.9 of the *Corporations Act 2001* (Cth) (**Act**), in reliance on section 1012DAA of the Act.

As explained in the Notices, ALML has entered into a binding deed of undertaking with Westralia Property Holdings Pty Ltd (**Westralia**), a substantial unitholder of ALT, under which Westralia has

agreed to participate in the Entitlement Offer by subscribing and paying for, and procuring that other eligible unitholders subscribe and pay for, New Units to an aggregate value of not less than \$2 million (**Deed of Undertaking**). In addition, Elders had committed under the Implementation Agreement not to participate in the Entitlement Offer.

As announced to the market in the Supplementary Notice of Meeting, Elders has waived the requirement in the Implementation Agreement for the Entitlement Offer to be completed before the Restructure can be finalised, in reliance on the Deed of Undertaking. The waiver by Elders is subject to and conditional upon Westralia paying the \$2 million into its solicitor's trust account as required by the Deed of Undertaking. Accordingly, if the requirements of the Deed of Undertaking are satisfied the cancellation of 60,536,628 Units held by Elders is likely to occur prior to the Record Date for the Entitlement Offer. The maximum number of New Units that may be issued and proceeds raised under the Entitlement Offer are based on the prior cancellation of Elders' 60,536,628 Units and Elders' non-participation with respect to its remaining 5,700,000 Units. Even if Elders' 60,536,628 Units have not yet been cancelled by the Record Date, Elders has still committed under the Implementation Agreement not to participate in the rights issue with respect to any of its Units.

Although it is possible that the Entitlement Offer could raise up to a maximum of \$3.9 million on the basis that all eligible unitholders except Elders subscribe for their full entitlement to New Units, the maximum amount that ALML expects could be raised under the Entitlement Offer is \$3.79 million. This is on the basis that entities controlled by or associated with Mr Allen Caratti (including Westralia) (**Caratti**) intend to subscribe for no more than the \$2 million worth of New Units to which Westralia has committed under the Deed of Undertaking.

However, as the Entitlement Offer is not underwritten there can be no guarantee that any funds in excess of the \$2 million to which Westralia has committed will be raised. The net proceeds of the Entitlement Offer will be used to enable ALML to remediate ALT's Linkletters property in Esperance, Western Australia by changing the land use from primarily forestry to cropping and grazing, and for the repayment of debt.

As explained in the Notice of Meeting, the Approval Meeting included a resolution to approve the acquisition by Caratti of an increased relevant interest in the units of ALT that will result from the Restructure, including the issue of New Units under the Entitlement Offer and the cancellation of 60,536,628 units in ALT held by Elders.

As a result of the Approval Meeting, this acquisition is permitted for the purposes of the takeovers prohibition set out in the Corporations Act.

The effect on the unitholding structure of ALT arising out of the Restructure (including the Entitlement Offer) can be summarised as follows:

- Elders is currently the major unitholder of ALT, holding 51.96% of the issued units in ALT.
- Caratti has the second largest holding in ALT, together holding a relevant interest in 26.03% of the issued units in ALT.
- As set out in the Notice of Meeting, as a result of the implementation of the Restructure including the Entitlement Offer, Caratti's voting power in ALT may increase up to a maximum of 63.23% (in the event that no other unitholders participate in the Entitlement Offer).
- Elders' voting power will decrease to between 5.05% and 6.3% (depending on the participation of other unitholders in the Entitlement Offer).

As announced to the market on Friday 7 February 2014, Elders has advised ALML that the agreement between it and Guce Farms Pty Ltd (**Guce**) (an entity associated with Caratti) under which Guce was to acquire ALML from Elders had been terminated. Although that agreement has been terminated, it is still Elders' intention to cease to have an interest in ALML. To that end, Elders also advised that it has been investigating various potential scenarios in relation to the responsible entity role, including the corporatisation of ALT, the internalisation of ALML or the replacement of ALML as the responsible entity of ALT. If a solution in relation to the responsible entity role is implemented, Elders has indicated that it will consent to the balance of its units in ALT being cancelled.

Once the various options have been considered and the most appropriate option determined, further detail will be provided as part of any proposal regarding the responsible entity of ALT put to unitholders for approval.

Accordingly, and in relation to control:

- although Caratti will still obtain control of ALT as a result of the Restructure, it is no longer proposed that ALML will be owned by Caratti; and
- if any further proposal is implemented with respect to the responsible entity of ALT, Elders' interest in ALT could be further reduced to nil, which would proportionately increase the interest of all other unitholders (including Caratti).

Eligible unitholders will receive a copy of the Offer Booklet shortly. Applications can only be made using the personalised Entitlement and Acceptance Form which will accompany the Offer Booklet.

Eligibility Criteria

ALT unitholders who are eligible to participate in the Entitlement Offer are unitholders who:

1. are registered as a holder of ALT units at 7.00pm (AEDT) on the Record Date (being 18 February 2014);
2. are recorded on the ALT's unit register as having a registered address in Australia and New Zealand (**Eligible Jurisdictions**);
3. are not in the United States and are not nominees or custodians acting for the account or benefit of persons in the United States; and
4. are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

Pursuant to section 9A(3)(a) of the Act and ASX Listing Rule 7.7.1(a), the Directors of ALML have determined that it would be unreasonable to make offers in connection with the Entitlement Offer to unitholders with registered addresses outside of the Eligible Jurisdictions (**Ineligible Unitholders**). In determining eligibility for participation in the Entitlement Offer, the Directors of ALML have had regard to the:

- number of Ineligible Unitholders;
- number and value of New Units Ineligible Unitholders would be offered; and
- cost of complying with the legal requirements, and requirements of regulatory authorities, applying in the locations of Ineligible Unitholders.

Entitlements of Ineligible Unitholders

As the Entitlement Offer is non-renounceable, the rights are unable to be transferred or assigned.

Entitlement Offer Timetable

The proposed timetable for the Entitlement Offer is as follows*:

Action	Date
Initial announcement of Entitlement Offer	10 February 2014
Lodgement of Appendix 3B and Cleansing Notice	10 February 2013
Preliminary notice of Entitlement Offer despatched to unitholders	11 February 2014
Units commence trading ex-rights	12 February 2014
Record Date for determining entitlement to participate in Entitlement Offer	18 February 2014
Despatch of Offer Booklet and Entitlement and Acceptance Form	21 February 2014
Entitlement Offer closes	7 March 2014
Securities quoted on a deferred settlement basis	11 March 2014
ASX notified of under subscriptions	12 March 2014
Allotment of Entitlement Offer units and despatch of holding statements	14 March 2014
Normal trading of Entitlement Offer units expected to commence on ASX	17 March 2014

*This timetable is indicative only. ALML reserves the rights to vary the above dates, subject to the requirements of the ASX Listing Rules.

Summary

Following completion of the Restructure, ALT will have up to 112,889,891 units on issue. The New Units will rank equally in all respects with ALT's existing units.

ALML encourages eligible unitholders to consult their stockbroker, accountant, solicitor or other financial advisor if they have any questions about the Entitlement Offer or the Offer Booklet.

The Board of ALML wishes to thank its unitholders for their continued support and looks forward to continuing to implement its strategic plans with a view to realising value for all unitholders. If you have any queries, please contact John Bolton on +61 8 8425 4260.

Yours faithfully

Thomas Pascarella
Chairman

11 February 2014

Dear Unitholder

Pro-Rata Non-Renounceable Entitlement Offer - Notification to Ineligible Unitholders

On 10 February 2014, Agricultural Land Management Limited ACN 072 899 060 (**ALML**) in its capacity as responsible entity of the Agricultural Land Trust ARSN 096 588 046 (**ALT**) announced that ALT will undertake a pro-rata, non-renounceable entitlement offer to existing unitholders of 3 new units (**New Units**) for every 4 units in ALT held by eligible unitholders at 7.00pm on 18 February 2014 (**Record Date**) at a price of \$0.085 per New Unit to raise approximately \$3.79 million before costs (**Entitlement Offer**).

Details of the Entitlement Offer are set out in the Offer Booklet released on the Australian Securities Exchange (**ASX**) on 10 February 2014. The Offer Booklet is available on the ASX website www.asx.com.au and on ALT's website www.agriculturallandtrust.com.au.

ALML will be making the Entitlement Offer to eligible unitholders only. Eligible unitholders are those unitholders who:

1. are registered as a holder of ALT units at 7.00pm (AEDT) on the Record Date;
2. are recorded on ALT's unit register as having a registered address in Australia and New Zealand (**Eligible Jurisdictions**);
3. are not in the United States and are not nominees or custodians acting for the account or benefit of persons in the United States; and
4. are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

Pursuant to section 9A(3)(a) of the *Corporations Act 2001* (Cth) (**Act**) and ASX Listing Rule 7.7.1(a), the Directors of ALML have determined that it would be unreasonable to make offers in connection with the Entitlement Offer to unitholders with registered addresses outside of the Eligible Jurisdictions (**Ineligible Unitholders**). In determining eligibility for participation in the Entitlement Offer, the Directors of ALML have had regard to the:

- number of Ineligible Unitholders;
- number and value of New Units Ineligible Unitholders would be offered; and
- cost of complying with the legal requirements, and requirements of regulatory authorities, applying in the locations of Ineligible Unitholders.

As you are an Ineligible Unitholder, ALML is unfortunately unable to extend to you the opportunity to participate in the Entitlement Offer. You will not be sent the Offer Booklet relating to the Entitlement Offer, nor will you be able to subscribe for New Units under the Entitlement Offer.

As the Entitlement Offer is non-renounceable, the rights are unable to be transferred or assigned.

This letter is neither an offer to issue New Units to you, nor an invitation to apply for New Units. As an Ineligible Unitholder, you are not required to do anything in response to this letter.

If you have any queries, please contact John Bolton on +61 8 8425 4260.

On behalf of the Directors of ALML, I thank you for your continued support of ALT and trust that you understand the reasons as to why we have not been able to allow Ineligible Unitholders to participate in the Entitlement Offer.

Yours faithfully

Thomas Pascarella
Chairman