

Agricultural Land  Management Ltd

4 July 2014

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AGRICULTURAL LAND TRUST (AGJ)

PROPOSED CHANGE OF RESPONSIBLE ENTITY

Agricultural Land Management Limited (**ALML**) was acquired by One Investment Group Pty Ltd (**One Investment Group**) on 4 July 2014. ALML advises that it wishes to resign as the responsible entity of the Agricultural Land Trust (**ALT**) and be replaced by another subsidiary of One Investment Group, One Managed Investment Funds Limited.

Attached is a Notice of Meeting of unitholders to be held on 1 August 2014 at 10:00am (Sydney time) at the premises of One Investment Group, Level 13, 20 Hunter Street, Sydney NSW 2000.

The Directors advise that the Notice of Meeting will be distributed to all unitholders today, 4 July 2014.

For further information contact:

Justin Epstein
Director (02) 8277 0000

AGRICULTURAL LAND TRUST

(ARSN 096 588 046)

Notice of meeting and explanatory statement for the Agricultural Land Trust

NOTICE OF MEETING

Responsible Entity:

Agricultural Land Management Ltd
ABN 16 072 899 060, AFSL 225064

Date of meeting:

1 August 2014

Time of meeting:

10:00 am

Place of Meeting:

The Boardroom
One Investment Group
Level 13, 20 Hunter Street
Sydney NSW 2000

Letter to Unitholders

4 July 2014

Dear unitholder,

Proposed change of the responsible entity

The current responsible entity of the Agricultural Land Trust (the **Fund**), Agricultural Land Management Ltd (**ALML**), wishes to resign as responsible entity of the Fund and be replaced by One Managed Investment Funds Limited (**OMIFL**). Both ALML and OMIFL are subsidiaries of financial services firm One Investment Group Pty Limited (**OIG**).

Background

On 21 November 2013, ALML announced a proposed restructure of the Fund (**Proposed Restructure**). The purpose of the Proposed Restructure was to facilitate Elders Limited's (**Elders**) exit from the forestry industry, to allow the Fund to reduce its debt levels and to effect a separation from Elders. A component of the separation of the Fund from Elders was removing the exposure of the responsible entity, ALML, which was a wholly owned subsidiary of Elders, to matters affecting Elders. This would secure a complete separation of the affairs of the Fund from affairs of Elders. It was stated in this announcement that Elders had informed ALML that Elders had agreed to sell the shares in ALML to Guce Farms Pty Ltd or its nominee (**Guce**).

On 7 February 2014, ALML announced that the agreement between Elders and Guce for the sale of ALML had been terminated because Guce no longer wished to take control of ALML.

On 14 February 2014, it was announced that ALML and Elders had entered into an agreement to work together in good faith to develop a long-term solution regarding the responsible entity of the Fund including whether to corporatise the Fund, internalise ALML so it was held directly by the Fund's unitholders, or replace ALML as the responsible entity. It was stated in this announcement that one of the aims of such proposals was to rectify the existing issues with ALML's Australian Financial Services Licence (**AFSL**).

As noted in ALT's Annual Report for 30 June 2013, Elders had provided ALML with an eligible undertaking for up to \$5.5 million to enable ALML to meet the base level financial requirements of its AFSL. At the time the eligible undertaking was provided, Elders met the definition of "eligible provider" of an eligible undertaking and ALML was able to count the eligible undertaking towards its minimum net tangible asset requirements as a responsible entity. Also as noted in ALT's Annual Report for 30 June 2013, new financial requirements for responsible entities were implemented by ASIC Class Order 11/1140 ("CO 11/1140") which applied to ALML from November 2012. The Annual Report noted that the impact of those changes on ALML remained unclear.

To facilitate the objective of removing the exposure of the Fund to Elders, and for Elders to exit the forestry industry, ALML was acquired by OIG on 4 July 2014.

About the One Investment Group

OIG is an independent funds management business specialising in providing Responsible Entity, Trustee, Custody and Administration services. OIG operates a number of entities that, pursuant to the Corporations Act, are licensed to conduct financial services businesses and to act as responsible entities for registered schemes and as trustees for unregistered schemes. OIG is responsible for in excess of 120 funds with a wide range of underlying asset classes including infrastructure, real estate, equities, credit and fund of funds, working alongside numerous investment managers. The total value of the assets within these trusts is in excess of \$2 billion.

OIG's subsidiaries are able to provide funds with a complete solution including Responsible Entity or Trustee, Custodian, Registrar and Fund Administrator or alternatively provide a single service working alongside external service providers or the existing Responsible Entity or Trustee.

The rationale for the change of the Responsible Entity

The Australian Securities and Investments Commission (**ASIC**) introduced new rules increasing the regulatory capital which responsible entities must hold. These rules came into effect on 1 November 2012, and have been welcomed as they are designed to improve the financial strength and resilience of responsible entities. As ALML has stated frequently to the market, the impact of ASIC's changes to ALML have been unclear.

In order to provide the Fund with a more stabilised structure, OIG has determined that it wishes to replace ALML with One Managed Investment Funds Limited, OIG's primary responsible entity within the corporate group. The proposed change of responsible entity will mean that the Fund has a financially stronger responsible entity. OMIFL has extensive experience as a corporate trustee and custodian, and is a professional responsible entity operating numerous schemes.

The Corporations Act requires that, where a responsible entity of a registered scheme wants to retire, it must call a meeting of unitholders to explain its reasons for wanting to retire and to enable the unitholders to choose a new responsible entity. As such, one of the purposes of the accompanying Notice of Meeting is to convene a meeting of unitholders at which unitholders will be asked to consider and, if thought fit, approve Resolutions 1 and 2 for the retirement of ALML and appointment of OMIFL as responsible entity of the Fund. Further information concerning Resolutions 1 and 2, OMIFL and OIG is set out in the accompanying Notice of Meeting and Explanatory Statement.

ALML recommends that unitholders vote in favour of Resolutions 1 and 2.

Unitholders should be aware that the Fund's largest unitholders, Westralia Property Holdings Pty Ltd and associates (**Westralia**), intends to vote in favour of OMIFL's appointment as responsible entity of the Fund. Westralia holds 60.31% of the issued units in the Fund.

I strongly encourage you to carefully read in full the Notice of Meeting and Explanatory Statement accompanying this letter as they contain important information about the matters discussed above.

Yours faithfully,



Justin Epstein
Director
Agricultural Land Management Ltd
Responsible Entity of Agricultural Land Trust

Notice of Meeting

Pursuant to Section 252A of the Corporations Act 2001 (Cth) (**Corporations Act**) and the Constitution of Agricultural Land Trust (**Fund**), notice is hereby given by this document (**Notice of Meeting**) by Agricultural Land Management Ltd ABN 16 072 899 060, AFSL 225064 (**ALML**), in its capacity as responsible entity of the Fund to the unitholders of the Fund that a meeting of unitholders of the Fund will be held:

At: One Investment Group, Level 13, 20 Hunter Street, Sydney, NSW 2000
On: 10:00am, 1 August 2014

The purpose of the meeting is to consider and if thought fit approve:

- **Resolution 1:** subject to resolution 2 being passed that the retirement of ALML as responsible entity of the Fund; and
- **Resolution 2:** the appointment of One Managed Investment Funds Limited (ABN 47 117 400 987, AFSL 297042) (**OMIFL**) as responsible entity of the Fund,

(together, the **Resolutions**).

An explanatory statement (**Explanatory Statement**) accompanies, and forms part of, this Notice of Meeting. The information contained in the Explanatory Statement is intended to assist unitholders with how they vote on the Resolutions and to provide certain other information to unitholders concerning the Fund.

Note: In the event that all third party consents or other approvals required to change the responsible entity of the Fund have not been obtained on or before the date of the meeting (namely 1 August 2014), Resolutions 1 and 2 will not be put to a unitholder vote and the meeting will be adjourned until or reconvened to such time as all such consents and approvals have been obtained.

Further details are set out in the Explanatory Statement accompanying this Notice of Meeting.

Capitalised terms used in this Notice of Meeting or the accompanying Letter to Unitholders which are not defined herein have the meanings given to them in the Explanatory Statement.

RESOLUTION 1 – RETIREMENT OF EXISTING RESPONSIBLE ENTITY

Resolution: To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

“That, subject to Resolution 2 being passed, the retirement by Agricultural Land Management Ltd (ABN 16 072 899 060, AFSL 225064) as the responsible entity of the Agricultural Land Trust, be approved.”

Majority required: Resolution 1 is an ordinary resolution.

Voting rights: Section 253J(2) of the Corporations Act provides that the resolution must be decided on a show of hands unless a poll is demanded. If a poll is demanded, the resolution is passed on a poll if it has been passed by at least 50% of the votes cast by members entitled to vote on the resolution. Section 253J(3) of the Corporations Act provides that on a show of hands, a declaration by the chair is conclusive evidence of the result. Neither the chair nor the minutes needs to state the number or proportion of the votes recorded in favour or against.

Voting exclusions: Under section 253E of the Corporations Act, the responsible entity of a registered managed investment scheme and its associates are excluded from voting on a resolution where they have an interest in the resolution, other than as a unitholder.

RESOLUTION 2 – APPOINTMENT OF NEW RESPONSIBLE ENTITY

Resolution: To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

“That, subject to Resolution 1 being passed, One Managed Investment Funds Limited (ABN 47 177 400 987, AFSL 297042) be appointed as the responsible entity of the Agricultural Land Trust.”

Majority required: Resolution 2 is an ordinary resolution.

Voting rights: Section 253J(2) of the Corporations Act provides that the resolution must be decided on a show of hands unless a poll is demanded.. If a poll is demanded, the resolution is passed on a poll if it has been passed by at least 50% of the votes cast by members entitled to vote on the resolution. Section 253J(3) of the Corporations Act provides that on a show of hands, a declaration by the chair is conclusive evidence of the result. Neither the chair nor the minutes needs to state the number or proportion of the votes recorded in favour or against.

Voting exclusions: Under section 253E of the Corporations Act, the responsible entity of a registered managed investment scheme and its associates are excluded from voting on a resolution where they have an interest in the resolution, other than as a unitholder.

Consents: One Managed Investment Funds Limited has consented, in writing, to be appointed responsible entity of the Fund as required by section 601 FL(2) of the Corporations Act.

Voting Entitlement

For the purposes of this meeting, persons who are registered as the holders of units in the Fund at 7:00 pm on 30 July 2014 will be entitled to vote (subject to any voting restrictions applicable to those unitholders in relation to the particular Resolution).

Proxy

A unitholder entitled to attend the meeting and vote has the right to appoint a proxy to attend the meeting and vote on his, her or its behalf.

A unitholder entitled to attend the meeting and vote is entitled to appoint not more than 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where 2 proxies are appointed and the appointment does not specify the proportion or number of the unitholder's votes, each proxy may exercise half of the votes. A proxy need not be a unitholder.

A form of appointment of proxy is enclosed with this notice (**Proxy Form**).

To be effective, a Proxy Form must be signed by the unitholder or his, her or its attorney duly authorised in writing. The Proxy Form (and a certified copy of the power of attorney or other authority, if any, under which the Proxy Form is signed) must be completed, signed and received by the responsible entity not less than 48 hours before the time for holding the meeting, being 10:00 am 30 July 2014.

Proxy Forms may be returned to the responsible entity by any of the following means:

By mailing it to:

Agricultural Land Management Ltd
C/- Computershare Investor Services Pty Ltd
GPO Box 242
Melbourne VIC 3001
Australia

Or by faxing it to:

1800 783 447 (within Australia) or +61 3 9473 2555
(outside Australia); or

For Intermediary Online subscribers only
(custodians), cast the unitholder's vote online by
visiting www.intermediaryonline.com

Proxy Forms must be signed by:

- the unitholder or the unitholder's duly appointed attorney; or
- if the unitholder is a body corporate:
 - under its common seal (if any);
 - under the hand of an officer or attorney who has been authorised by the body corporate;
 - by two directors of the body corporate or by a director and company secretary of the body corporate; or
 - in the case of company that has a sole director who is also the sole company secretary (or a company which has a sole director and no company secretary), by that person.

If a Proxy Form is signed by a unit holder's attorney, a certified copy of the power of attorney must also be received by Agricultural Land Management Ltd by 10:00 am 30 July 2014.

Quorum

A quorum for the meeting is 2 unitholders in the Fund.

By order of Agricultural Land Management Ltd, responsible entity for the Agricultural Land Trust

Date 4 July 2014

Signed

A handwritten signature in black ink, appearing to read 'Justin Epstein', with a long horizontal stroke extending to the right.

Justin Epstein
Director
Agricultural Land Management Ltd

Explanatory Statement accompanying the Notice of Meeting

This Explanatory Statement and all attachments are important documents. They should be read carefully and in its entirety.

If you have any questions regarding the matters set out in this Explanatory Statement or the Notice of Meeting, please contact ALML, your financial adviser or other professional adviser.

General information

Resolutions proposed

This Explanatory Statement has been prepared for unitholders in connection with the meeting of the Fund to be held at 10:00 am 1 August 2014 at One Investment Group, Level 13, 20 Hunter Street, Sydney, NSW 2000.

Information in relation to the meeting is contained in this Notice of Meeting, which unitholders should read carefully. In summary the meeting is being held for unitholders to consider and, if thought fit, approve the replacement of ALML as responsible entity of the Fund with OMIFL, another subsidiary of the One Investment Group.

In the event that all third party consents or other approvals required to change the responsible entity of the Fund have not been obtained on or before the date of the meeting (namely 1 August 2014), Resolutions 1 and 2 will not be put to a unitholder vote and the meeting will be adjourned until or reconvened to such time as all such consents and approvals have been obtained.

Further background to each of the Resolutions is set out below.

Background to Resolutions 1 and 2 – Change of responsible entity

1. Background

On 7 November 2011, the Australian Securities and Investments Commission (ASIC) released new financial requirements for responsible entities of registered managed investment schemes.

The new financial requirements are more onerous than previous requirements imposed on responsible entities through Australian Financial Services Licence conditions. They reflect the outcome of ASIC's consultation under Consultation Paper 140: *Responsible entities: Financial requirements*. The new financial requirements commenced on 1 November 2012.

OIG, the parent company of ALML, the Fund's current responsible entity, has decided to restructure its operations to respond to ASIC's financial requirement for responsible entities. Therefore, ALML wishes to transition its responsible entity role, the responsible entity role for the Fund, to remove any uncertainty as to ALML's compliance with its AFSL obligations and to transfer the Fund to a financially stronger responsible entity. In respect of the Fund, it is proposed that ALML will resign as responsible entity of the Fund and be replaced by OMIFL as the new responsible entity of the Fund (the **Transaction**).

2. The Transaction

Subject to receipt of required unitholder approvals and third party consents, as part of the Transaction:

- As set out in Resolutions 1 and 2, it is proposed that, subject to unitholder approval being obtained, ALML will retire as responsible entity of the Fund and OMIFL, another subsidiary of OIG, will be appointed to perform that role. OMIFL has consented in writing to act as the responsible entity of the Fund in accordance with the requirements of the Corporations Act;
- If OMIFL is appointed as responsible entity, OMIFL will continue to manage the Fund in accordance with the Fund's constitution;
- There will be no change to the strategy of the Fund arising from a change of the responsible entity; and
- If OMIFL is appointed as responsible entity, notwithstanding the change, there will be continuity of management because OMIFL is part of the same corporate group as ALML, and Justin Epstein and Frank Tearle are the executive directors of both ALML and OMIFL.

Further information relating to the OIG Group and other information which may be relevant to unitholders in considering how to vote on Resolutions 1 and 2 is included, below.

3. Fund's largest unitholder

Unitholders should be aware that the Fund's largest unitholders, Westralia Property Holdings Pty Ltd and its associates (**Westralia**), intends to vote in favour of OMIFL's appointment as responsible entity of the Fund. Westralia holds 60.31% of the issued units in the Fund.

4. Conditions to Resolutions 1 and 2

The Corporations Act requires that, where a responsible entity of a registered scheme wants to retire, it must call a meeting of unitholders to explain its reason for wanting to retire and to enable the unitholders to choose a new responsible entity. Resolutions 1 and 2 are proposed and the information contained in this Explanatory Statement is provided to unitholders for this purpose. Resolutions 1 and 2 are inter-conditional. Resolutions 1 and 2 will be passed if approved by an ordinary resolution of unitholders in the Fund.

Resolutions 1 and 2 will only be put to unitholder vote subject to any required third party consents having been received prior to the meeting.

In the event that all third party consents or other approvals required to change the responsible entity of the Fund have not been obtained on or before the date of the meeting (namely 1 August 2014), Resolutions 1 and 2 will not be put to unitholder vote and the meeting will be adjourned until or reconvened to such time as all such consents and approvals have been obtained.

5. Implications if Resolutions 1 and 2 are or are not approved

If Resolutions 1 and 2 are passed:

- ALML would retire and OMIFL would become the responsible entity of the Fund;
- Such retirement and appointment would be effective from the date that ASIC alters its records to reflect the retirement and appointment. OMIFL would also provide notification on its website once ASIC's records have been updated to reflect the change in responsible entity;
- The fees currently paid by unitholders would not increase as a result of the change to the responsible entity; and
- Consistent with the actions taken by ALML to date, it is the intention of OMIFL if it is appointed as the new responsible entity to continue to manage the Fund in accordance with the Fund's constitution.

If Resolutions 1 and 2 are not passed:

- ALML would remain the responsible entity of the Fund; and
- ALML may apply to the Court for its retirement and the appointment of a temporary responsible entity of the Fund.

6. About the One Investment Group

OIG is an independent funds management business specialising in providing Responsible Entity, Trustee, Custody and Administration services. OIG operates a number of entities that, pursuant to the Corporations Act, are licensed to conduct financial services businesses and to act as responsible entities for registered schemes and as trustees for unregistered schemes. OIG is responsible for in excess of 120 funds with a wide range of underlying asset classes including infrastructure, real estate, equities, credit and fund of funds, working alongside numerous investment managers. The total value of the assets within these trusts is in excess of \$2 billion.

OIG's subsidiaries are able to provide funds with a complete solution including Responsible Entity or Trustee, Custodian, Registrar and Fund Administrator or alternatively provide a single service working alongside external service providers or the existing Responsible Entity or Trustee.

OIG is an independent funds management business specialising in providing services associated with funds management including Responsible Entity, Trustee, Custody and Administration services. OIG has staff with a diverse range of experience in the financial services industry including:

- Funds Management;
- Risk Management;
- Custody;
- Accounting;
- Regulatory and Compliance;
- Foreign Exchange and Derivatives;
- Taxation; and
- Legal.

Members of the OIG Group hold 6 AFSLs in aggregate. OMIFL, the proposed new responsible entity of the Fund, is authorised under AFSL 297042.

The founders of OIG, Frank Tearle and Justin Epstein, have in excess of 30 years' collective experience in mergers and acquisitions, capital markets, trusts management and corporate governance. Importantly, both founders have considerable experience in managing assets comparable to those held by the Fund. Between 2005 and 2007 they managed a trust with in excess of \$1 billion of assets. Frank Tearle has also been the manager of a Hong Kong based trust which invested in mezzanine debt positions in the People's Republic of China. Justin Epstein has spent in excess of 13 years working for various companies responsible for assessing, advising and investing in various asset classes including real estate, infrastructure, transport, fund of funds and private equity.

The OIG Compliance Committee comprises 3 members each with over 20 years' relevant experience in areas including funds management, investment banking, capital markets, chartered accounting and compliance.

Biographies of OIG Group's founders are set out below.

Frank Tearle – Executive Director

Before founding OIG, Frank served in various roles at Allco Finance Group, including Head of Business Transition and Operations, Managing Director of the Hong Kong Office, Director in the corporate finance team and General Counsel.

Frank has been a non-executive director of several companies, including manager of a Singapore listed property trust and an APRA regulated insurance company. He has more than 10 years' experience working in major law firms in Australia and the United Kingdom, specialising in mergers and acquisitions, capital markets, funds management and corporate governance.

Frank has a Masters in International Business Law from the University of Technology, Sydney and a Bachelor of Law (with Honours) from the University of Leicester.

Justin Epstein – Executive Director

Prior to establishing OIG in 2009, Justin was the Investment Director of one of Australia's most significant private investment houses. The investment house was diversified in terms of asset class, geographical and economic sector investment and had significant international investments in sectors including banking and financial services, petroleum, aviation and property. Justin was responsible for sourcing and leading investment opportunities. In this role, Justin was also Head of Corporate Finance for Global Aviation Asset Management, one of the world's largest aircraft lessors, managing a modern portfolio of 53 aircraft on long term operating leases to airlines around the world.

Justin has previously worked in group strategy and business development for a major Australian investment bank, for the corporate finance restructuring division of Ernst & Young and for a specialised private property finance and investment group. Justin is a director of a private investment company primarily focused on equity investments and distressed debt opportunities.

Justin holds a Bachelor of Commerce (with Distinction) from the University of New South Wales and is a Fellow of the Financial Services Institute of Australia.

7. Directors' recommendation

Having regard to the matters set out in this Explanatory Statement and subject to no superior proposal emerging, the board of directors of ALML, the responsible entity of the Fund:

- unanimously recommend that unitholders vote in favour of Resolutions 1 and 2; and
- subject to any voting restrictions, intend to vote in favour of Resolutions 1 and 2 in respect of any units in the Fund which they own or control in their personal capacity as at the date of the Meeting.

As at the date of this Explanatory Statement, ALML has not received any proposal that is superior to that envisaged by the Transaction.

Further Information

If you have any queries in relation to the proposed meeting or the matters set out in this Notice of Meeting, please call, Robyn Allam of OIG on 02 8277 0000.