



Australian Agricultural Company Limited
ABN 15 010 892 270

AAco to sell Meteor Downs Station to Xstrata Coal

ASX Announcement No. 49/2011

22 June 2011

Australian Agricultural Company Limited (AAco) announces it has entered into a binding agreement to sell the Meteor Downs Station, bare of cattle and plant, to Xstrata Coal Queensland Pty Ltd for \$21.6 million cash.

The Meteor Downs property is located near Emerald in central Queensland. AAco currently operates the property for breeding and genetic improvement. AAco will transfer activities currently at Meteor Downs to alternative properties.

AAco Managing Director and CEO David Farley said the sale offered compelling value for AAco shareholders:

"The price agreed with Xstrata Coal is well in excess of the book value of the Meteor Downs property and represents exceptional value for AAco shareholders. It underlines the strength and core value of the property holdings and supports the balance sheet of the Company.

"The sale of Meteor Downs is part of a process of realigning AAco's property holdings to reflect the ongoing business strategy. Meteor Downs had become a non-core asset. Capital released from the sale of Meteor Downs will be redeployed into other areas of the business, including increasing grazing land to support our northern trading operations and the beef processing facility we are planning in Darwin.

"Existing operations at Meteor Downs Station will be transferred to alternative AAco properties with minimal disruption to the business expected from the sale," Mr Farley said.

The sale of Meteor Downs is scheduled to complete in mid August 2011.

-- ends --

AAco

Australian Agricultural Company Limited – AAco (ASX:AAC) – is the largest beef cattle company in Australia. AAco was established in 1824 and is the oldest continuously operating company in Australia during the period.

For further information contact:

Analyst/ investors

David Farley
CEO, AAco
(07) 3368 4400

Media

Stuart Carson
0403 527 755