Australian Agricultural Company Limited
ABN 15 010 892 270

Darwin Abattoir Construction Update

ASX Announcement No. 23/2013 **19 April 2013**

The Australian Agricultural Company Limited (AACo) today announced the completion of stage one civil works for its proposed $85 million Darwin Abattoir.

AACo Managing Director David Farley said final design and tenders for the next stage of the build were nearing finalisation.

He said AACo plans to fund the construction off its own balance sheet.

“AACo has had numerous discussions with potential joint-venture partners, but as indicated previously, AACo will only consider a joint venture if the partner brought strategic value to the project, such as logistics or distribution capability, on terms acceptable to AACo” he said.

“AACo is unwilling to consider a pure equity investment from third parties without this sort of strategic alignment.”

“The previously announced proposed sale of the Brighton Downs station and the smaller Adelong property in Queensland will allow AACo to redeploy capital from non-strategic land assets to higher value-adding beef processing assets in Northern Australia, consistent with AACo’s previously stated strategy.”

Mr Farley said construction is on track to begin operation around the end of the calendar year.

“AACo has received good interest from other northern pastoralists who are willing to commit supply to the abattoir and also from product off-take customers,” he said.

“The proposed Darwin abattoir will be a transformative project for the northern Australian beef sector, providing a world-class facility to enable product to be shipped to Asian markets faster and more cost effectively.”

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