

**ASX Circular****Date:** 13 September 2013**Key topics**

1. Australian Agricultural Company Limited
2. Accelerated Non Renounceable Entitlement Offer
3. ASX Code: AAC

Reading List

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No responsibility is accepted for any inaccuracies contained in the matter published.

AUSTRALIAN AGRICULTURAL COMPANY LIMITED – ACCELERATED NON RENOUNCEMENT ENTITLEMENT OFFER

Participating Organisations are advised that on 12 September 2013, Australian Agricultural Company Limited (the “Company”) announced a 7 for 10 accelerated non-renounceable pro rata entitlement offer of new ordinary shares at an issue price of \$1.00 per share (the “Offer Price”) to raise up to approximately \$219.2 million (the “Entitlement Offer”). The Company has also announced a placement of subordinated convertible notes maturing in September 2023 (“Convertible Notes”) to AA Trust to raise approximately \$80 million (the “Placement”).

The Entitlement Offer has two components:

- an institutional entitlement offer to raise approximately \$139 million, where offers have been made to qualifying institutional shareholders for them to apply for their pro-rata entitlement (the “Institutional Entitlement Offer”); and
- a retail entitlement offer to raise approximately \$80 million, where offers will be made to qualifying retail shareholders for them to apply for their pro-rata entitlement (“Retail Entitlement Offer”).

The Entitlement Offer will be managed and fully underwritten by UBS AG, Australia Branch. AA Trust will also provide a sub-underwriting commitment in respect of the Institutional Entitlement Offer of approximately \$34.6 million.

The Record Date for the Entitlement Offer is Tuesday, 17 September 2013.

The Retail Entitlement Offer is expected to close on Tuesday, 8 October 2013.

New ordinary shares issued under the Entitlement Offer will rank equally with existing ordinary shares on issue.

The anticipated timetable in relation to the Entitlement Offer is set out below.

Date	Event
Thursday, 12 September 2013	Trading Halt commences Institutional Entitlement Offer
Monday, 16 September 2013	Results of Institutional Entitlement Offer announced Trading Halt lifted – ordinary shares recommence trading (ASX Code: AAC)
Tuesday, 17 September 2013	Record Date for Entitlement Offer - 7:00pm (AEST)
Friday, 20 September 2013	Retail Entitlement Offer opens Retail Offer Booklet sent
Thursday, 26 September 2013	Settlement of shares under the Institutional Entitlement Offer
Friday, 27 September 2013	Issue of shares under Institutional Entitlement Offer Trading commences in shares issued under Institutional Entitlement Offer (ASX Code: AAC)
Tuesday, 8 October 2013	Retail Entitlement Offer closes
Friday, 11 October 2013	Announcement of results of Retail Entitlement Offer
Tuesday, 15 October 2013	Settlement of shares under Retail Entitlement Offer
Wednesday, 16 October 2013	Issue of shares under Retail Entitlement Offer Issue of Convertible Notes
Thursday, 17 October 2013	Trading commences in shares issued under the Retail Entitlement Offer (ASX Code: AAC). Issue of holding statements

Settlement issues

Despite the fact that securities are trading “ex entitlement” on ASX Trade, CHESS will not recognise for settlement purposes the “ex entitlement” or the “cum entitlement” tag on CHESS messages and CHESS will not maintain cum balances during the deemed “CHESS ex-period”, i.e. the period commencing on the deemed CHESS Ex-Date up to and including the record date. However, a record date cum balance will be available the business day following the record date, which will be equal to the registered holding balance at CHESS end of day on the record date. As a result any transfer that occurs prior to record date will be effectively transferred on a “cum” basis.

Therefore, Participants must ensure that any transfer, including the priming of Broker Entrepot Accounts, is conducted in accordance with the basis of quote. For example, a transfer in relation to a transaction conducted on an ex-basis should ordinarily only occur post record date.

CHESS will perform automatic diary adjustments to “cum entitlement” settlement obligations outstanding as at the record date.

Trading issues

ASX will not price a “cum” market with respect to trading in the Company’s securities. Persons who acquire the Company’s securities after the commencement of the trading halt on Thursday, 12 September 2013 are not entitled to participate in the Entitlement Offer.

Further information

For further details about the Company and the Capital Raising, please contact Sue Cato on +61 419 282 319 / cato@catocounsel or david Symons on +61 410 559 184 / david@catocounsel.com.au, or refer to the Company’s recent announcements.