

Rural Funds Group (RFF)



Rural Funds Management Ltd
ABN 65 077 492 838
AFSL 226701

Level 2, 2 King Street Deakin ACT 2600
Locked Bag 150 Kingston ACT 2604

P 02 6203 9700

F 02 6281 5077

E management@ruralfunds.com.au

W www.ruralfunds.com.au

ASX Release

24 November 2014

Subject: Olive orchard lease termination

The Rural Funds Group (RFF) owns a 320 hectare olive orchard located near Hillston NSW; the value of this orchard represents less than 0.5% of RFF's net assets. RFF had leased this orchard until December 2013 when RFF served a notice of termination on the lessee for serious breaches of the lease. The lessee subsequently disputed the termination, and in February 2014, RFF commenced proceedings in the NSW Civil and Administrative Tribunal to regain possession of the property. These proceedings are continuing and in accordance with orders from the NSW Civil and Administrative Tribunal, a directions hearing is scheduled this week.

On Friday 21 November 2014, RFF was served by the lessee with a New South Wales Supreme Court Statement of Claim, relating to the eviction proceedings in the NSW Civil and Administrative Tribunal. Orders sought by the lessee under the Statement of Claim include setting aside RFF's termination, a declaration that the lessee is entitled to remain in possession of the property under the lease, and damages amounting to \$4.5 million and losses of \$2.3 million. RFF considers this claim by the lessee to be without merit and will vigorously defend the action.

About Rural Funds Group (RFF)

RFF owns a diversified portfolio of high quality Australian agricultural assets. RFF's investment objective is to generate a stable income stream derived from leasing its assets to suitable counterparts and capital growth through any appreciation in the value of those assets. RFF is a stapled security, incorporating Rural Funds Trust (ARSN 112 951 578) and RF Active (ARSN 168 740 805), trading under the ASX code 'RFF'. Rural Funds Management Ltd (RFM) is the responsible entity of RFF.

For further information:

David Bryant
Managing Director
Rural Funds Management
T 02 6203 9700
E DBryant@ruralfunds.com.au

For media enquiries:

Stuart Waight
Chief Operating Officer
Rural Funds Management
T 0419 126 689
E SWaight@ruralfunds.com.au

For investor relations enquiries :

James Powell
Investor Relations & Distribution Manager
Rural Funds Management
T 0420 279 374
E JPowell@ruralfunds.com.au
