

ASX release

Central Queensland water allocation acquisition

17 December 2020

Rural Funds Management Limited (RFM) as responsible entity for the Rural Funds Group (ASX: RFF) advises that contracts have been exchanged with Sunwater Limited for the purchase of a 21,600 ML Medium Priority Lower Fitzroy River water allocation for \$32.4m.

The water will be sourced from the Rookwood Weir, which is being constructed 66 kilometres south-west of Rockhampton. The allocations, and 5,963 ML of additional Fitzroy River allocations previously acquired, will be applied to the development of up to 2,500 ha of macadamia orchards, and development of irrigation for cropping and cattle production.

A deposit equal to 10% of the purchase price is payable in instalments within 18 months of the execution of the contracts. The balance will be payable following the completion of several conditions precedent including successful commissioning of the Rookwood Weir Project. It is anticipated that completion will occur in 2023.

Rural Funds Group (ASX: RFF)

Rural Funds Group is an agricultural Real Estate Investment Trust (REIT) listed on the ASX under the code RFF. RFF owns a diversified portfolio of Australian agricultural assets which are leased predominantly to corporate agricultural operators. RFF targets distribution growth of 4% per annum by owning and improving farms that are leased to good counterparties. RFF is a stapled security, incorporating Rural Funds Trust (ARSN 112 951 578) and RF Active (ARSN 168 740 805).

Rural Funds Management Limited (RFM)

Rural Funds Management Limited is the responsible entity and manager of RFF. RFM is an agricultural fund and asset manager established in 1997. The management team includes specialist fund managers, finance professionals, horticulturists, agronomists and other agricultural managers. RFM's company culture is informed by its long-standing motto "Managing good assets with good people".

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