

ASX release

Subject: Managed investment Trust notice providing estimated taxable components for distribution record date 31 December 2020

28 January 2021

Rural Funds Management Limited (RFM) as responsible entity for the Rural Funds Group (ASX: RFF) considers RFF is a withholding managed investment trust (and an AMIT) for the purposes of Subdivision 12-H and Division 12A of the *Taxation Administration Act 1953* (Cth) in respect of the financial year ending 30 June 2021.

Set out below are the estimated taxable components of the distribution with a record date of 31 December 2020. These components are provided for the purposes of the Subdivision 12-H of the *Taxation Administration Act 1953* (Cth) and should not be used for any other purpose. The components are estimates only – the actual components for the income year ending 30 June 2021 will be provided in the 2021 Attribution Managed Investment Trust (AMIT) Member Annual Statement which is sent to Unitholders in September 2021.

Component	Cents per unit
Other Australian taxable income - unfranked	1.6504
Non-Concessional MIT income – Non primary production ¹	0.3702
Interest income	0.0001
Dividend income	0.0000
Discounted capital gain (TAP) - Discounted	3.2457
Tax deferred – Other non-attributable amounts	0.0000
Total	5.2664
Cash distribution	2.8203

RFM notes that according to the AMIT regime, where the attribution amount² exceeds the cash distribution, the excess may be used to increase the tax cost base for capital gains tax purposes.

For the purposes of section 12-395 of Schedule 1 of the *Taxation Administration Act 1953* (Cth), this distribution includes “fund payments” in respect of the financial year ending 30 June 2021 of 8.512 cents per Unit. The components are set out below:

Component	Cents per unit
Other Australian taxable income – unfranked	1.6504
Non-Concessional MIT income – Non primary production ¹	0.3702
Discounted capital gain (TAP) - Gross	6.4914
Fund payments	8.5120

Australian resident Unitholders should not rely on this notice for the purpose of completing their income tax returns.

¹ Non-Concessional MIT income is derived from agricultural land assets purchased after 27 March 2018. A withholding tax rate of 30% is payable by foreign entities on this component.

² Includes income such as Australian income, capital gains, foreign income and other non-assessable amounts.

More information can be found on the ASX website at www.asx.com.au using the Fund's ASX code "RFF", on the Responsible Entity's website www.ruralfunds.com.au, by calling RFM Investor Services on 1800 026 665, or by emailing investorservices@ruralfunds.com.au.

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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