

ASX release

Subject: Successful Completion of Institutional Entitlement Offer

9 July 2021

Rural Funds Management Limited (“**RFM**”), the responsible entity and manager of Rural Funds Group (“**RFF**”), advises the successful completion of the institutional component of its fully underwritten 1 for 8.4 accelerated pro-rata non-renounceable entitlement offer (“**Institutional Entitlement Offer**”) announced to the market on 8 July 2021, raising approximately \$30 million. The retail component of the entitlement offer (“**Retail Entitlement Offer**”) will raise a further approximately \$70 million, taking the total size of the entitlement offer to approximately \$100 million (“**Equity Raising**”).

New units will be issued at a fixed price of \$2.47 per unit in RFF and will rank equally with existing units from allotment.

The purpose of the Equity Raising is to provide capital for:

- The development of 1,000 ha of macadamia orchards;
- The acquisition of cattle properties to be leased to corporate lessees; and
- The acquisition of up to 8,338 ML of water entitlements for \$38.4 million which are leased to a private farming company for five years.

The Equity Raising is fully underwritten by UBS AG, Australia Branch, Bell Potter Securities Limited and Wilsons Corporate Finance Ltd.

Institutional Entitlement Offer

The Institutional Entitlement Offer was well supported by existing unitholders, with approximately 83% take-up by eligible institutional unitholders. Pleasingly take-up by eligible institutional unitholders in Australian and New Zealand was in excess of 99%. The shortfall under the Institutional Entitlement Offer attracted very strong demand with broad support from both existing unitholders and new investors. New units issued under the Institutional Entitlement Offer are expected to settle on Wednesday, 21 July 2021. Allotment and commencement of normal trading on the ASX of these new units is expected to occur on Thursday, 22 July 2021.

Eligible retail unitholders also have the opportunity to apply and pay for their entitlements before 5.00pm (AEST) on Tuesday, 20 July 2021 to have new units allotted on the same day as units issued under the Institutional Entitlement Offer.

Retail Entitlement Offer

The Retail Entitlement Offer will open at 9.00am (AEST) on Wednesday, 14 July 2021 and close at 5.00pm (AEST) on Wednesday, 28 July 2021. Retail unitholders who hold units in RFF as at 7.00pm (AEST) on the record date of Monday, 12 July 2021 and have a registered address in Australia or New Zealand (“**Eligible Retail Unitholders**”) will be invited to participate in the Retail Entitlement Offer at the same offer price, being \$2.47 and offer ratio, being 1 for 8.4 as the participants in the Institutional Entitlement Offer.

Further details on the Retail Entitlement Offer are set out in the booklet (“**Retail Offer Booklet**”) that will be dispatched to Eligible Retail Unitholders on Wednesday, 14 July 2021. If you have any questions about

the Retail Entitlement Offer, please do not hesitate to contact RFM Investor Services on 1800 026 665 (from within Australia) or +61 2 6203 9700 (from outside Australia) between 8:30am and 5:00pm (Sydney time), Monday to Friday during the Retail Entitlement Offer period.

Units in RFF are expected to recommence trading on an ex-entitlement basis from market open today.

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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