Rural Funds Group | ASX: RFF

Managed by:
Rural Funds Management
Managing good assets with good people

Acquisition and equity raising

8 July 2021

Disclaimer and glossary of terms

Rural Funds Management

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Glossary

Adjusted NAV - Net Asset Value (NAV) adjusted for the independent valuation of water entitlements, in excess of cost; **Adjusted total assets** - Total assets adjusted for the independent valuation of water entitlements, in excess of cost; **ASX** - Australian Securities Exchange; **AFFO** - Adjusted funds from operations, a financial metric used in the REIT sector to measure available cash flow from operations (adjustment relates to non-cash tax expense); **CAGR** - Compound annual growth rate; **Counterpart** - A party other than RFF involved in a financial transaction, usually referring to the lessee of a property; **CPI** - Consumer Price Index; **CY** - Calendar year; **EYCI** - Eastern Young Cattle Indicator; **Fair value** - Value of an asset as determined by an independent valuation; **FY22** - Financial Year ending 30 June 2022; **Gearing** - Calculated as external borrowings/adjusted total assets; **Group** - Term used for the Rural Funds Group; **ha** - Hectare(s); **HY21** - Half-year ended 31 December 2020; **IRR** - Internal Rate of Return assuming leverage in-line with RFF target gearing; **LVR** - Loan to valuation ratio, a bank covenant calculated as debt divided by tangible assets (including water entitlements); **ML** - Megalitre(s); **m** - Million(s); **NAV** - Net asset value, calculated as assets less the value of liabilities (water entitlements recorded at the lower of cost or fair value); **Pro forma** - Financial statements based on certain assumptions and projections; **Total assets** - Total value of assets as presented on the balance sheet (water entitlements recorded at the lower of cost or fair value); **REIT** - Real Estate Investment Trust; **RFF** - Rural Funds Group (ASX:RFF); **RFM** - Rural Funds Management Limited, manager and responsible entity for RFF; **2H21** - Second half of the financial year ended 30 June 2021.

Pivot irrigation at Comanche, central Queensland, May 2021.

Rural Funds Management

Managing good assets with good people

Presenters

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Contents

1 Purpose of the Equity Raising

Macadamia planting material Glendorf, central Queensland, May 2021.

Overview

Equity Raising for macadamia developments, cattle acquisitions and an accretive water transaction.

Purpose	• The purpose of the Equity Raising is to provide capital for: 1. The development of 1,000 ha of macadamia orchards; 2. To acquire cattle properties to be leased by corporate lessees; and 3. The acquisition of up to 8,338ML of water entitlements for $38.4m[1] ("Water Entitlements") which are leased to a private farming company for five years, on AFFO accretive terms.
Fund update	• FY21 forecast AFFO of 11.7 cents per unit (cpu) confirmed. • FY21 financial accounts will include independent valuations in 2H21 for 58% of total adjusted assets including almond orchards, vineyards, cattle properties, newly-developed macadamia orchards and a cropping property.[2]
Equity Raising	• Fully underwritten 1-for-8.4 accelerated non-renounceable entitlement offer ("Equity Raising") to raise $100m at an issue price of $2.47. • Proceeds will be used for macadamia orchard developments, potential acquisitions (most likely in the cattle sector), and to purchase Water Entitlements. • RFM and its Directors will participate in the Equity Raising as described on page 12.
Financial impact and forecasts	• FY22 forecast AFFO of 11.6 cpu; accretion from additional acquisitions and finalisation of macadamia lessee. • Pro forma gearing of 23.9%[3]; below RFF's target range of 30–35% and provides pro forma balance sheet capacity of up to approx. $185m. • FY22 forecast distributions of 11.73 cpu confirmed; representing a 4% increase on FY21.

Notes:
1. The Water Entitlements are being acquired in two tranches. Contracts have been exchanged for 6,533 ML, there is a risk that the balance may not exchange.
2. Independent valuations for 2H21 to be included as part of the FY21 accounts: almond orchards (all), vineyards (all), macadamia orchards (Cygnet, Nursery Farm), cattle properties (Natal aggregation, Cobungra, Mutton Hole and Oakland Park) and cropping property (Lynora Downs).
3. Gearing is calculated as external borrowings/adjusted total assets and is a 31 December 2020 pro forma as outlined in Section 3.

Macadamia development update

Macadamia developments once leased will provide material long term AFFO accretion.

- In FY20 and FY21 RFF acquired $104m land and water in Rockhampton, Bundaberg and Maryborough for the development of 5,000 ha of macadamia orchards.
  - As these assets currently achieve low rates of return, RFM has reduced its FY22 management fee to zero for this portion of the portfolio.[1]
- Planting has commenced at Maryborough and 500 ha will be planted by November 2021.
  - An additional 500 ha to be completed by June 2022.
  - The remaining 4,000 ha will be developed as lessees are identified.
- Lessee update:
  - RFF will lease the macadamia orchards at a time that achieves the best return on investment, whilst balancing the need to generate funds from operations.
  - Leasing the orchards is not a question of "if", but a question of return on capital.
  - RFM is in discussion with several institutional and corporate lessees.
  - Planted orchards are tangible assets and more marketable than green field developments. As the orchards mature, they increase in value and may be leased at higher rates.
- Arrangements in place to generate additional income during development:
  - Cropping from primarily sugar cane production; and
  - Cattle properties are generating agistment income.

Maryborough orchard development

Land preparation and irrigation system installation, central Qld, May 2021.

Macadamia tree planting, central Queensland, June 2021

Note:
1. $104m includes Rockhampton - 'Rookwood Farms' properties and Rookwood Weir water deposit (see page 7); Bundaberg - Swan Ridge South, Cygnet and Nursery Farm; and Maryborough – 25 cropping properties and water. Management fees will only be charged when assets generate market rates of income via leasing as cattle, cropping or macadamia orchards.

Cattle and cropping acquisitions

The Equity Raising provides $100m of capital for cattle and cropping acquisitions.

- The capital requirements of the development of 1,000 ha macadamia orchards (including Rookwood Weir water settlement)[1] equals $85m. The Equity Raising net of these commitments provides $100m of pro forma balance sheet capacity for cattle and cropping acquisitions.

- RFM, in conjunction with several corporate lessees, are seeking to acquire additional cattle properties.

- RFM has identified cropping opportunities with significant development potential.

Macadamia development locations[2]

Note:
1. Includes contracted acquisition of 21,600 ML sourced from the Rookwood Weir. The water is contracted for $32.4m, payable (less a deposit of 10%) following the completion of several conditions precedent including successful commissioning of the Rookwood Weir Project (anticipated 2023).
2. Map includes additional central Queensland RFF assets.

Replicating proven strategies

RFM has a successful track record of executing productivity and higher and better use development strategies.

Case study: Productivity improvements

Name and location	▪ Comanche - Glenroy, central Queensland
Description	▪ 7,600 ha cattle property
Purchase date and price	▪ July 2018, $16.7m
Productivity initiatives	▪ Development of water points, irrigation, cultivation area and pasture improvement (total capex of $3.2m).
Current value and IRR	▪ $23.4m (December 2020) >15% return since acquisition.
Other properties where strategy being deployed	▪ Cattle: Rewan, Mutton Hole, Oakland Park, Natal Aggregation, Cerberus, Dyamberin, Woodburn, Cobungra, Petro/High Hill/Willara and Homehill. ▪ Cropping: Lynora Downs and Mayneland.

Comanche cattle property, central Queensland, February 2020.

Case study: Higher and better use development

Name and location	▪ Mooral - Hillston, New South Wales
Description	▪ 3,841 ha cropping and grazing property
Value at RFF listing	▪ February 2014, $42m
Higher and better use initiatives	▪ Development of 808 ha almond orchard, additional land used for cropping (total capex, including water acquisitions, approx $14.3m).
Sale value and IRR	▪ Sold for $98m (December 2020) >15% return since listing.
Other properties where strategy being deployed	▪ 5,000 ha of macadamia orchards to be developed on Maryborough, Bundaberg and Rockhampton properties.

Mooral almond orchard, Riverina, New South Wales, March 2020.

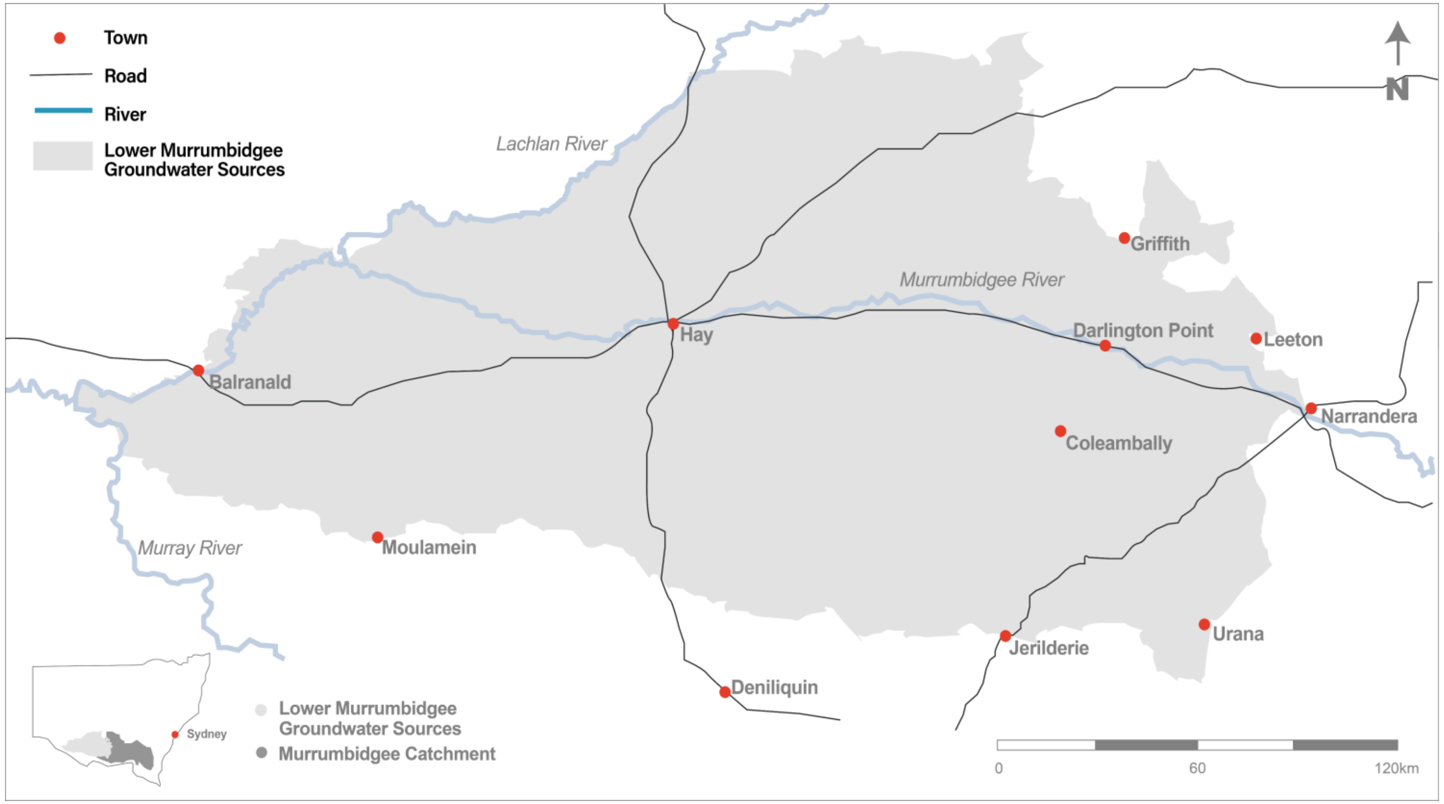
Water Entitlements acquisition

RFM believes demand for secure water in this region will increase over the long term, as permanent plantings such as almond orchards, continue.

Water Entitlements

Asset	• 8,338ML Lower Murrumbidgee Groundwater water entitlements[1]
Lessee	• Large private cropping operator (primarily cotton) based in NSW Riverina.
Purchase price	• $38.4m including transaction costs
Lease term	• 5 years
Indexation	• 2.0%
Payment	• Annual

Lower Murrumbidgee Groundwater area



Note:
1. The Water Entitlements are being acquired in two tranches. Contracts have been exchanged for 6,533 ML, there is a risk that the balance may not exchange.

Financial impact

FY22 AFFO 11.6 cpu. Accretion from additional acquisitions and finalisation of macadamia lessee.

Forecasts and gearing

- FY22 forecast AFFO 11.6 cpu.
  - AFFO accretion to be driven by finalisation of macadamia lessee arrangement and additional acquisitions.
- Pro forma gearing of 23.9%[1] is below RFF's target range of 30–35%.
  - Provides pro forma balance sheet capacity of up to approx. $185m.
- FY22 forecast distribution of 11.73 cpu confirmed.
  - Reflects 4% growth over FY21 and is in line with annual growth target.

Sources of funds

Sources of funds	$m
Equity raising	100.0
Total	**100.0**

Uses of funds

Uses of funds	$m
Water Entitlement	38.4
Debt reduction	58.6
Transaction costs	3.0
Total	**100.0**

Note:
1. Gearing is calculated as external borrowings/adjusted total assets and is at 31 December 2020 pro forma adjusted as outlined in Section 3.

2 Equity raising details and conclusion

Cattle grazing at Comanche, pivot in background, central Queensland, May 2021.

Equity raising details

Fully underwritten 1 for 8.4 accelerated non-renounceable entitlement offer to raise $100m.

Equity raising details

Structure	• Fully underwritten 1 for 8.4 accelerated non-renounceable entitlement offer to raise $100m. • Record date for Entitlement Offer is 12 July 2021 at 7.00pm (AEST) • Entitlement Offer will comprise an accelerated Institutional Entitlement Offer and a Retail Entitlement Offer
Pricing	• Offer price of $2.47 per unit, representing: – 5.0% discount to the last close price of $2.60 on 7 July 2021 – 5.6% discount to the 5-day VWAP to 7 July 2021 of $2.62 – 4.5% discount to the theoretical ex-rights price ("TERP") of $2.59[1] – Forecast FY22 distribution yield of 4.7%[2]
Ranking	• New Units will rank equally with RFF's existing Units and will be entitled to the distribution payable from the quarter ending 30 September 2021.
RFM and Directors' participation	• RFM and Managing Director David Bryant collectively hold approximately 4.5% of RFF units on issue and have committed to take up a minimum of $1.5m and may take up more of their entitlement. RFM Chairman Guy Paynter and Director's Michael Carroll and Julian Widdup hold 0.6% of RFF units on issue and have committed to take up their entitlement in full amounting to approximately $0.6m.
Retail Offer jurisdictions	• Registered addresses for retail investors - Australia and New Zealand.
Adviser and Underwriters	• Highbury Partnership Pty Limited are Advisers to the Equity Raising. • UBS AG, Australia Branch, Bell Potter Securities Ltd and Wilsons Corporate Finance Ltd are Joint Lead Managers and Underwriters to the Equity Raising.

Notes:
1. TERP is calculated with reference to the last close price of $2.60 on 7 July 2021.
2. Based on RFF's FY22 distribution guidance of 11.73 cents per unit.

Timetable

Retail Entitlement Offer closes 28 July 2021. Participating investors are encouraged to use the BPAY details on their Entitlement Offer and Acceptance Form, or by contacting RFM Investor Services.

Timetable

Event	Date
Trading halt and announcement of the Entitlement Offer	Thursday, 8 July 2021
Institutional Entitlement Offer	Thursday, 8 July 2021
Announcement of results of Institutional Entitlement Offer and trading recommences on an ex-entitlement basis	Friday, 9 July 2021
Entitlement Offer Record Date	7.00 PM, Monday, 12 July 2021
Retail Entitlement Offer Booklet dispatched and Retail Entitlement Offer opens	9.00 AM, Wednesday, 14 July 2021
Early Retail Entitlement Offer acceptances due	5.00 PM, Tuesday, 20 July 2021
Settlement of units issued under the Institutional Entitlement Offer and Early Retail Entitlement Offer	Wednesday, 21 July 2021
Allotment and normal trading of units issued under the Institutional Entitlement Offer and Early Retail Entitlement Offer	Thursday, 22 July 2021
Retail Entitlement Offer closes	5.00 PM, Wednesday, 28 July 2021
Settlement of new units issued under the Retail Entitlement Offer	Tuesday, 3 August 2021
Announcement of results of Retail Entitlement Offer	Wednesday, 4 August 2021
Allotment of remaining units issued under the Retail Entitlement Offer	Wednesday, 4 August 2021
Normal trading of remaining units issued under the Retail Entitlement Offer	Thursday, 5 August 2021

Note:
1. All dates and times are indicative only and subject to change. Unless otherwise specified, all dates and times refer to Australian Eastern Standard Time (AEST). Subject to the requirements of the Corporations Act, the ASX Listing Rules and any other applicable laws, RFF, in consultation with the Underwriters, reserves the right to amend this timetable at any time.

Conclusion

The Equity Raising provides capital for acquisitions and developments.

✓ **AFFO accretion:**

- Capital will be applied to acquire assets that will increase AFFO.
- AFFO will increase further when macadamia orchards are leased.

✓ **Higher and better use:**

- Macadamia developments will convert cattle and sugarcane land to a more intensive farming enterprise. Capital growth and income from these developments will generate higher returns, consistent with past almond developments.

✓ **Productivity gains:**

- Targeted cattle and cropping acquisitions will have potential for productivity gains consistent with past RFF acquisitions. Capital growth and income from these investments will generate higher returns.

RURAL FUNDS GROUP (ASX: RFF)

- ASX-listed agricultural Real Estate Investment Trust (REIT). Included in the S&P/ASX 300 index.
- **Owns** a diversified portfolio of agricultural assets leased predominantly to corporate operators.
- **Target distribution growth** of 4% per annum.
- **Income growth** achieved through lease indexation, productivity improvements and conversion of assets to higher and better use.
- **Managed** by a specialist agricultural farm and fund manager with over 24 years experience.

3 Appendices

Water storage at Lynora Downs, central Queensland, March 2021.

Pro forma 31 December 2020 summarised balance sheet

Pro forma gearing of 23.9% following the Equity Raising is below RFF's target range of 30–35% and provides pro forma balance sheet capacity of up to approx. $185m.

Summarised balance sheet

($m)	31 December 2020	Acquisition and Equity Raising	Pro forma
Cash	10.9	-	10.9
Adjusted property investments[1]	1,034.1	38.4	1,072.5
Plant and equipment	8.0	-	8.0
Other assets	10.9	-	10.9
Adjusted total assets	**1,064.0**	**38.4**	**1,102.3**
Interest-bearing liabilities:			
- Current	2.6	-	2.6
- Non-current	319.2	(58.6)	260.6
Other liabilities	60.9	-	60.9
Total liabilities	**382.8**	**(58.6)**	**324.1**
Adjusted net assets	**681.2**	**97.0**	**778.2**
Units on issue (m)	338.9	40.5	379.4
Adjusted NAV per unit[1] ($)	**2.01**	**0.04**	**2.05**
Gearing[2]	**30.2%**		**23.9%**
LVR[3]	**40.3%**		**34.8%**

Note:
1. Adjusted for water entitlements held at fair value. Water entitlements held at the lower of cost less accumulated impairment or fair value for statutory reporting purposes.
2. Calculated as external borrowings divided by adjusted total assets.
3. Calculated as term debt drawn plus limited guarantee of $99.9m (31 Dec 20: $82.5m) divided by directly secured assets based on independent valuations plus Water Entitlements.

Portfolio overview

Diversification by climatic zone, sector and lessee.

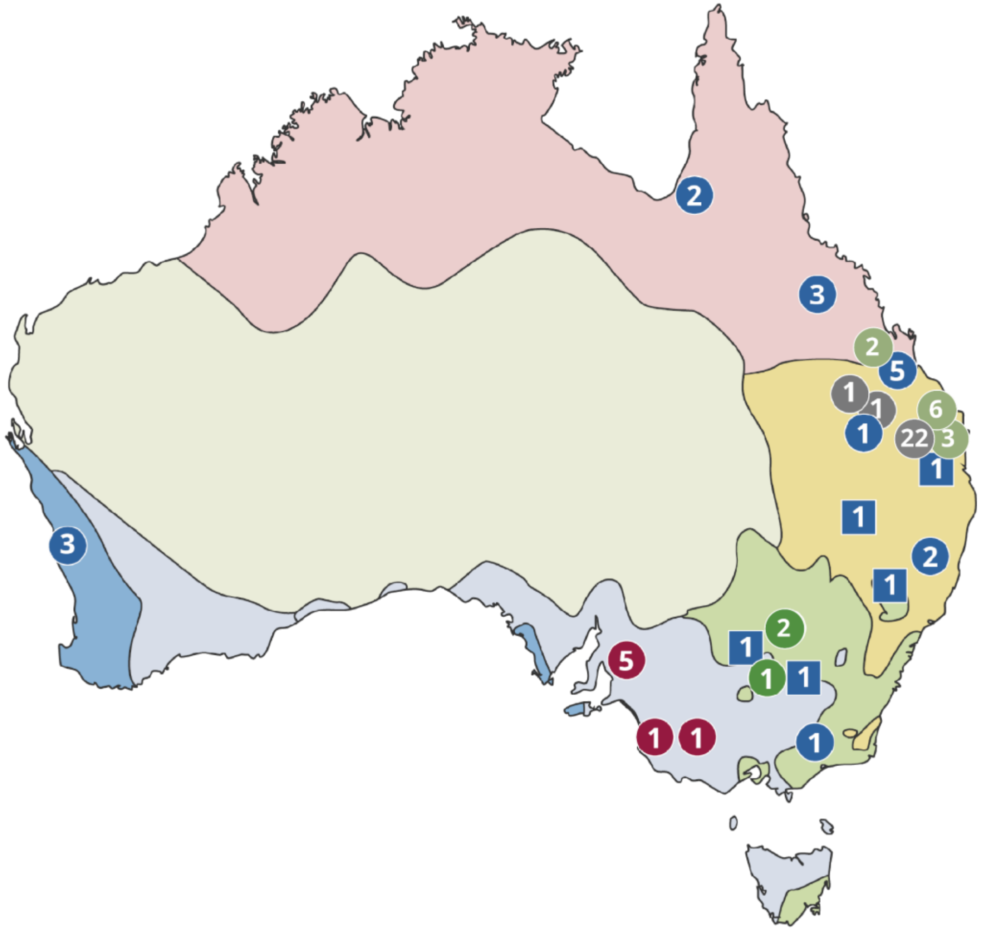
Assets map, sector information and key lessees[1, 2]

Cattle 41%

Properties:	22
Description:	672,665 ha of breeding and backgrounding land. 150,000 head feedlot capacity.
HY21 value:	$357.8m
FY22f revenue:	$29.1m (41%)
Water entitlements:	11,456 ML
Corporate and listed lessees:	JBS, AA Co, Stone Axe

Vineyards 6%

Properties:	7
Description:	666 ha of mature vineyards.
HY21 value:	$63.4m
FY22f revenue:	$4.2m (6%)
Water entitlements:	936 ML
Corporate and listed lessees:	Treasury Wine Estates



Almonds 41%

Properties:	3
Description:	4,139 ha of established orchards.
HY21 value:	$382.1m
FY22f revenue:	$28.6m (41%)
Water entitlements:	55,396 ML
Corporate and listed lessees:	Olam, Select Harvests

Cropping 10%

Properties:	24
Description:	11,962 ha of irrigated cropping and dryland cropping land.
HY21 pro forma value:	$153.9m
FY22f revenue	$6.4m (10%)
Pro forma water entitlements:	46,260 ML
Corporate and listed lessees:	Queensland Cotton

Macadamias 2%

Properties:	11
Description:	273 ha of established orchards (4 properties). 500 ha of orchards under development (8 properties).
HY21 value:	$58.0m
FY22f revenue:	$1.3m (2%)
Water entitlements:	3,892 ML

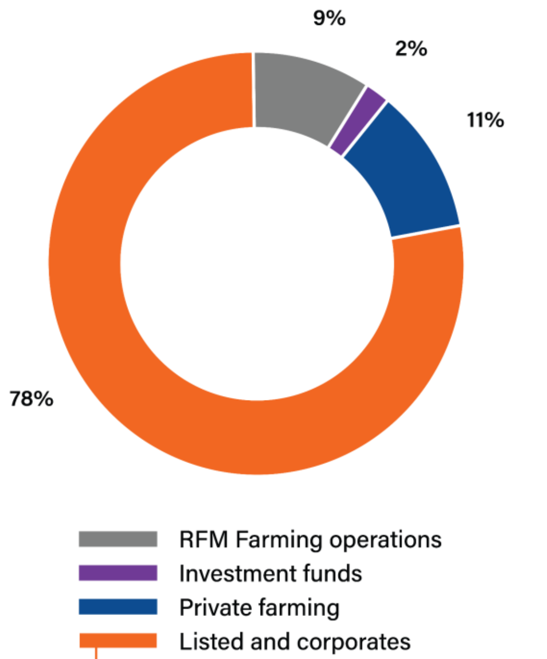
Note:

1. Shaded areas denote climatic zones differentiated by rainfall seasonality. Source: Bureau of Meteorology; see Climatic Diversification discussion paper, 20 June 2016. Numbers in the circles/boxes on map show number of assets. Blue square boxes denote cattle feedlots. Murrumbidgee HS water entitlement (8,754 ML) with a value of $65.2m not shown.
2. Cropping value based on pro forma for 31 December 2020 and includes Lower Murrumbidgee Groundwater water entitlements (8,338ML) with a purchase price of $38.4m.

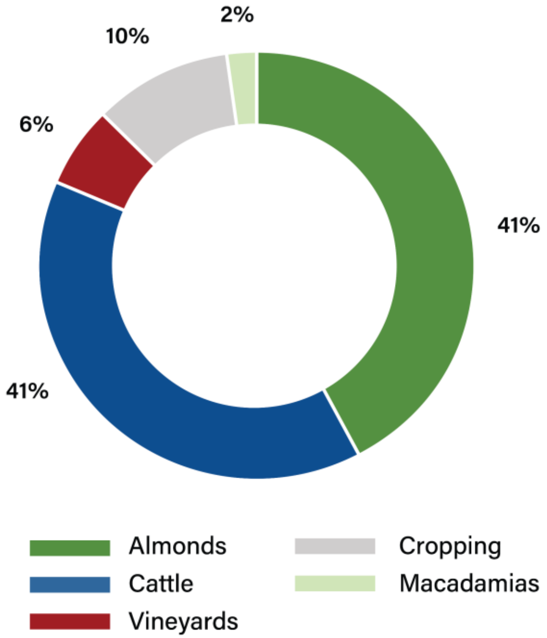
Revenue by lessees type, sector and indexation

Assets are leased predominantly to corporate agricultural operators.

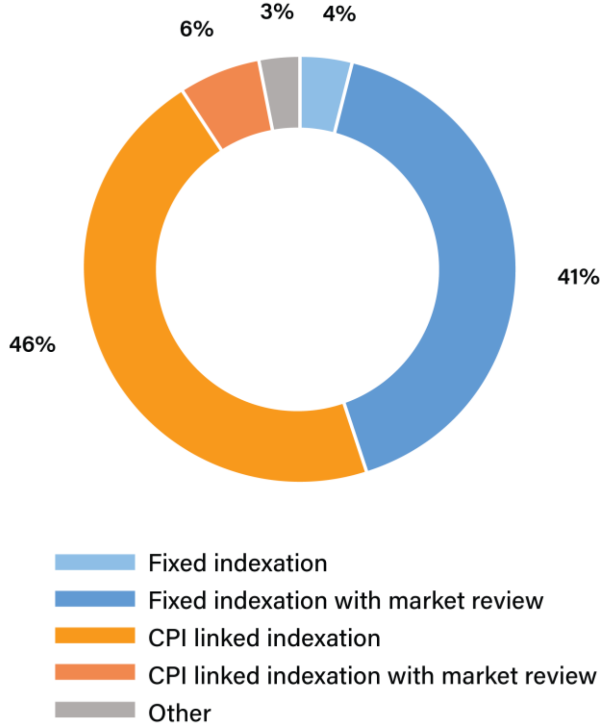
Revenue by lessees and counterparts[1]



Revenue by sector [2]



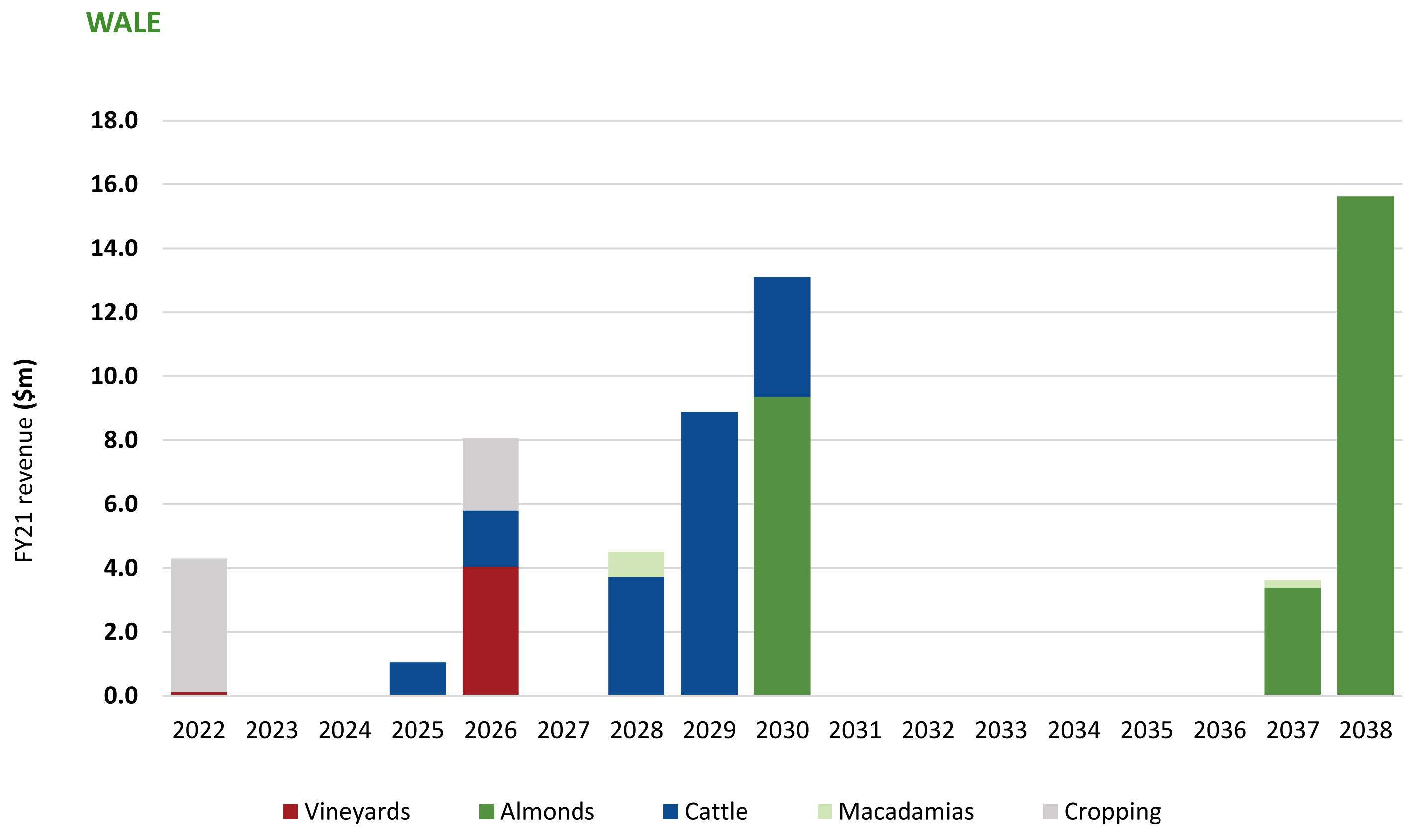
Revenue by lease indexation and mechanisms[3]



Notes:
1. Figures shown are subject to rounding. Lessees shown by FY22f revenue. Olam refers to Olam Orchards Australia Pty Ltd, a wholly owned subsidiary of SGX-listed Olam International Ltd (SGX: O32). Income from J&F Australia Pty Ltd attributed to JBS Australia. Cotton JV income split 50% RFM and 50% listed and corporate (Queensland Cotton Corporation Pty Ltd). Excludes non-lessee income e.g. annual water allocation sales and properties not leased.
2. Figures shown are subject to rounding. Excludes assets not leased and other income.
3. Figures shown are subject to rounding. 'Other' includes breeder finance lease.

Weighted average lease expiry

Weighted average lease expiry (WALE) of 9.7 years.



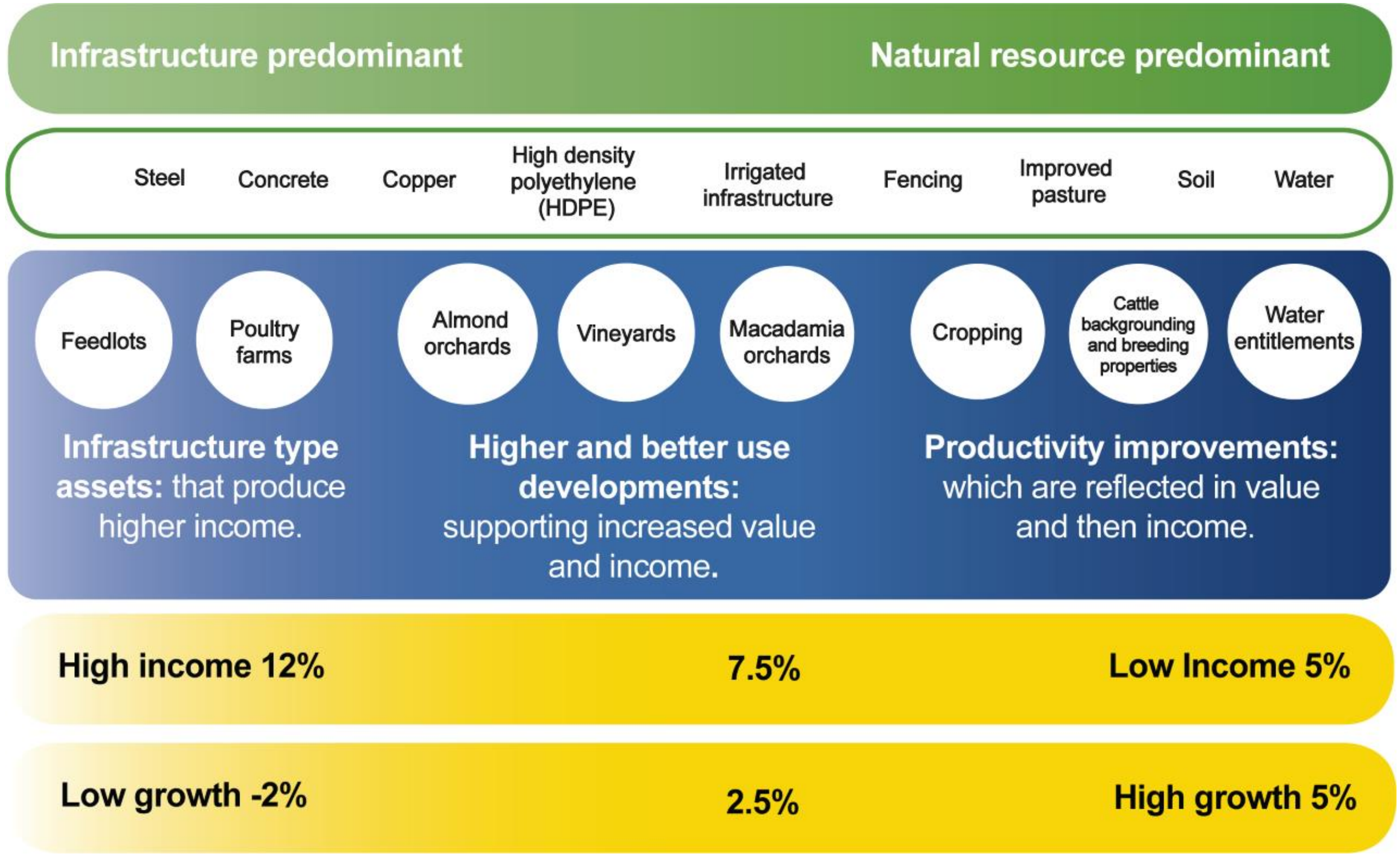
Note:

1. Excludes assets not leased and other income. Weighted average lease expiry (WALE) calculated as the FY22 forecast rent and the year of lease expiry.

Investment strategy

Productivity improvements and higher-and-better-use development strategies aim to increase total returns and AFFO generation.

Spectrum of investment opportunities[1]



Note:
1. The income and growth figures presented in the chart above have been provided to differentiate the profile of income and growth that can be derived from different assets. They are based on RFM's experience and historical observations of agricultural lease transactions and historical rates of growth. They are neither forecasts nor projections of future returns. Past performance is not a guide to future performance.

Valuations, valuers and lease expiry

Policy to conduct independent valuations at least every two years and rotation of valuers.

Property valuation details[1]

	Property by sector	State	Brief description	Acquisition date	Adjusted property value 31 December 2020	Valuation date (reporting date)	Valuation	Valuer
Almonds	Yilgah	NSW	1,006 ha orchard	Jun-2008	$ 105.8m	Jun-2020	$ 105.0m	JLL
	Tocabil	NSW	603 ha orchard	Oct-2014	$ 47.2m	Jun-2020	$ 47.0m	JLL
	Kerarbury	NSW	2,530 ha orchard	Oct-2015	$ 224.6m	Jun-2020	$ 223.0m	JLL
Cattle	Rewan	QLD	17,479 ha property	Aug-2016	$ 50.4m	Dec-2020	$ 50.4m	JLL
	Mutton Hole	QLD	140,300 ha property	Jul-2016	$ 9.4m	Jun-2019	$ 8.7m	CBRE
	Oakland Park	QLD	85,500 ha property	Aug-2016	$ 5.9m	Jun-2019	$ 5.4m	CBRE
	Natal Aggregation	QLD	390,600 ha property	Dec-2017	$ 64.7m	Dec-2019	$ 63.7m	JLL
	Comanche	QLD	7,600 ha property	Jul-2018	$ 23.4m	Jun-2020	$ 22.0m	CBRE
	Cerberus	QLD	8,280 ha property	Sep-2018	$ 13.9m	Jun-2020	$ 13.8m	CBRE
	Dyamberin	NSW	1,729 ha property	Oct-2018	$ 13.9m	Jun-2020	$ 13.9m	Colliers
	Woodburn	NSW	1,063 ha property	Jan-2019	$ 7.3m	Jun-2020	$ 7.3m	Colliers
	Cobungra	VIC	6,500 ha property	Mar-2019	$ 35.3m	Jun-2019	$ 35.0m	Colliers
	Petro Farm, High Hill & Willara	WA	6,195 ha property	Feb-2020	$ 21.5m	Jun-2020	$ 21.5m	JLL
	JBS Caroona, Mungindi, Prime City, Beef City, Riverina	NSW/ QLD	150,000 head feedlots (total)	Oct-2018	$ 55.4m	N/A	$ 53.4m	Purchase price (PP)
	Wattlebank	QLD	321 ha property	Jan-2020	$ 1.9m	Jun-2020	$ 1.8m	CBRE
	Homehill (inc. additional area acquired Dec-2020, $4.3m)	QLD	4,925 ha property	Jun-2020	$ 12.5m	Jun-2020	$ 12.1m	CBRE + PP
	Yarra	QLD	2,173 ha property	May-2020	$ 6.2m	Jun-2020	$ 6.2m	CBRE
Cropping	Lynora Downs	QLD	4,880 ha property	Dec-2016	$ 36.2m	Jun-2019	$ 33.1m	CBRE
	Mayneland	QLD	2,942 ha property	Sep-2018	$ 19.0m	Jun-2020	$ 17.5m	JLL
	Maryborough (22 properties)	QLD	4,140 ha property	Nov-2020	$56.4m	Dec-2020	$56.4m	CBRE
Macadamias	Swan Ridge	QLD	130 ha orchard	Mar-2016	$ 6.7m	Dec-2019	$ 6.4m	Colliers
	Moore Park	QLD	104 ha orchard	Mar-2016	$ 3.9m	Dec-2019	$ 4.0m	Colliers
	Bonmac	QLD	27 ha orchard	Mar-2016	$ 2.8m	Dec-2019	$ 2.9m	Colliers
	Cygnet	QLD	38 ha orchard	Oct-2019	$ 2.3m	N/A	$ 1.6m	PP
	Swan Ridge South	QLD	123 ha property	Mar-2020	$ 1.7m	N/A	$ 1.6m	PP
	Nursery Farm	QLD	34 ha orchard	May-2020	$ 4.7m	N/A	$ 2.2m	PP
	Riverton	QLD	1,015 ha orchard	Nov-2020	$ 6.5m	N/A	$ 6.5m	PP
	Stoneleigh	QLD	1,293 ha orchard	Dec-2020	$ 6.6m	N/A	$ 6.6m	PP
	Maryborough (3 properties)	QLD	1,118 ha orchard	Nov-2020	$ 18.5m	Dec-2020	$18.3m	CBRE
Vineyards	Kleinig	SA	206 ha vineyard	May-2002	$ 22.1m	Jun-2019	$ 22.7m	Colliers
	Geier	SA	243 ha vineyard	Sep-2000	$ 27.5m	Jun-2019	$ 28.2m	Colliers
	Dohnt	SA	30 ha vineyard	Sep-2004	$ 1.0m	Jun-2019	$ 1.0m	Colliers
	Hahn	SA	50 ha vineyard	Feb-2000	$ 5.1m	Jun-2019	$ 4.9m	Colliers
	Mundy and Murphy	SA	55 ha vineyard	Apr-2000	$ 4.0m	Jun-2019	$ 3.8m	Colliers
	Rosebank	VIC	82 ha vineyard	Aug-2003	$ 3.3m	Jun-2019	$ 3.4m	Colliers
Water	Unencumbered water entitlement - River	NSW	8,754 ML	Dec-2016	$ 65.2m	Jun-2020	$ 65.2m	JLL
	Adjusted property assets				$ 993.1m		$ 976.4m	

Note:

1. Valuations table as shown in the HY21 financial results presentation. Where no independent valuation has been conducted since acquisition, the purchase price and acquisition date has been listed. JBS Feedlots are not independently valued in financial statements as they are accounted for as a finance lease and are measured at amortised cost. Homehill includes an additional area purchased in December 2020, for $4.3m. Riverton and Stoneleigh are part of Rookwood Farms (aggregation) shown on page 7.

Development assets and capital expenditure

Productivity and higher and better use developments underway across most sectors.

Development and capital expenditure summary[1]

	Property	Acquisition date	Development type	Initial	Five-year developments	Capital expenditure Actual 1H21	Forecast 2H21f	Forecast FY22f	Total forecast
Cattle	Mutton Hole & Oakland Park. Qld	Jul 2016	Water points	102	21				
			Pasture improvement	20,000 ha	33,333 ha				
	Rewan. Qld	Oct 2019	Water points	82	0				
			Cultivation area	3,432 ha	250 ha				
			Pasture improvement	645 ha	200 ha				
	Natal aggregation, Qld	Dec 2017	Water points	96	50				
	Cerberus, Qld	Sep 2018	Cultivation area	0 ha	600 ha				
			Pasture improvement	0 ha	250 ha				
	Comanche, Qld	Jul 2018	Cultivation area	0 ha	342 ha				
			Irrigated area	0 ha	225 ha				
			Pasture improvement	172 ha	595 ha				
	Dyamberin, NSW	Oct 2018	Grazing area	1,175 ha	Existing area				
	Woodburn, NSW	Jan 2019	Grazing area	802 ha	Existing area				
	Cobungra, Vic	Mar 2019	Grazing area	4,221 ha	Existing area				
	Petro, High Hill, and Willara, WA	Feb 2020	Irrigated area	200 ha	Existing area				
			Grazing area	5,402 ha	Existing area				
	Capex					$4.1m	$2.8m	$8.9m	$15.7m
Cropping	Lynora Downs, Qld	Dec 2016	Water storage	10,405 ML	4,142 ML				
			Irrigated cropping	779 ha	781 ha				
	Mayneland, Qld	Sep 2018	Water storage	5,700 ML	2,900 ML				
			Irrigated cropping	485 ha	370 ha				
	Capex					$3.7m	$2.2m	$4.7m	$10.5m
Macadamias	Bundaberg, Qld (CY21)	Various	Orchard planting	0 ha	100 ha				
	Rockhampton, Qld (CY21)	Various	Orchard planting	0 ha	50 ha				
	Maryborough, Qld (CY21)	Nov 2020	Orchard planting	0 ha	350 ha				
	central Queensland (2H22)	Various	Orchard planting	0 ha	500 ha				
	central Queensland (FY23-26)	Various	Orchard planting	0 ha	4,000 ha				
	Capex					$2.4m	$12.2m	$41.9m	$56.5m
Almonds	Various, NSW	Various	Orchard capex	–	–				
	Capex					$4.2m	$1.5m	$1.9m	$7.5m

Note:
1. Five-year developments refer to development potential of assets. Pasture improvement includes stylo and leucaena. Cultivation area refers to development of additional areas for forage crops. Grazing area involves improving production of an existing area. Unallocated macadamia development area (4,000 ha) not included in forecast capital expenditure. Forecast capex includes rentable and non-rentable amounts.

Environment, social and governance (ESG)

Policies and procedures addressing ESG issues.

Environment

Climate change

- Climate diversification strategy.
- RFM will continue to monitor emissions and seek to implement infrastructure and practice changes. RFM considers climate change may present risks primarily in the form of residual risk of the assets at the end of the lease terms. These risks may be mitigated by how assets are managed. External valuations consider these types of factors as well as other risks when determining the valuations of the assets.

Management of natural resources

- Leases require operators to use appropriate agricultural production methods, including minimising environmental impact, protecting biodiversity, management of water and soil health.

Social

Employment

- RFM, as responsible entity of RFF, has a range of staff-related policies including code of conduct, HSE (health, safety and environment), incident management, diversity and equal opportunity. RFM has also implemented an extensive HSE management system to educate employees and contractors. The RFM Board receives a monthly HSE report.

Animal welfare

- RFM has policies and procedures in place that are explicit about animal health and welfare.

Community engagement

- RFM has committed $1m over three years to assist farmers in Tahen, Cambodia with agricultural practices to improve farm productivity.

Governance

Compliance committee

- RFM has an internal compliance committee consisting of representatives of different business units reporting to the RFM Board of Directors.

Conflicts of interest and related party transactions

- RFM always acts in the best interest of the unitholders of the funds it manages.
- RFM has a 'Conflict of Interest' Management Policy. Additional responsibilities are set out in RFF's Constitution, the Corporations Act, ASX Listing Rules and Australian Financial Services Licence.
- The RFM Board receives a monthly report covering compliance, any conflicts of interest and related party transactions.

RFM and Meat & Livestock Australia: reducing emissions on cattle properties

RFM is playing an active role in contributing to improved environmental outcomes within the livestock sector. The Australian red meat and livestock industry is currently responsible for 10% of all of Australia's greenhouse gas (GHG) emissions – 50% less than 2005. While the industry has already halved its GHG emissions, it continues to seek to reduce its environmental impact through a target to be carbon neutral by 2030.

As part of achieving this target, RFM and Meat & Livestock Australia (MLA) worked with Research Scientist, Dr Natalie Doran-Browne to analyse a selection of RFF's cattle properties. The study focused on assessing the *emissions intensity* of livestock production on the properties.

Emissions intensity calculates the GHG emissions generated per unit of farm product. In simple terms, lowering emissions intensity can be achieved by producing more kilograms of beef for the same level of GHG emissions.

The report calculated that, of the RFF properties analysed from 2016-17 to 2018-19, GHG emissions intensity declined by 17% on the New South Wales properties and 43% on the Queensland properties. A reduction of this magnitude is the equivalent of not running about 2,800 average Australian cars for a year.

The report identified productivity improvements such as increased feed quality, as well as improved animal management practices, as contributing factors to the results. As outlined in the preceding article, RFM is enhancing the productivity on RFF cattle properties by improving pastures and developing cultivation areas. These productivity improvements aim to accelerate daily weight gain of cattle, and therefore lower emissions intensity.

RFM and MLA's work will benefit the industry by increasing the awareness of emissions analysis, and by providing a process which can be followed by others in the industry to take steps towards carbon neutrality.

Key risks

An investment in RFF, like any investment, involves risk. These risks can be broadly divided between specific risks, property market risks, and general risks relevant to RFF.

Whilst the assumptions used in generating the forward looking statements within this presentation are considered reasonable, a number of these risk factors could affect these forward-looking statements. Most risk factors are outside the control of RFM.

Detailed below are what RFM considers to be material risk factors, however this is not an exhaustive list. Investors should make their own independent assessment of the Offer.

Specific risks

Counterparty
The majority of land and infrastructure assets owned by RFF are leased and as such Unitholders are not directly exposed to material agricultural operational risk.
There is a risk that a counterparty may default on its financial or operational lease obligations to RFF. Any financial default would reduce RFF's revenue and its ability to meet its debt obligations and to pay distributions. An operational default by a counterparty may require RFF to meet operating obligations until a new lessee is contracted. In the case of a default by a counterparty, the health or quality of RFF's asset may be adversely affected.
RFF has several lessees, with the largest lessee (by rental income) being Olam Orchards Australia Pty Ltd, representing 25% of RFF's forecast revenue stream during the 2022 financial year.

Rental risk – macadamia development lessee
RFM, as responsible entity of RFF, is overseeing the development of macadamia orchards in the Bundaberg, Maryborough and Rockhampton regions of Queensland. A delay in contracting a lessee for these developments would result in a delay in the commencement of rent, whilst holding costs would continue to be incurred.

Takeover
RFM, an experienced agricultural manager, is the responsible entity of RFF. Another entity may seek to take over RFF or replace RFM as responsible entity. Any change of responsible entity will require Unitholders' approval of an ordinary resolution at a Unitholder meeting.

Future distributions or reduction in distributions
RFF must meet its operating expenses, capital commitments and debt servicing obligations before distributions can be made to Unitholders. These items are subject to interest rate movements and changes in costs. Consequently, distributions may vary.

Competition
RFM has a significant track record in identifying, acquiring and managing agricultural properties in Australia. A number of competitors exist for potential acquisitions, which could impact upon RFM's ability to execute RFF's business strategy and thus its financial performance.

Acquisition risk
In order to drive future growth of the business of RFF, RFM intends to develop a significant acquisition pipeline. There is no guarantee that RFM will be able to execute any future acquisitions and thereby utilise increased balance sheet capacity.

Business strategy
RFM's business strategy for RFF is focused on building RFF's portfolio and cash yield through the management, acquisition and development of agricultural assets. RFF's future growth is dependent on the successful execution of this strategy. Any change or impediment to implementing this strategy including the access to funding may adversely impact RFF's operations and future financial performance.

Asset valuations
The rental yield and profitability of RFF is influenced by the valuations and other industry market indicators of the leased properties, biological assets and water rights. Factors affecting asset valuations include capitalisation and discount rates, the economic growth outlook, and demand for end-market products such as almonds, beef, cotton, macadamias and wine. Such impacts on property valuations may lead to variations in the valuation of RFF and the rental yields RFF is able to achieve.

Insurance
RFF enters into insurance policies on its properties with policy specifications and insured limits that it believes to be customary in the industry. However, potential losses of a catastrophic nature, such as those arising from war, terrorism, insects or severe flooding, may be uninsurable, or not insurable on reasonable financial terms, may not be insured at full replacement costs, or may be subject to large excesses.

Interest rate risk and hedging
RFF holds interest bearing debt and as such it is exposed to movements in interest rates. RFF undertakes interest rate hedging to help protect against changes in interest rates and interest rate swaps are currently used for this purpose. These swaps provide more certainty in a changing interest rate market and will result in a higher or lower interest expense, and cash flow, relative to the floating rate market. Accounting policies require interest rate swaps to be recorded at fair value and this may lead to fluctuations in comprehensive income, however these market adjustments are non-cash and do not impact AFFO.

Gearing and refinancing
RFF maintains target gearing of 30-35%. RFF's current debt facility expires in November 2022 ($270m) and November 2023 ($110m). Beyond this, there is a risk that RFF's banks could reduce the gearing limit and/or fees and charges. In these circumstances, where asset values have not increased sufficiently to offset any decrease in gearing limits, RFF may be required to sell assets and reduce or suspend distributions to retire debt.

J&F Guarantee
RFF has provided a $99.9m limited Guarantee to J&F Australia Pty Ltd (a wholly-owned subsidiary of RFM) (J&F) in order to secure bank funding that will be used by J&F to acquire livestock. The majority of the cattle will be held in RFF owned Feedlots which are managed by the Feedlot lessee, JBS Australia. J&F has secured $333m of funding from two major Australian banks. The facilities have a current expiry of August 2022, and although it is likely that they will be renewed, there is no guarantee that the funding will be available for the full terms of the cattle agreements (until August 2028). Under the cattle agreements, J&F has the right to terminate those agreements should funding not be available.

JBS has a call option to acquire the Feedlots for the CPI-adjusted purchase price for a number of reasons, including at JBS's discretion from year six to year ten. This will incur a break fee payable to RFF. In this event, RFF has the right to terminate the Guarantee.

For further information on the Guarantee refer to Notice of Meetings and Explanatory Memorandums released in July 2018 and March 2020.

Conflict of interest and related party transactions
RFM is the responsible entity for RFF and for a number of other funds and operates farming businesses in its own right. It is possible that investment opportunities will arise for RFF through RFM's relationship with those other funds. Therefore, from time to time, RFM may face a conflict of interest that arises because of its role as the responsible entity for RFF and its role as the responsible entity for other funds or as a farm manager.

Related party transactions are subject to compliance with the Corporations Act 2001 (Cth), ASX Listing Rules and RFM Conflict of Interest Management Policy.

Key risks (cont.)

Specific risks (cont.)

Inflation
Inflation risk is the uncertainty over the future real value of your investment and specifically whether revenue or profitability will increase at least in line with inflation. The Select Harvests leases allow for annual indexing of 2.5% p.a. with three yearly reviews to market. The StoneAxe, Camm and Treasury Wine Estates leases allow for annual indexing of 2.5% with five yearly reviews to market. The lease to RFM Farming Limited (a wholly-owned subsidiary of RFM) of the Bonmac macadamia orchard allows for annual indexing of 2.5% p.a. with three yearly reviews to market. The CJV leases are subject to CPI and EYCI linked movements and five yearly reviews to market. The AACo lease is subject to CPI and five yearly reviews to market. The leases to Olam, Cotton JV, JBS Australia, and 2007 Macgrove Project are indexed at CPI annually.

Force majeure
The Camm and Treasury Wine Estates leases have no force majeure provisions. The leases to the 2007 Macgrove Project, Select Harvests, RFM (Macadamia lease) and Olam excuse the lessee from the performance of their obligations under the lease following the occurrence of a force majeure event. The remainder of the leases excuse the lessee from the performance of their obligations under the lease, with the exception of payment of rent, following the occurrence of a force majeure event. In addition, the Olam Kerarbury lease has additional force majeure conditions covering the development period. During the development period there is a risk of force majeure events that prevents the development of the almond orchard, such as an extreme climatic event which are beyond the control of either party.

Reliance on RFM's skills
Unitholders have no direct control over the decisions that affect the day-to-day management of RFF.
Instead they rely on the skills of RFM and RFM's employees to manage RFF assets. An RFM employee may have a specialist skill set that is used to manage those assets. If that RFM employee resigns, then RFM may not be able to replace that specialist skill set quickly or easily.

Property Market risks

Decline in asset value
RFF owns property including land, water and infrastructure for agricultural production.
The value of these assets may rise or fall because of general economic conditions, local and global agricultural conditions, changes in independent valuation methodologies, and changes in discount rates.

Destruction or damage of property
It is possible that the assets owned by RFF could be destroyed or damaged by natural or other events.
RFM will maintain appropriate levels of insurance, provided it is economically sensible to do so.

Property illiquidity
The majority of assets owned by RFF are large scale. Given this scale, the number of potential buyers is limited. Therefore, the sale of assets at an appropriate price may take longer to realise.

Reduction in water entitlements
Pursuant to the terms of the Treasury Wine Estates leases, where there is a reduction in water entitlements, RFF is required by the terms of the leases to replace the entitlements from an alternative source. Failure to do so may result in a rent abatement or a right to terminate the lease.

Under the terms of the Select Harvests leases, RFF is not required to replace any reduction in entitlements and there is no rental abatement at the time of the reduction. However the reduction will be taken into account in determining the orchard value at the next review date; and therefore is likely to result in a rental reduction then.

Under the terms of the Kerarbury and Tocabil leases with Olam, any reduction in water entitlements results in a rent abatement. If RFF secures additional water, rent is payable based on the capital cost of the purchase. In the event that a reduction results in less than 8 ML/ha (Kerarbury) and 10 ML/ha (Tocabil) being available and not replaced by RFF within 18 months of the reduction taking effect, Olam have the right to surrender an area in order to bring the entitlement back to 8 ML/ha (Kerarbury) and 10ML/ha (Tocabil). If the remaining area is less than 800 ha for Kerarbury and 350 ha for Tocabil, Olam have the right to terminate the entire lease.

There is no such requirement in any of the other existing leases. Annual water allocation risks are on account of the Lessees.

Climate risk and climate change risk
RFM monitors the impact of climate change on RFF's portfolio of assets and has implemented a Climatic Diversification strategy, including acquiring assets across different growing regions and asset classes. RFM has committed to a climatic diversification strategy in order to mitigate these risks. Some of the areas that RFM is focused on is the impact of emissions from Group's assets, including carbon dioxide, methane, and nitrous oxide. The Group's assets produce these emissions through its agricultural infrastructure and machinery, cattle assets and through the application of fertiliser.

As part of RFM's ongoing strategy to mitigate and improve climate related risks, RFM will continue to monitor emissions and seek to implement infrastructure and practice changes. RFM considers that climate change may present risks for the Group primarily in the form of residual risk of the Group's assets at the end of the lease terms. These risks may be mitigated by how the assets are managed. External valuations consider these types of factors as well as other risks when determining the valuations of the assets.

Environmental management
There is a risk that RFF doesn't protect or sustainably manage its natural resources. In aiming to work sustainably, wherever practical RFF will:

- monitor industry developments and adopt farm management practices that incorporate the latest research findings and technologies, to minimise environmental impacts and better utilise the natural resources;
- maximise water use efficiency through the utilisation of modern, well managed irrigation systems;
- ensure water management practices take account of water quality and minimise run-off;
- adopt nutrient management practices which improve long term soil health and ensure that pest and weed management requiring the use of chemicals, occurs in a safe and environmentally responsible manner; and
- ensure that our staff understand and are focused on sustainable farming principles and adhere to environmental legislation and regulations.

General risks

Change in economic conditions
The following economic conditions may impact RFF's financial performance:

- national economic growth;
- industry change;
- interest rates;
- inflation;
- exchange rates; and
- changes to government economic policy.

Change in political and regulatory environment
The following international or domestic political conditions (as well as others that are not listed here) may adversely affect RFF's assets:

- legislative changes;
- regulatory changes;
- taxation changes; and
- foreign policy changes (including the status of trade agreements).

Taxation changes
As a Unitholder, you should be aware that taxation law can change, which may materially impact your taxation position or the value of your investment in RFF. The taxation position of your investment may also be affected by changes to the operations of RFF such as the deferral or acceleration of development activities on individual properties.

Units trading at below net asset value
The buying and selling of Units is conducted on the ASX. The trading price of the Units will be dependent on the financial performance of RFF.

Liquidity
The ability to sell your Units will depend on the availability of buyers. Larger stocks generally have a higher level of liquidity or turnover than smaller stocks.

International offer restrictions

This document does not constitute an offer of new units ("New Units") of RFF in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Units may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, authorized by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Units have not been and will not be offered or sold in Hong Kong other than to “professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the New Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under that ordinance.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Japan

The New Units have not been, and will not be, registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "FIEL") pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the New Securities may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors. Any Qualified Institutional Investor who acquires New Units may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of New Units is conditional upon the execution of an agreement to that effect.

RFF has made a notification in compliance with the Investment Trust Law of Japan. Neither the Financial Services Agency of Japan nor the Kanto Local Finance Bureau has passed upon the accuracy or adequacy of this document or otherwise approved or authorised the offering of New Units to investors resident in Japan.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").
The New Units are not being offered to the public within New Zealand other than to existing securityholders of RFF with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the entitlement offer, the New Units may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore ("MAS") and, accordingly, statutory liability under the Securities and Futures Act, Chapter 289 (the "SFA") in relation to the content of prospectuses does not apply, and you should consider carefully whether the investment is suitable for you. RFF is not authorised or recognised by the MAS and the New Units are not allowed to be offered to the retail public. This document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the New Units may not be circulated or distributed, nor may the New Units be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except to "institutional investors" (as defined in the SFA), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an "institutional investor" (as defined under the SFA). In the event that you are not an institutional investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore. Any offer is not made to you with a view to the New Units being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Underwriting arrangement

UBS AG, Australia Branch, Bell Potter Securities Limited and Wilsons Corporate Finance Limited will be acting as joint lead managers, bookrunners and underwriters of the Entitlement Offer (Underwriters). RFM has entered into an Underwriting Agreement with the Underwriters in respect of the Entitlement Offer.

The Underwriting Agreement contains representations and warranties and indemnities in favour of the Underwriters. The Underwriters may also, in certain circumstances, terminate their obligations under the Underwriting Agreement if:

- a certificate which is required to be furnished under the Underwriting Agreement is not furnished by the time required, or is materially untrue, inaccurate, incomplete or misleading and deceptive;
- RFM is prevented from allotting and issuing the New Units within the time required under the ASX Listing Rules, applicable laws, or by order of a court of Government Agency;
- RFM fails to lodge the required market announcements by a specified time;
- the offer documents do not materially comply with the Corporations Act 2001 because they are, or are likely to be, misleading or deceptive (including by omission);
- RFM withdraws the Entitlement Offer;
- RFF becomes required to give or gives a correcting notice under subsection 1012DAA(10) of the Corporations Act other than as a result of a new circumstance arising;
- the S&P/ASX200 Index falls by a specific amount over a specific period of time;
- an application is made by ASIC for an order under Part 9.5 in relation to the Entitlement Offer or the Entitlement Offer documents or ASIC commences any investigation or hearing under Part 3 of the Australian Securities and Investments Commission Act 2001 (Cth), and in each case is not withdrawn within 1 business days after it is made or commenced or within 1 business days of a settlement date for the Entitlement Offer, before that date;
- there is a application to a government agency for an order, declaration or other remedy, or a government agency commences, or announces its intention to commence, any action in connection with the Entitlement Offer;
- ASX announces that RFF will be removed from the official list or that any Securities will be delisted or suspended from quotation by ASX;
- a Director of the Responsible Entity is charged with an indictable offence or is disqualified from managing a corporation under the Corporations Act;
- any government agency commences any public action against a Director of RFM in their capacity as a Director of the Responsible Entity or announces that it intends to take any such action;
- RFM or RFF is insolvent or there is an act or omission which may result in such party becoming insolvent;
- an RFF Unitholder makes an application to the Takeovers Panel in accordance with the Offer and the Takeovers Panel elects to hear the application, and the application is not withdrawn or rejected;
- unconditional approval (or conditional approval, provided such condition would not have a material adverse effect on the success or settlement of the Entitlement Offer) by the ASX for official quotation of the New Units is refused, or is not granted, or is withdrawn or ASX makes an official statement to any person or indicates to RFF or the Underwriters that official quotation of the New Units will not be granted;
- RFM ceases to be the responsible entity of RFF;
- there are certain delays in the timetable for the Entitlement Offer;
- the acquisition of the first tranche of Water Entitlements ceases to be on foot, or becomes void or voidable, or ceases to be valid and binding on the parties or is (or is capable of being) terminated, rescinded or repudiated or is materially amended (without the prior written consent of the Underwriters) or is breached in any material respect;
- any information supplied by or on behalf of RFM to the Underwriters is or becomes misleading or deceptive in a material respect, including by way of omission;
- hostilities not presently existing commence (whether war has been declared or not) or an escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of the United States, Australia, New Zealand, the United Kingdom, France, Germany, Russia, North Korea, South Korea, China, Japan or a member state of the European Union or the declaration by any of these countries of a national emergency or war, or a major terrorist act is perpetrated anywhere in the world;
- there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia, or any Federal or State authority of Australia adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of the Underwriting Agreement), any of which does or is likely to prohibit or regulate the Entitlement Offer, capital issues or stock markets or adversely affects RFF or investors in it;
- a contravention by RFM or a RFF group member of the Corporations Act, any of their respective constitutions, the ASX Listing Rules or any other applicable law;
- RFM fails to perform or observe any of its obligations under the Underwriting Agreement and such breach is not remedied within the time limits specified;
- a representation or warranty made or given by RFM under the Underwriting Agreement proves to be, or has been, or becomes, untrue or incorrect;
- a suspension or material limitation in trading in securities generally or any adverse change or disruption to the existing financial markets, political or economic conditions of Australia, Japan, Hong Kong, China, the United Kingdom, the United States, a member state of the European Union, or the international financial markets or any change in national or international political, financial or economic conditions or a general moratorium on commercial banking activities is declared by the relevant central banking authority in any of these countries;
- an adverse change or disruption to the existing financial markets, political or economic conditions of Australia, Japan, Hong Kong, China, the United Kingdom, the United States, a member state of the European Union or the international financial markets or any change in national or international political, financial or economic conditions;
- a change in the senior management of RFM or in the board of directors of RFM is announced or occurs;
- there is an adverse change, or an event occurs which is likely to give rise to an adverse change, in the financial position, results operations or prospects of the RFF Group;
- in the reasonable opinion of the Underwriters, a new circumstance arises that would have been required to be disclosed in the Entitlement Offer documents had it arisen before the Entitlement Offer documents were lodged with ASX.

If any of the Underwriters terminates its obligations under the Underwriting Agreement, the Underwriter will not be obliged to perform any of their obligations which remain to be performed.

Rural Funds Group | ASX: RFF

Managed by:

Rural Funds Management

Managing good assets with good people

RFM corporate and operations management (listed alphabetically by surname)

David Bryant
Managing Director
24 years

Dan Edwards
National Manager - Rural Funds Group
15 years

Mengyi Liu
Group Accountant
8 years

Matt Mitchell
National Manager - Cropping
18 years

Scott Norval
National Manager - Macadamias
6 years

James Powell
General Manager - Investor Relations and Marketing
12 years

Scott Roxburgh
Business Manager
10 years

David Sheridan
National Manager - Livestock
2 years

Tim Sheridan
Chief Operating Officer
12 years

Kristina Smith
National Manager – Human Resources
14 years

Emma Spear
National Manager - Operations and Company Secretary
12 years

David Thomson
Senior Business Manager
13 years

Daryl Winter
National Manager - Horticulture
15 years

Peter Wong
Finance Manager
3 years

Daniel Yap
Chief Financial Officer
8 years

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See the RFM website for details on RFM's roles and responsibilities.

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With thanks to the RFM corporate and farm management staff for their contribution of photos for this presentation.