

Charlotte Hope
Adviser, Listings Compliance (Sydney)
ASX Compliance Pty Limited
20 Bridge Street
SYDNEY
NSW 2000

1 October 2015

Dear Charlotte,

With reference to your treatise yesterday regarding the late lodgment of Appendix 3Y's by Australian Rural Capital Limited (**ARC or the Company**):

1. *Please explain why the Appendix 3Y was lodged late*

All of the late 3Y's related to the new issue of Options (ARCO) under the Prospectus dated 31 July 2015. Since the issue of ARCO was not a secondary market transaction, the issue of securities to Directors was outside of our usual reporting framework.

2. *What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?*

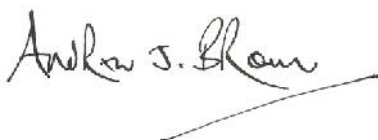
ARC has previously outlined its arrangements in relation to secondary market dealing. The Company has not held an entitlement issue since 2008. In any event, the market was fully informed through an announcement on 2 September 2015 of the take-up of ARCO and confirmation that all Directors had fully subscribed for their entitlements, details of which were outlined in the Prospectus on page 7.

3. *If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?*

The current procedures are considered more than adequate, are being enforced and do not require amendment to ensure compliance with listing rule 3.19B.

Please do not hesitate to contact me if you require further details.

Yours sincerely,



Andrew Brown
Director/Company Secretary



30 September 2015

Mr Andrew Brown
Company Secretary
Suite 7.09, 14 Kings Cross Road
POTTS POINT, NSW, 2011

By email: andrew.brown@tidewater.com.au

Dear Mr Brown

Australian Rural Capital Limited (the "Entity"): Appendix 3Y – Change of Director's Interest Notice

We refer to the following;

1. The Appendix 3Ys lodged by the Entity with ASX on 25 September 2015 for Mr Darren Anderson and Mr Andrew Brown (the "Directors' Notice");
2. Listing rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.

- On the date that the entity is admitted to the official list.
- On the date that a director is appointed.

The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.

3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs



- 3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.

3. Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

4. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

The Directors' Notices indicate that a change in Directors' notifiable interest occurred on 4 September 2015. It appears that the Directors' Notices should have been lodged with ASX by 11 September 2015. Consequently, the Entity may be in breach of listing rules 3.19A and/or 3.19B. It also appears the directors concerned may have breached section 205G of the Corporations Act.

Please note that ASX is required to record details of breaches of the listing rules by listed entities for its reporting requirements.

ASX reminds the Entity of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Entity make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: *Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities*, under listing rule 18.7 we ask that you answer each of the following questions.

1. Please explain why the Directors' Notices were lodged late.
2. What arrangements does the Entity have in place under listing rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Entity intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail at charlotte.hope@asx.com.au. It should not be sent to the ASX Market Announcements Office.



A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. A.E.S.T.) on Tuesday, 6 October 2015.

Under listing rule 18.7A, a copy of this letter and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Charlotte Hope

Senior Adviser, Listings (Sydney)