



Update Summary

Entity name

AUSTRALIAN RURAL CAPITAL LIMITED

Announcement Type

Update to previous announcement

Date of this announcement

Tuesday May 11, 2021

Reason for update to a previous announcement

Update to section 3E.2d regarding termination events of the Underwriter.

Update to website address contained in section 3F.6.

Update to section 3F.7 regarding further information.

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

AUSTRALIAN RURAL CAPITAL LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

52001746710

1.3 ASX issuer code

ARC

1.4 The announcement is☒ Update/amendment to previous announcement**1.4a Reason for update to a previous announcement**

Update to section 3E.2d regarding termination events of the Underwriter.
Update to website address contained in section 3F.6.
Update to section 3F.7 regarding further information.

1.4b Date of previous announcement(s) to this update

Monday May 10, 2021

1.5 Date of this announcement

Tuesday May 11, 2021

1.6 The Proposed issue is:☒ A standard +pro rata issue (non-renounceable or renounceable)**1.6a The proposed standard +pro rata issue is:**☒ + Non-renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 - Are any of the following approvals required for the entitlement offer to be unconditional?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

ARC : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

ARC : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)



The quantity of additional +securities to be issued	For a given quantity of +securities held
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1

1

What will be done with fractional entitlements?**Maximum number of +securities proposed to be issued (subject to rounding)**

Fractions rounded up to the next whole number

14,888,176

Reason for the update of 'Maximum Number of +securities proposed to be issued'**Offer price details for retail security holders****In what currency will the offer be made?****What is the offer price per +security for the retail offer?**

AUD - Australian Dollar

AUD 0.21000

Oversubscription & Scale back details**Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?**☒ Yes**Describe the limits on over-subscription**

Individual security holders who take up their entitlement can elect to participate in a top up facility in respect of retail entitlements not taken up by eligible security holders, provided that the issue of the additional shares under the top up facility does not result in a breach of the ASX Listing Rules, Corporations Act or any applicable law.

Will a scale back be applied if the offer is over-subscribed?☒ Yes**Describe the scale back arrangements**

Where there is an oversubscription of New Shares, a scale back will be determined at the Board's absolute discretion.

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?☒ Yes



3C.1 +Record date

Thursday May 13, 2021

3C.2 Ex date

Wednesday May 12, 2021

3C.4 Record date

Thursday May 13, 2021

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

Tuesday May 18, 2021

3C.6 Offer closing date

Friday May 28, 2021

3C.7 Last day to extend the offer closing date

Tuesday May 25, 2021

3C.9 Trading in new +securities commences on a deferred settlement basis

Monday May 31, 2021

3C.10 Last day for entity to announce the results of the offer to ASX, including the number and percentage of +securities taken up by existing +security holders and any shortfall taken up by underwriters or other investors

Wednesday June 2, 2021

3C.11 +Issue date

Friday June 4, 2021

3C.12 Date trading starts on a normal T+2 basis

Monday June 7, 2021

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

Wednesday June 9, 2021

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

☒ Yes

3E.1a Who is the lead manager/broker?

Taylor Collison Limited

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Management fee of 2.0% of the gross proceeds of the Underwritten Offer



3E.2 Is the proposed offer to be underwritten?

☒ Yes

3E.2a Who are the underwriter(s)?

Taylor Collison Limited

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

Fully underwritten

3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

Underwriting fee of 4.0% of the gross proceeds of the Underwritten Offer .

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

- ARC has defaulted in the performance of any of its obligations in a material respect
 - there has been a material adverse change to the consolidated asset and liability position of ARC before close of the Offer
 - the regulator (including ASX or ASIC) takes certain actions adverse to the Offer or which affect the performance of the obligations of the Underwriter
 - during the period of the Offer there is a decline in the S&P ASX 200 Index to a level that is 12.5% below the Index level prevailing as at the date of the Agreement
- There are a number of additional market standard termination events including but not limited to:
- removal from the official list of ASX;
 - ASX refuses to grant quotation to the shares issued under the Offer
 - ARC alters its capital structure without the consent of the Underwriter
 - ARC withdraws any component of the capital raising
 - ARC or its affiliates, directors or officers engage in fraudulent activity

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

☒ No

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

☒ No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Typical costs associated with equity raising processes, including legal, accounting, share registry and associated administrative costs.

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

Funds raised will be used to provide working capital, undertake potential new investments including equity investments and/or acquisitions, replenish ARC's capital base following the in-specie return of capital and cover the costs of the Offer.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

☒ No



3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

☒ No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

All countries other than Australia and New Zealand.

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

☒ Yes

3F.5a Please provide further details of the offer to eligible beneficiaries

The Company intends to send a notice to eligible nominees.

3F.6 URL on the entity's website where investors can download information about the proposed issue

www.ruralcapital.com.au/

3F.7 Any other information the entity wishes to provide about the proposed issue

Capital H Management Pty Ltd has entered into an irrevocable commitment to subscribe for their entire entitlement in the offer. Capital H Management Pty Ltd holds a 19.91% interest in the shares of the Company.

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

☒ No