



NZ Farming Systems Uruguay – Appointment of Independent Adviser

NZ Farming Systems Uruguay (NZS) advises that it has appointed Grant Samuel & Associates Limited to prepare an Independent Adviser's Report for the independent directors of NZS in relation to the takeover notice from Olam International Limited (Olam). The appointment of Grant Samuel & Associates Limited has been approved by the Takeovers Panel.

On 21 April 2011, NZS received a Takeover Notice from Olam for the acquisition of the 22% of securities it does not control at 70 cents per share (Offer). Rule 21 of the Takeovers Code requires that the independent directors of NZS obtain a report from an Independent Adviser regarding the merits of the Offer. The Independent Adviser's Report must be prepared by an independent appropriately qualified and experienced person approved by the Takeover Panel, and a copy of the report (or a summary of it) will be contained in the Target Company Statement, which NZS will prepare under Schedule 2 of the Takeovers Code and send to shareholders.

It is recommended by the independent directors of NZS that shareholders do not make any decisions in relation to the Offer until they have read the Target Company Statement and the Independent Adviser's Report. The Target Company Statement will include an update on the business plan and results being achieved to date.

NZ Farming Systems Uruguay – Capital Raising Update

NZ Farming Systems Uruguay (NZS) refers to its announcements made on 17 February 2011 and in its Half Year Report for the six months ended 31 December 2010 concerning potential capital raising to fund the updated business plan capital expenditure to enable completion of development and to repay the Olam International Limited (Olam) shareholder loan.

In view of the takeover notice issued by Olam on 21 April 2011, the independent directors on NZS' Board wish to update shareholders on the potential capital raising.

Prior to receiving the takeover notice, NZS is considering raising the additional capital through a rights issue to all existing shareholders. The amount of capital intended to be sought is in the range of USD110 to 115 million. The Board had considered on a preliminary basis that the rights issue price should be set close to market with a minimal discount to the prevailing price. That was prior to receiving the takeover notice and no final decision on pricing has been made. No further details have been agreed at this stage and are unlikely to be finalised pending the outcome of the takeover offer.

No money is currently being sought and no applications for securities will be accepted or money received unless the subscriber has first received a simplified disclosure prospectus.

For further information:
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