

Market Update
23 September 2011

NZ Farming Systems Uruguay **Pro-rata and Non-renounceable Rights Issue**

NZ Farming Systems Uruguay Limited (**NZS**) has today announced that it is considering raising USD 120 million from existing shareholders through a pro rata non-renounceable rights issue of ordinary shares (**Rights Issue**). The confirmation of the Rights Issue, and the participation by Olam International Limited (**Olam**) in the Rights Issue, are subject to shareholders' approval. A special meeting of shareholders will be held in Auckland on 4 November 2011 (**Special Meeting**).

It is intended that the notice of meeting for the Special Meeting will be sent to shareholders on 20 October 2011. The notice of meeting will contain the terms and conditions of the Rights Issue, and will be accompanied by a detailed independent adviser's report regarding the proposed Rights Issue.

The notice of meeting will specify the number of new shares that eligible NZS shareholders will be entitled to acquire for every existing share held on the Record Date, which will also be advised in the notice of meeting. The new shares will be offered at a price of NZD 70 cents per share. The new shares will rank equally in all respects with existing NZS shares as at the allotment date.

As one of the terms of the Rights Issue, Olam, which holds 85.93% of NZS' issued shares, has indicated that it will support the Rights Issue and take up its full entitlement under the Rights Issue, as long as shareholders at the Special Meeting approve Olam retaining any relative shareholding increase if some shareholders do not take up their rights. If shareholder approval is not forthcoming, NZS will, in the alternative, seek shareholder approval at the Special Meeting for an increase in the existing USD 85 million short term loan facility from Olam (**Olam Loan Facility**) to USD 110 million and an extension in the term for another 12 months to allow other financing options to be considered. Under the terms of the Olam Loan Facility, it is currently due to be repaid by 31 December 2011.

NZS' Chairman, Vivek Verma, said: "The Rights Issue is consistent with NZS's strategy for growth. The additional capital will allow NZS to repay the USD 85 million short term loan facility provided by Olam and to support NZS' ongoing development."

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.

The Rights Issue, if approved, will be offered in a simplified disclosure prospectus (**Offer Document**) that, once available, will be posted on NZS' website (www.nzfsu.co.nz). It is intended that the Offer Document will be mailed to eligible shareholders on Monday 28 November 2011 together with an Entitlement and Acceptance Form. Shareholders will need to complete the Entitlement and Acceptance Form in order to accept their rights. Shareholders should consider the Offer Document carefully in deciding whether to accept their rights. As the Rights Issue is non-renounceable, if an eligible shareholder does not accept their rights, those rights will lapse.

The Rights Issue will be restricted to NZS shareholders with registered addresses in New Zealand and Australia, or otherwise where the offer can be made in compliance with local securities laws.

Dates referred to are subject to change and are indicative only and, subject to the Securities Act and Listing Rules, NZS may amend this indicative timetable. NZS may also withdraw the offer and issue of new shares at any time before allotment in its absolute discretion.

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