

Market Update
6 October 2011

NZ Farming Systems Uruguay Rights Issue - update

On 23 September 2011, NZ Farming Systems Uruguay Limited (**NZS**) announced that it was 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, were subject to minority shareholder approval. The proceeds of the Rights Issue are required to fund further development and to repay the current shareholder loan from Olam.

The Board has received feedback from some minority shareholders not associated with Olam that a significant portion of the minority shareholders would not support the Rights Issue. The Board has therefore determined that it is in the best interests of the Company not to proceed with the Rights Issue at this stage. Accordingly there will be no Special Shareholders Meeting on 4 November 2011.

NZS will instead seek to vary the terms and amount of the current USD 85 million shareholder loan from Olam. If Olam agrees to this, NZS will seek shareholder approval at the Annual Shareholders Meeting for a variation of the current loan terms and amount. Under the terms of the Olam loan, the loan principal and interest is currently due to be repaid by 31 December 2011.

For further details contact:

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Annual Shareholders Meeting and Director Nominations

NZS' Annual Shareholders Meeting will be held at 3.00pm on Thursday 24 November 2011, at the Stamford Plaza, 22-26 Albert Street, Auckland.

The period for NZS' director nominations is now open and closes on Tuesday 25 October 2011. Nominations may be made by any shareholder entitled to attend and vote at the Annual Shareholders Meeting and should be forwarded to the Company Secretary by email: jane.pearson@nzfsu.co.nz .

Graeme Wong and John Roadley, both independent directors of NZS, will be retiring by rotation in accordance with the Company's Constitution and have advised that they will not seek re-election at the Annual Shareholders Meeting.

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