

Takeover Offer. 75c per share.

FULL CASH TAKEOVER OFFER
BY OLAM INTERNATIONAL LIMITED
MADE UNDER THE TAKEOVERS
CODE TO ACQUIRE ALL OF
THE ORDINARY SHARES IN NZ
FARMING SYSTEMS URUGUAY
LIMITED AT 75 CENTS PER SHARE.

18 OCTOBER 2012



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IMPORTANT

If you are in doubt as to any aspect of this offer, you should consult your financial or legal adviser.

If you have sold all your shares in NZ Farming Systems Uruguay Limited to which this offer applies, you should immediately hand this offer document and the accompanying acceptance form to the purchaser, or the agent (e.g. the broker) through whom the sale was made, to be passed to the purchaser.

NZ Farming Systems Uruguay Limited's target company statement, together with an independent adviser's report on the merits of this offer either accompanies this offer or will be sent to you within 14 days and should be read in conjunction with this offer.

This is an important document and requires your immediate attention.

18 October 2012

Dear NZFSU shareholder,

FULL CASH TAKEOVER OFFER FOR NZFSU AT 75 CENTS PER SHARE

On 2 October 2012, Olam International Limited ("Olam") announced its intention to make a full cash takeover offer for all of the shares in NZ Farming Systems Uruguay Limited ("NZFSU" or the "Company") that it does not already own, at a price of 75 cents per share ("Offer").

Olam is currently the largest shareholder in NZFSU with an 85.941% shareholding. As we have previously stated, in Olam's view the business plan presented to shareholders by the previous management and Board was not realistic. Since Olam acquired control of NZFSU in 2010, Olam has worked with the Company's Independent Directors to develop and execute a new business plan. As a result, significant changes have been made to NZFSU's operational strategy, which involved substantial capital investment in plant and equipment and livestock, together with higher use of feed and concentrates in order to achieve planned production volumes. NZFSU generated a net loss of US\$7.6 million for FY 2012 compared to a net loss of US\$8.7 million for FY 2011 (excluding fair value adjustments to livestock and herd improvements, NZFSU generated a net loss of US\$17.7 million for FY 2012 compared with a net loss of US\$24.2 million for FY 2011).

To assist NZFSU to meet its financial obligations in the short term, Olam provided a US\$110 million loan to the Company. As previously signalled, repayment of this loan is due by 31 December 2012. In addition to repaying the Olam loan, further capital is required to meet the remainder of the capital works programme. Consequently, the Company announced in its 2012 Annual Report that it is considering a rights issue to raise up to US\$135 million (approximately 69 cents for every share currently on issue). This is a very substantial capital requirement in the context of the Company's share price (which had a volume weighted average price of 58 cents per share over the 6 month period prior to the announcement of this Offer).

The Offer therefore provides remaining shareholders with an opportunity to sell their shares at 75 cents per share rather than be called upon to contribute significant additional capital to avoid dilution. In this regard, the capital required by NZFSU to repay the Olam shareholder loan and complete the capital works programme is approximately equal to the value of shareholders' existing investment in NZFSU. Olam believes 75 cents per share is an attractive price having regard to the outlook for NZFSU's profitability, capital investment requirements and the fact that no dividends are likely to be paid in the foreseeable future.

The Offer is conditional upon Olam receiving acceptances which result in its shareholding in NZFSU exceeding 90%. Shareholders wishing to accept the Offer will be paid within 5 days after the later of receipt of their acceptance by Olam and this Offer becoming unconditional.

The enclosed document sets out the details of the Offer, including relevant information you will need to take into account before making a decision in relation to the Offer. I commend this Offer to you, and encourage you to accept.

Yours faithfully



Sunny Verghese
Group Managing Director & CEO
Olam International Limited

Why you should accept this offer.

This Offer price is attractive having regard to the outlook for NZFSU's profitability and capital investment requirements.

No dividends are likely in the foreseeable future.

No brokerage is payable by accepting shareholders.

The Offer is a unique chance to sell as trading in NZFSU is highly illiquid.

75 cents is a very attractive price compared with pre-Offer trading levels.

The Offer provides the opportunity for shareholders to sell before they are called upon to participate in the large capital raising required by NZFSU.

NZFSU's share price may fall significantly after the close of this Offer.

The Offer price is final and will not be increased.

Offer Terms and Conditions.

FULL CASH TAKEOVER OFFER BY OLAM INTERNATIONAL LIMITED TO PURCHASE ALL OF THE SHARES IN NZ FARMING SYSTEMS URUGUAY LIMITED.

1. THE OFFER

Olam International Limited ("**Olam**") offers to acquire all of the ordinary shares in NZ Farming Systems Uruguay Limited ("**NZFSU**") that it does not already own on the terms and conditions set out in this offer document ("**Offer**"). All such shares are referred to in this Offer as "**Shares**" and each of them singly is referred to as a "**Share**".

2. CONSIDERATION

- 2.1 The consideration offered for each Share is 75 cents cash, subject to any adjustment in accordance with paragraphs 6.1 to 6.4 below.
- 2.2 The consideration payable to NZFSU shareholders whose Shares are taken up under the Offer ("**Acceptors**") will be sent to such Acceptors not later than 5 days after the later of:
- the date this Offer becomes unconditional; and
 - the date on which an acceptance is received.

3. HOW TO ACCEPT THIS OFFER

- 3.1 If you wish to accept this Offer, you should:
- complete the enclosed Acceptance Form in accordance with the instructions set out in the Acceptance Form; and
 - return the completed Acceptance Form in the enclosed reply paid envelope **AS SOON AS POSSIBLE**, but in any event so as to be received by Olam not later than 5 p.m. on **30 November 2012** (subject to paragraph 4.1 below). If the reply paid envelope has been mislaid, please deliver, mail, email or fax your Acceptance Form to:

Computershare Investor Services Limited

Re: Olam International Limited Offer
Level 2, 159 Hurstmere Road, Takapuna,
Auckland 0622
Private Bag 92119, Auckland 1142
Email: corporateactions@computershare.co.nz
Facsimile: +64 9 488 8787

- 3.2 If you have lost your Acceptance Form please contact Computershare Investor Services Limited on +64 9 488 8777.
- 3.3 You may accept this Offer in respect of all or any of your Shares. Olam may, in its discretion, treat any Acceptance Form as valid notwithstanding that it is not accompanied by the relevant Common Shareholder Number ("**CSN**") or does not otherwise comply with paragraph 3.1 or the instructions on the Acceptance Form, and may, in its discretion, rectify any errors in, or omissions from, any Acceptance Form, including inserting or completing details of the Shares held by the Acceptor and filling in any blanks. Olam may, in its discretion, allow for acceptance of the Offer in any other form.
- 3.4 Olam will not acknowledge receipt of your acceptance of this Offer.
- 3.5 Acceptance of this Offer by each Acceptor constitutes a contract between that Acceptor and Olam on the terms and conditions of this Offer. Other than in the circumstances set out in paragraph 7.2, an Acceptor may not withdraw their acceptance during the time this Offer is open for acceptance, whether or not there has been any variation of this Offer.

4. TERMS OF OFFER

- 4.1 Unless this Offer is completely withdrawn in accordance with the Takeovers Code and every

Offer Terms and Conditions.

person is released from every obligation incurred under the terms of it, or it lapses in accordance with its terms, this Offer remains open for acceptance until and including the closing date of 5 p.m. on 30 November 2012 (being a period of at least 30 days from the date of this Offer), or such later closing date(s) as Olam may decide in accordance with the Takeovers Code (the "**Closing Date**").

- 4.2 If this Offer does not become unconditional, the Offer will lapse, Acceptance Forms received by Olam will be destroyed and every Acceptor will be released from their obligations under this Offer and the contract arising from their acceptance of it.
- 4.3 The latest date by which this Offer can become unconditional is 5 p.m. on 30 November 2012 ("**Condition Date**"). This date may change if the Offer period is extended in accordance with paragraph 4.1. If the Offer period is extended and the Offer has not been declared unconditional, Olam will specify in the variation notice a new date by which the Offer must be declared unconditional.
- 4.4 Olam and every Acceptor shall be released from their obligations under this Offer, and arising from acceptance of this Offer, if this Offer:
- (a) is withdrawn with the consent of the Takeovers Panel; or
 - (b) lapses as a result of the condition in paragraph 5 not being satisfied or waived by the Condition Date.
- 4.5 The enclosed Acceptance Form comprises part of this Offer. The Acceptance Form duly completed may be treated by Olam as a valid acceptance of this Offer.
- 4.6 This Offer is open for acceptance by any person who holds Shares, whether acquired

on, before or after the date of this Offer upon production of satisfactory evidence of such person's entitlement to those Shares.

- 4.7 The Shares acquired by Olam under this Offer are to be acquired free from all liens, charges, mortgages, encumbrances and other adverse interests and claims of any kind whatever, but together with all rights, benefits and entitlements attaching to them at the date of this Offer or which arise subsequently, including the right to all dividends and other distributions.
- 4.8 By accepting this Offer, each Acceptor represents and warrants to Olam that:
- (a) it is the sole legal and beneficial owner of the Shares in respect of which it has accepted this Offer, or is the legal owner and has the necessary power, capacity and authority to accept this Offer in respect of such Shares;
 - (b) it has full power, capacity and authority to sell and transfer all such Shares; and
 - (c) legal and beneficial title to all such Shares will pass to Olam in accordance with paragraph 4.7.
- 4.9 Each Acceptor:
- (a) will not, and will not attempt to, sell, transfer, dispose of (or agree to do any of those things), any or all of the Shares in respect of which the Acceptor has accepted this Offer (other than acceptance of the Offer itself);
 - (b) is deemed to have irrevocably authorised Olam to instruct NZFSU and its share registrar to refuse, during the Offer period, to register any transfer of any or all of the Shares in respect of which the Acceptor has accepted this Offer, except for transfers in accordance with this Offer; and

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- (c) will pay to Olam on demand, any cost or expense incurred, or loss or damage suffered, by Olam in connection with, or as a result of, that Acceptor's failure to comply with paragraph 4.9(a).
- 4.10 Olam may vary this Offer in accordance with the Takeovers Code. For the avoidance of doubt, the Takeovers Code does not permit the Offer to be varied so as to reduce the consideration offered.
- 4.11 Olam may choose to engage the services of one or more Primary Market Participants (in terms of the NZX Participant Rules) or other financial advisory firms (together, "**Advisers**") to contact Shareholders and receive Acceptance Forms. If Olam chooses to do this, the key terms of the engagement will be as follows:
- (a) for each completed and valid Acceptance Form procured by an Adviser, Olam may pay to that Adviser a handling or procurement fee in respect of the Shares the subject of that Acceptance Form ("**Procurement Fee**"). The amount of the Procurement Fee will be 0.75% of the consideration payable by Olam under the Offer to the relevant Acceptor in respect of the Acceptance Form received. The Procurement Fee will be subject to a minimum amount of \$25 and a maximum amount of \$500 for a single Acceptance Form, inclusive of GST, if any;
 - (b) the Adviser will be paid, and receive, the Procurement Fee solely in connection with its services to Olam and must not, directly or indirectly, pass any or all of the Procurement Fee on to any Acceptor, or share the Procurement Fee with any Acceptor;
 - (c) the payment of a Procurement Fee to an Adviser in respect of an Acceptance Form procured by that Adviser is subject to
- the Shares which are the subject of that Acceptance Form being validly transferred to Olam. In addition, the Acceptance Form must be delivered to Olam in accordance with paragraph 3.1 above and must be stamped by the Adviser (and only that Adviser). A Procurement Fee will not be paid in respect of Shares acquired by Olam through the compulsory acquisition provisions set out in Part 7 of the Takeovers Code;
- (d) Olam may, in determining the Procurement Fee payable to an Adviser, aggregate and/or disregard any acceptances of this Offer procured by that Adviser if Olam believes that a party has structured holdings of Shares for the purpose or with the effect of enabling parties to take advantage of the arrangements summarised in this paragraph 4.11; and
 - (e) Olam may in its discretion determine any disputes regarding whether a Procurement Fee is payable.
- 5. CONDITION**
- 5.1 This Offer, and any contract arising from acceptance of it, is conditional on Olam receiving acceptances in respect of Shares that, when taken together with Shares already held or controlled by Olam, result in Olam holding or controlling more than 90% of the voting rights in NZFSU. The condition in this paragraph 5.1 is for the sole benefit of Olam and, accordingly, this condition may be waived by Olam in its sole discretion.
- 6. CHANGE IN CIRCUMSTANCES**
- 6.1 If, on or after 2 October 2012 ("**Notice Date**"), NZFSU declares, makes, or pays any dividend or any distribution of any nature whatsoever

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and this Offer is or becomes unconditional, then, at the election of Olam, either:

- (a) each Acceptor will be bound to pay to Olam on demand an amount equivalent to such dividend or the value of such other distribution (in each case inclusive of withholding taxes deducted, if applicable) that is received by, or is properly payable to, that Acceptor in respect of the Shares for which the Acceptor has accepted the Offer; or
- (b) the consideration which would otherwise have been paid to each Acceptor for their Shares shall be reduced by an amount equivalent to such dividend, payment or the value of such other distribution that is received by, or is properly payable to, that Acceptor.

- 6.2 If, on or after the Notice Date, NZFSU authorises, declares, or makes any issue of shares, convertible securities or other securities of any nature (including warrants, options, rights or interests in its ordinary shares), by way of bonus issue, and this Offer is or becomes unconditional, then Acceptors will be bound to transfer, in respect of those Shares for which they have accepted this Offer, any such shares, convertible securities, other securities or options, rights and interests to Olam, without any additional consideration.
- 6.3 If, on or after the Notice Date, NZFSU makes any issue of ordinary shares to any person other than by way of bonus issue, and this Offer is or becomes unconditional, then this Offer will be deemed to be extended to and include such ordinary shares and the consideration payable for them will be as provided in paragraph 2.1.
- 6.4 If, on or after the Notice Date, all or any of the Shares are subdivided or consolidated by NZFSU then:

- (a) this Offer will be interpreted to take into account that subdivision or consolidation and will be deemed to be for the Shares resulting from that subdivision or consolidation;
- (b) the consideration per Share offered under this Offer will be increased or reduced, as the case may require, in proportion to that subdivision or consolidation; and
- (c) Acceptors will be bound to transfer those subdivided or consolidated Shares to Olam on the basis of the consideration so increased or reduced.

7. METHOD OF SETTLEMENT

7.1 If the completed Acceptance Form required by Olam is in order, then not later than 5 days after the later of:

- (a) the date this Offer becomes unconditional; and
- (b) the date on which an acceptance is received,

either a cheque will be sent (by ordinary mail) or an electronic transfer of cleared funds will be made (at the election of the Acceptor) by Olam for the consideration payable for the Shares acquired under this Offer. If an Acceptor does not select a method of payment, or the details that are provided are not sufficient to effect an electronic transfer then that Acceptor will be paid by cheque or by Direct Credit to an Acceptor's nominated account held by Computershare Investor Services Limited. Acceptors electing payment by electronic transfer may be charged fees by their bank or financial institution.

7.2 If the consideration for the Offer is not sent within the period specified in paragraph 7.1 to any Acceptor, that Acceptor may withdraw acceptance of the Offer by notice in writing

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to Olam, but only after the expiration of 7 days' written notice to Olam of that Acceptor's intention to do so. This right to withdraw acceptance of the Offer will not apply if the Acceptor receives the consideration during the 7 day period referred to in this paragraph.

- 7.3 Olam will present all Acceptance Forms to NZFSU for registration as soon as possible following this Offer being declared unconditional.

8. NOTICES

- 8.1 Notice by Olam to NZFSU, the Takeovers Panel, and NZX Limited:
- (a) declaring this Offer unconditional;
 - (b) advising that the condition of this Offer has been waived;
 - (c) advising that this Offer is withdrawn in accordance with the Takeovers Code; or
 - (d) advising that this Offer has lapsed in accordance with its terms or the Takeovers Code,

in each case, will be deemed to be notice to all NZFSU shareholders when so given.

- 8.2 Notice of any variation of the Offer will be sent to NZFSU, the Takeovers Panel, and NZX Limited and, except where not required in accordance with the Takeovers Code, to each NZFSU shareholder under this Offer.

9. FURTHER INFORMATION

- 9.1 Further information relating to Olam, as required by Schedule 1 to the Takeovers Code, is set out in the Appendix, and forms part of this Offer document.

10. INTERPRETATION AND MISCELLANEOUS

- 10.1 In this Offer document:
- (a) any reference to the Takeovers Code

means the Takeovers Code Approval Order 2000 (SR 2000/210);

- (b) except if expressly defined in this document, or where the context requires otherwise, terms defined in the Takeovers Code shall have the same meaning in this document;
- (c) all references to sums of money are in New Zealand currency;
- (d) any reference to time is to New Zealand time;
- (e) headings are for convenience only and do not affect the interpretation of this Offer document or any Acceptance Form;
- (f) the singular includes the plural and vice versa; and
- (g) references to any statutory provision are to statutory provisions in force in New Zealand and include any statutory provision which amends or replaces it, and any by-law, regulation, order, statutory instrument, determination or subordinate legislation made under it.

- 10.2 This Offer may be varied by Olam in accordance with Rule 27 of the Takeovers Code.

- 10.3 This Offer and any contract arising from it shall be governed by and construed in accordance with the laws of New Zealand, and the parties to any such contract submit to the non-exclusive jurisdiction of the Courts of New Zealand.

- 10.4 The provisions set out in the Acceptance Form are part of the terms of this Offer.

- 10.5 If there is an inconsistency between the terms of this Offer and the provisions of the Takeovers Act 1993 or the Takeovers Code, the provisions of the Takeovers Act 1993 or the Takeovers Code (as the case may be) will prevail.

Appendix.

INFORMATION REQUIRED TO BE SPECIFIED IN TAKEOVER NOTICE BY SCHEDULE 1 TO THE TAKEOVERS CODE.

The information required by Schedule 1 to the Takeovers Code, and not stated elsewhere in this Offer document, is set out below. Where information is not applicable, no statement is made regarding that information. The following matters are stated as at the date of this Offer.

1. DATE

The Offer is dated 18 October 2012.

2. OFFEROR AND ITS DIRECTORS

Offeror

Olam International Limited
9 Temasek Boulevard
#11-02 Suntec Tower 2
Singapore 038989

Directors of Olam

- Rangareddy Jayachandran;
- Narain Girdhar Chanrai;
- Michael Lim Choo San;
- Robert Michael Tomlin;
- Mark Haynes Daniell;
- Tse Po Shing;
- Wong Heng Tew;
- Jean-Paul Pinard;
- Sunny George Verghese;
- Sridhar Krishnan; and
- Shekhar Anantharaman.

3. TARGET COMPANY

NZ Farming Systems Uruguay Limited.

4. OWNERSHIP OF EQUITY SECURITIES OF TARGET COMPANY

The table below sets out the numbers, designations and percentages of equity securities of NZFSU that are held or controlled by:

- Olam;
- any related company of Olam;
- any person acting jointly or in concert with Olam;
- any director of any persons described in paragraphs (a) to (c) above; and
- any other person holding or controlling more than 5% of the class of equity securities of NZFSU, to the knowledge of Olam.

	Number of shares held or controlled	Percentage of Shares
Olam International Limited	209,899,857	85.941%

Except as disclosed above, no other person of the kind referred to in this clause 4 holds or controls equity securities of NZFSU.

5. TRADING IN TARGET COMPANY EQUITY SECURITIES

Set out in the table below are the number of Shares acquired by Olam during the 6 month period before the date of this Offer, the consideration for those Shares and the date of every transaction:

Appendix.

Date	Number of Ordinary Shares	Consideration
3 October 2012	25,000	\$18,500
17 October 2012	6,100	\$4,514

Other than the transactions referred to in the table above, no equity securities of NZFSU have been acquired or disposed of by Olam or any other person of the kind referred to in sub-clauses 4(b) to (e) inclusive during the 6 month period before the date of this Offer.

6. AGREEMENTS TO ACCEPT OFFER

No person has agreed conditionally or unconditionally to accept this Offer as at the date of this Offer.

7. ARRANGEMENTS TO PAY CONSIDERATION

Olam confirms that resources will be available to it sufficient to meet the consideration to be provided on full acceptance of the Offer and to pay any debts incurred in connection with the Offer (including debts arising under Rule 49 of the Takeovers Code).

A statement setting out the rights of each offeree under Rule 34 of the Takeovers Code, to withdraw its acceptance for non-payment by Olam of the consideration, is set out in paragraph 7.2 of the Offer document.

8. ARRANGEMENTS BETWEEN OFFEROR AND TARGET COMPANY

No agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between Olam or any associates of Olam and NZFSU or any related company of NZFSU, in connection with, in anticipation of, or in response to, this Offer.

9. ARRANGEMENTS BETWEEN OFFEROR AND DIRECTORS AND OFFICERS OF TARGET COMPANY

No agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between Olam or any associates of Olam, and any directors or senior officers of NZFSU or of any related company of NZFSU (including any payment or other benefit proposed to be made or given by way of compensation for loss of office, or as to their remaining in or retiring from office) in connection with, in anticipation of, or in response to, the Offer.

10. FINANCIAL ASSISTANCE

No financial assistance (directly or indirectly) is to be provided by NZFSU, for the purposes of, or in connection with, this Offer.

11. LIKELIHOOD OF CHANGES IN TARGET COMPANY

In the event that Olam becomes entitled to invoke the compulsory acquisition provisions of Part 7 of the Takeovers Code, Olam proposes to promptly invoke those provisions so as to acquire all of the remaining Shares and delist NZFSU from the NZX.

12. PRE EMPTION CLAUSES IN TARGET COMPANY'S CONSTITUTION

As at the date of this Offer there is no restriction on the right to transfer any equity securities to which the Offer relates contained in the constitution of NZFSU which has the effect of requiring the holders of those securities to offer the securities for purchase to NZFSU shareholders or to any other person before transferring those securities.

Appendix.

13. ESCALATION CLAUSES

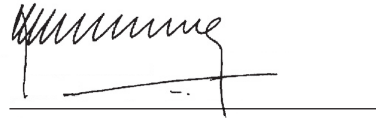
There is no agreement or arrangement (whether legally enforceable or not) under which any existing holder of equity securities in NZFSU will or may receive in relation to, or as a consequence of, the Offer any additional consideration or other benefit over and above the consideration set out in the Offer, or any prior holder of equity securities in NZFSU will or may receive any consideration or other benefit as a consequence of the Offer.



Rangareddy Jayachandran
Non-Executive Chairman
Olam International Limited

14. INDEPENDENT ADVISER'S REPORT

No report is required under Rule 22 of the Takeovers Code (which, if the offer is for more than 1 class of securities, requires a report by an independent adviser on the fairness and reasonableness of the consideration and terms of the offer as between different classes of securities).

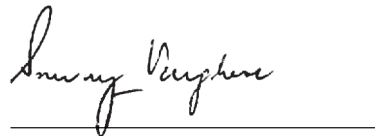


Sridhar Krishnan
Director
Olam International Limited

15. CERTIFICATE

To the best of our knowledge and belief, after making proper enquiry, the information contained in this Offer document (including the Appendix) is, in all material respects, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by Olam under the Takeovers Code.

Signed by the persons named below or their respective agents authorised in writing:



Sunny George Verghese
Group Managing Director & Chief Executive Officer
Olam International Limited



Shekhar Anantharaman
Executive Director – Finance & Business Development
Olam International Limited



