

NEW ZEALAND RURAL LAND CO.

WWW.NZRLC.CO.NZ

NZX Announcement

15 March 2021

New Zealand Rural Land Company Limited (NZL.NZX)

New Zealand Rural Land Company Limited (NZL.NZX) is pleased to announce that it has a conditional agreement for the first in a series of expected acquisitions.

NZL's first purchase is a 456 hectare dairy farm in Mokoreta, Southland with a settlement date of 1 June 2021. The purchase price is NZ\$10.373 million. The agreement remains conditional on a successful 'Drop Test' to test the integrity of the effluent pond on the farm and this condition is due to be confirmed on 26 March 2021.

NZL has agreed the terms of a lease for the farm with Fortuna Group which will commence from settlement. The lease is for 10 years with a rental of \$515,667 per annum, representing a 4.97% per annum lease yield (after transaction costs). This acquisition is consistent with NZL's stated plans and tenant requirements at the time of the IPO in December 2020.

NZL continues to work on several larger scale acquisitions of dairy farms in the South Island and expects to complete those negotiations in the ensuing weeks with earlier settlement dates than traditional dairy farm settlements (being 1 June). Successfully concluding these negotiations would see NZL generate lease income prior to its 30 June 2021 balance date that would be earlier than indicated in the IPO documentation. NZL is in discussions with debt funders to establish funding lines for these further acquisitions.

Attached to this NZX release is an Acquisition Announcement document which provides a property and tenant summary.

ENDS

Contact:

Christopher Swasbrook

Mobile: 021928262

Email: chris@nzrlc.co.nz



NEW ZEALAND RURAL LAND CO.

SUSTAINABLE AOTEAROA

The Blade, Level 4, 12 St Marks Road, Remuera, Auckland, 1050, New Zealand | +64 9 379 6493

www.nzrlc.co.nz