11 July 2016

ELDPA Hybrid Distributions

Elders (ASX:ELD) gives notice that it will not pay a distribution to Hybrid holders in respect of the Distribution Period ending 29 June 2016.

Directors will next consider the payment of distributions in respect of the Distribution Period ending 29 September 2016.

Written notice of the Company's determination will be provided to each hybrid holder in the form attached and by way of a notice published in The Australian newspaper.

Peter Hastings
Company Secretary

11 July 2016

Mr John Smith
Flat 123
123 Sample Street
Sampleville SA 5000

Dear Elders hybrid holder,

Elders Hybrids: Notice of no Distribution for Distribution Period ending 29 June 2016.

I am writing to you in respect of the Distribution Period (as that term is defined in the Company's hybrid prospectus dated 28 February 2006) ending 29 June 2016.

As you will be aware, Elders informed hybrid holders and ordinary shareholders at the time of its October 2014 capital raising that it would be unlikely to resume distributions to hybrid holders, or dividends to ordinary shareholders, for two to three years at the least. As Elders further advised in its letter to hybrid holders dated 29 March 2016, the Company is only part way through the process of strengthening its business to grow earnings and returns.

Accordingly, the Company gives notice to you that it will not pay a Distribution in respect of any hybrids for the Distribution Period ending 29 June 2016.

As you will be aware, a subsidiary of Elders, Elders Finance Pty Ltd, has made an on-market offer to acquire hybrids not presently owned by it for $95 a hybrid. If you have not yet considered that offer, which is open until close of trading on Friday 15 July 2016, I encourage you to do so.

Yours faithfully,

Hutch Ranck
Chairman