



24 July 2014

## Sale of Charlton Feedlot

Elders (ASX: ELD) has entered into an agreement to sell Charlton Feedlot, which is located in Victoria, to well known beef industry operators Teys.

Charlton Feedlot was recorded as an asset held for sale in Elders' financial statements for the six months to 31 March 2014. The sale is a further step in Elders' asset divestment and debt reduction program.

The gross proceeds of the sale of approximately \$10.1m will be applied to debt reduction. The sale gives rise to a profit of approximately \$3.95 million (subject to usual post completion adjustments), which, as the asset was held for sale, will not be recorded in Elders' underlying profit for FY14.

It is anticipated that the sale will complete on or before 28 July 2014.

Elders Chief Executive Mark Allison said, "the disposal of Charlton Feedlot, which is not core to Elders' strategy, marks a further step towards our commitment to simplify the business, concentrate on high return activities and reduce term debt."

The sale follows the immaterial disposals of the held for sale wool trading business in New Zealand (which has settled), and the held for sale New Zealand network business (which is due to settle before the end of July 2014) proceeds from which have been, or will be, applied to term debt reduction.

### **Further Comment:**

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