



30 June 2009

Company Announcements Office
Australian Securities Exchange

Formal Agreement for Extension to Complete Refinancing

Elders Limited (ASX: ELD) (Elders) announces it has completed agreements with its lenders that formalise the in-principle agreement announced to the ASX on 18 June 2009 for a 3 month extension to Elders' short dated finance facilities.

The extension has been effected through:

- agreements with Elders' banks to extend the date for repayment of its short term facilities from 30 June 2009 to 30 September 2009; and
- agreements with its banks and US Private Placement note holders to change the testing date for certain financial covenants from 30 June 2009 to 30 September 2009.

As part of these arrangements (and in anticipation of a longer term refinancing), Elders and certain of its wholly-owned Australian subsidiaries have agreed to provide the banks and note holders with guarantees and security. However, these guarantees and security are subject to release provisions that provide that the guarantees and security provided by each company are automatically released and discharged on 30 September 2009 unless that company otherwise agrees. Such agreement is expected to occur if a longer term refinancing has been agreed by 30 September 2009.

To date, Elders has incurred costs associated with the extension and refinancing of approximately \$10 million before tax; inclusive of the extension fees and the costs of its own advisers and those of advisers to the banks and note holders that it is obliged to pay under the terms of its lending arrangements. The increase in interest rate paid is equivalent to an average increase of approximately 300bp above the existing cost of debt.

The extension has been put in place to provide sufficient time to enable orderly completion of the refinancing of the current financing facilities into a new syndicated facility. Elders anticipates that the refinancing will be concluded by 30 September 2009.

Elders has sufficient financial capacity for the extension period including current available bank facilities and unrestricted cash of approximately \$180 million.

