

AWF Group Limited Rights issue

23rd February 2015





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Application has been made for permission to quote the rights on the NZX Main Board and all the requirements of NZX Limited ("**NZX**") relating thereto that can be complied with on or before the date of this document have been duly complied with. The new shares will be quoted on the NZX Main Board upon completion of allotment procedures. NZX accepts no responsibility for any statement in this document. NZX Main Board is a financial product market operated by NZX, a licensed market operator, under the Financial Markets Conduct Act 2013.

OVERVIEW



AWF intends to raise approximately \$14 million of equity, via a pro rata renounceable rights issue

Purpose	Funds raised will be used to repay debt and provide balance sheet flexibility to pursue future growth initiatives
Offer size	Approx. \$14 million
Offer structure	1 for 4 pro rata, renounceable entitlement offer to eligible shareholders Traditional rights issue, with rights trading under the ticker code “AWFRA” Provides eligible shareholders with the opportunity to participate on a pro-rata basis No shortfall bookbuild
Issue price	\$2.10 per New Share Issue price at 13% discount to theoretical “ex-rights” price (TERP)*
Underwriter	Deutsche Craigs

1. TERP is calculated as the weighted average of 25,804,503 existing shares at NZ\$2.50, being the last quote price of AWF shares, as at market close 20 February 2015, and 6,658,926 (incl. those attributable to the 831,200 restricted shares) of new shares at NZ\$2.10
2. NZX has approved the quotation of rights under the code “AWFRA”

EQUITY RAISING TERMS



Entitlement Ratio	1 New Share for every 4 existing shares, held at 5.00pm on 4 March
Maximum New Shares to be issued	6,658,926 (subject to rounding)
Application Price	\$2.10 per New Share
Offer discount	13 % to TERP
Maximum equity to be raised	c.\$14 million
Ranking	New Shares issued on completion of the Offer will rank equally with existing shares ⁽¹⁾ and will be quoted on the NZX Main board
Rights	The Offer is renounceable
Eligible Shareholder	Shareholders with registered addresses in New Zealand on the Record Date and other Shareholders that AWF is satisfied can participate in the Offer in compliance with applicable laws

(1) Excluding the restricted shares

ENTITLEMENT OFFER STRUCTURE

Entitlement Offer	<ul style="list-style-type: none"> • Available to Eligible Shareholders • Eligible Shareholders expected to be sent an Offer Document with a personalised Entitlement and Acceptance Form on 10 March 2015 • Each Eligible Shareholder may choose to: <ul style="list-style-type: none"> • take up all or some of their Rights; OR • sell all or some of their Rights; OR • take up some of their Rights and sell all or some of the balance; OR • do nothing with all or some of their Rights.
No Shortfall Bookbuild	<ul style="list-style-type: none"> • There is no shortfall bookbuild. Those shareholders who let their rights lapse will not receive any value for their rights
Oversubscriptions	<ul style="list-style-type: none"> • There is no oversubscription facility for this Offer
Non- Eligible Shareholders	<ul style="list-style-type: none"> • Rights will be sought to be sold and net proceeds (after fees of 0.5% of proceeds will be paid)

IMPORTANT DATES



Announcement of the Offer	23 February 2015
Rights trading commences on NZX Main Board (AWFRA)	2 March 2015
Record Date for determining Entitlements	5:00pm, 4 March 2015
Expected mailing of Offer Document / Letter of Entitlement	10 March 2015
Rights Offer opens	11 March 2015
Rights trading ceases	20 March 2015
Rights Offer closes (and last date for receipt of renunciations)	5:00pm 26 March 2015
Allotment and issue of New Shares under the Offer	31 March 2015
New Shares expected to commence trading	31 March 2015
Expected date for initial dividend after allotment	Late June 2015

These dates may change. AWF reserves the right to amend the dates and times without prior notice, subject to applicable legal and regulatory requirements