



23 February 2015

FOR IMMEDIATE RELEASE

AWF Group Announce 1:4 Rights Issue

AWF Group Limited ("**AWF**") today announced it intends to raise approximately \$14 million of new equity capital by way of a 1:4 pro rata renounceable offer of new shares to existing shareholders ("**Rights Offer**"). The Rights Offer is fully underwritten by Deutsche Craigs.

AWF intends to use the proceeds from the Rights Offer to repay bank finance previously borrowed by the company to finance the acquisition of Madison.

Ross Keenan, Chairman of the Board, said "As previously announced to shareholders, the Board undertook to consider an equity capital raising, to reduce the company's debt levels it assumed on the acquisition of Madison, once it had validated the transaction and its integration into the AWF Group. Madison has now successfully completed its first year under AWF ownership and the Board considers this to be the right time to proceed with this equity raising".

This Rights Offer provides shareholders with an opportunity to participate on a pro-rata basis. The Board considers this to be the fairest structure to all shareholders.

The record date for determining entitlements is 5.00 pm on 4 March 2015, with the opening date for the Rights Offer being 11 March 2015. The rights will trade under the code of AWFRA on the NZX Main Board from 2 March with the last day of rights trading being 20 March 2015. The closing date for the Rights Offer is 5.00pm on 26 March 2015, with allotment and issue of the new shares on 31 March 2015.

The Rights Offer is only open to "Eligible Shareholders", being persons who have registered addresses in New Zealand on the record date and persons who do not have registered addresses in New Zealand on the record date but who AWF is satisfied can participate in the Rights Offer in compliance with all applicable laws. Under the Rights Offer, Eligible Shareholders are entitled (but not obliged) to subscribe for 1 new share for every 4 existing shares held at the record date, at a price of \$2.10 per share (with entitlements to fractions of a share rounded down to the nearest whole number). The new shares will rank equally with existing ordinary shares for future dividends.

Further details relating to the Rights Offer will be provided in the offer document relating to the Rights Offer which will be released through NZX when the Rights Offer is made, together with an entitlement and acceptance form. These are to be mailed to Eligible Shareholders on 10 March 2015. Eligible Shareholders should carefully consider the offer document. Subscriptions under the Rights Offer must be lodged with the share registrar, Link by 5.00pm on 26 March 2015. Those shareholders electing to sell all, or some, of their rights entitlement will need to do so prior to the end of the rights trading period at 5.00pm on 20 March. Shareholders should exercise care in respect of any rights trading before they receive their entitlement and acceptance form and should be aware that AWF has the right not to make nor proceed with the Rights Offer.

The offer document will be made available, and able to be downloaded from, NZX Limited's website [www.nzx.com](http://www.nzx.com) under stock code AWF from 2 March 2015.

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 announcement 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 announcement.

NZX Main Board is a financial product market operated by NZX, a licensed market operator, under the Financial Markets Conduct Act 2013.

For the Board  
Ross B. Keenan  
Chairman

-ENDS-

Announcement authorised by:  
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