

GRAZIERS' INVESTMENT COMPANY LIMITED

A.B.N. 29 095 401 200

Registered Office: 369 Royal Parade, Parkville, 3052, Australia

Chairman's Announcement

10 March 2017

Graziers' Investment Company Limited (GIC) Concludes the French Tax Legacy

It is with great pleasure that we announce the resolution of the French Tax legacy issue. This has been a protracted legacy, dating back to 1999, but has resulted in a favourable outcome with an increase in shareholders' wealth in the vicinity of \$1.4m. Final tax clearance has been provided by GIC's French lawyers that the French Tax Authorities have no further avenue to make a claim against GIC thereby completing this legacy.

This now removes the final impediment to dissolving Secretariat International de la Laine (SIL), being the French unincorporated association of the International Wool Secretariat (IWS), which has commenced with the appointment of local French agents to undertake the dissolution process, which is expected to take three to four months to complete.

One key legacy now remains – the dissolution of the International Wool Secretariat (IWS), which involves the repatriation of approximately \$800,000 in cash from India. Discussions with local agents to close this entity, which involves the approval from the Reserve Bank of India, continues to progress and resolution is imminent. The same holds for the divestment of Andar Tool & Press by GIC.

It is still the Board's intention to make a recommendation to shareholders on the future direction of the company this calendar year, which will become the basis of a shareholder vote.

Ends

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