



Communications Policy

1. Introduction

Ruralco places considerable importance on effective communication with its shareholders, market participants, trading members, customers, employees, suppliers, financiers, creditors other stakeholders and the wider community.

To prosper and achieve growth, the Company must ensure that all stakeholders, market participants and the wider community are fully informed of its activities and performance.

Communication is central to investor confidence. Ruralco will provide full information to ensure that trading in its shares takes place in an efficient, competitive and informed market.

This Communications Strategy contains Ruralco's approach and commitment to communication.

2. Purpose

The purpose of this strategy is to:

- reinforce Ruralco's commitment to the continuous disclosure obligations by law imposes and to describe the processes implemented to ensure compliance;
- outline Ruralco's communication strategy aimed at ensuring it provides timely and accurate information equally to all shareholders and market participants;
- provide Ruralco's communication strategy for trading members, customers, employees, financiers and other stakeholders.

3. Continuous disclosure

A fundamental component of Ruralco's Communication Strategy is its continuous disclosure program. To enable continuous disclosure the Board has adopted a Disclosure Compliance Policy.

3.1 Disclosure Compliance Policy

The Disclosure Compliance Policy requires Ruralco to immediately inform the market of any information, disclosure or major development related to the business of Ruralco which a reasonable person would expect to have a material effect on the price or value of its securities. Ruralco will do this by announcing the relevant information to the Australian Stock Exchange (ASX). If the information falls within the scope of the exemption contained in the ASX Listing Rules, the Company may not disclose the information.

The Board has established a Disclosure Committee responsible for:

- receiving and reviewing information;
- determining what information must be disclosed; and
- ensuring that Ruralco complies with its disclosure obligations.

The Company has appointed reporting officers to ensure that material information is promptly reported to the Disclosure Committee which will then determine whether the information will be disclosed. A summary of Ruralco's Disclosure Compliance Policy is available on the Company's website www.ruralco.com.au.

3.2 Communications with the Australian Stock Exchange

All communication with the Australian Stock Exchange ("ASX") will be in accordance with the ASX Listing Rules. The Company Secretary is responsible for communications with the ASX.

Information communicated to the ASX will also be placed on the Company's website www.ruralco.com.au.

4. Communication with shareholders and the market

The Ruralco Communication Strategy is designed to ensure that the Company:

- provides timely and accurate information equally to all shareholders and market participants regarding Ruralco including its financial situation, performance, ownership, strategies, activities and governance; and
- adopts channels for disseminating information that are fair, timely and cost-efficient.

The specific processes Ruralco has adopted to implement these goals, in addition to those contained in the Disclosure Compliance Policy, are outlined below.

4.1 Company Meetings

The meetings of shareholders of the Company represent an excellent opportunity for the Company to provide information to its shareholders. The Company encourages attendance at, and participation in, general meetings.

The Company typically holds its annual general meeting in February of each year in Sydney or such other place as the Board determines. Sydney is preferred given its central location and its proximity to the Company's head office.

To encourage participation in general meetings, the Board has adopted Guidelines for Notices of Meetings. The Guidelines are attached to this policy. They provide clear procedures which the Company will follow to ensure that shareholders have the opportunity to attend and vote in a fully informed manner on the matters to be considered at general meetings.

4.2 Information on the website

Ruralco's website is one of the cornerstones of the Company's Communication Strategy with shareholders and the market. All information released to the ASX will be posted on the Ruralco website as soon as practicable after the ASX has confirmed that it has received the information.

Ruralco's website address is www.ruralco.com.au.

4.3 Briefings

Ruralco recognises the importance of the relationship between Ruralco and its institutional investors, brokers and analysts.

Ruralco therefore may conduct briefings to these groups. In these cases, the following protocols will apply:

- material information which is required to be disclosed pursuant to the Disclosure Compliance Policy will not be disclosed at these briefings unless it has been previously, or is simultaneously, released to the market;
- if that sort of material information is inadvertently released, the Company will immediately release it to the market via the ASX and place it on the Ruralco website;
- questions at briefings that deal with material information that has not previously been disclosed will not be answered; and

- Ruralco will place a copy of the presentation material on the Ruralco website.

4.4 Calendar

Ruralco follows a calendar of regular disclosure to the market on its financial and operational results. The calendar, which is posted on the website, includes dates for the release of half year and full year results, other financial information, and scheduled market briefings

4.5 Authorised spokespersons

Ruralco will make authorised spokespersons available to shareholders and market participants. Ruralco's Authorised Spokespersons are the Chairman, the Managing Director and the Company Secretary on matters authorised by the Disclosure Committee to be released to the ASX. Ruralco employees authorised to make any public statement on behalf of, or attributable to, Ruralco must first have the approval of the Chairman or the Managing Director.

5. Communication with trading members and customers

Ruralco is committed to effective communication with independent trading members, who are at the centre of Ruralco's business. The Company will ensure that:

- trading members are informed of the relevant activities of the Company; and
- the Company receives regular input from trading members to ensure that it is fully responsive to their needs.

The key aspects of the communications strategy with trading members are set out below.

5.1 Electronic communication

The email system which the Company has adopted and made available to all trading members ensures that:

- trading members can communicate ideas between themselves and to the Company; and
- the Company can keep trading members informed of events, promotions, special deals and other information concerning the Company and the services provided by the Company.

Trading members also have the opportunity to provide comments to the Company which the Company can use to improve the services provided. The electronic communication system also enables trading members and customers to place orders rapidly with the Company. This helps ensure the Company responds promptly.

5.2 Trading member briefings

The Company will from time to time conduct briefings to its trading members. These briefings:

- will ensure that trading members are kept up to date on developments and strategies of the Company to assist the business of independent trading members; and
- will provide the opportunity for trading members to ask questions and seek clarification of issues confronting them.

Trading member briefings will be advised to trading members through the electronic communication system.

5.3 Member Business Committees and Member Council

Perhaps the most important means of communication for trading members is through the Member Business Committees ("MBC") and Member Council. These two representative bodies provide trading members with a direct communication line to management and the Board. The role of these committees is to ensure that the Board and management are fully informed about the issues confronting trading members and can act in a manner to provide assistance and services that trading members require and that trading members can receive information directly.

5.4 Role of management

Independent trading members represent the core business of the Company. Therefore management is committed to maintaining focus and communicating effectively with trading members. Regional Sales Managers are required to develop and enhance lines of communication between trading members and the Company. Management, and in particular Regional Sales Managers:

- regularly visit all areas of Australia to communicate with trading members; and
- are available at all times to trading members who are encouraged to communicate directly with management either personally, by telephone or by email.

5.5 Information on the website

The Company's website is an important means of communication for trading members. It contains all relevant codes, policies and charters together with information and data that trading members will find useful. Copies of presentations to shareholders and institutional investors and trading members are also on the Company's website.

6. Communication with employees

Ruralco recognises that its employees are central to the Company's success. In order to enable staff to fulfil their role to the high standards required and to promote employee satisfaction, Ruralco must ensure effective communication. Effective communication with employees starts with their direct manager and with accessibility to senior management. Informal communication forms an important part of the process. In addition, the Company has adopted the following formal approaches to ensure that employees are informed of the activities of the Company.

6.1 Employee briefings

Ruralco will from time to time conduct employee briefings to ensure that all staff are aware of activities within the Company. These briefings may be conducted by the Managing Director or an appropriate manager.

6.2 Electronic communication

The Ruralco email system allows staff to communicate simply and easily with each other and with trading members and management. All staff have access to this system and are encouraged to use it to improve the flow of information and communication generally. The Company will use email to ensure a continued flow of the information and to communicate effectively with staff. Staff should feel free to communicate with any member of management by email.

6.3 Website

The Company's website is an important communication tool for employees. It contains a range of information which relates to employees including relevant policies and codes, media and market announcements and presentations to shareholders, institutional investors and trading members. Employees are encouraged to view the website on a regular basis so that they can keep up to date with information concerning the Company.

7. Communications with other stakeholders

The Company is committed to ensuring that all stakeholders regularly receive information about the Company and its activities. While individual briefings may

be held with key stakeholders such as financiers, the principal means of ensuring that the stakeholders to have access to information will be through the Company's website.

8. Website

The Company's website is the primary means to provide information to all stakeholders. It has been designed to enable information to be accessed in a clear and readily accessible manner.

The following will be available on the Company's website:

- All of Ruralco's codes, policies and charters. In order to ensure high standards of corporate governance Ruralco has adopted a range of codes, charters and policies which ensure that the Company conducts itself in accordance with high ethical corporate standards. These codes, policies and charters are available on the website in the corporate governance section;
- All announcements made to the market and releases to the ASX as soon as possible after they have been released to the ASX;
- Copies of any presentations to shareholders, institutional investors, brokers and analysts where possible;
- Any media or other releases;
- All notices of meetings and explanatory material;
- A copy of the Company's most recent annual report; and
- Any other relevant information concerning non-confidential activities of the Company including staff movements and business developments.

Ruralco's website address is www.ruralco.com.au.

9. Clear Communication

Ruralco is committed to ensuring that all its communications are in plain, easily understood language. It will aim to ensure that all its stakeholders can find the information they need, read it, understand it, and use it in a useful and practical way.

10. Electronic Communication

Ruralco has designed an electronic communication system to help the Company communicate with its shareholders, trading members, customers, staff and suppliers. The system allows trading members and staff to communicate quickly, simply and easily with the Company and each other. The Company is committed to using the system to provide information to its shareholders, trading members and staff on a range of issues designed to keep everyone up to date with Company information.

The Company encourages all trading members and staff to use the system to share information, exchange ideas and generally improve communication.

11. Additional information

If you have any questions arising from Ruralco's Communications Strategy, please contact the Managing Director or Company Secretary.

* * * *

Updated as at 15 February 2007.