

Update on the Agria Takeover Offer

Agria (Singapore) Pte Limited (Agria) gave notice on 24 December 2010 that it intended to make a partial offer to bring its total shareholding to 50.01% in PGG Wrightson Limited (PGW). Agria's current shareholding in PGW is 19.01%.

Agria has entered into a pre-bid agreement with Pyne Gould Corporation Limited which has committed to accept the offer for its entire 18.3% shareholding in PGW subject to any scaling that may be required under the Takeovers Code. This pre-bid commitment together with Agria's existing shareholding represents approximately 37.3% of PGW's total shares on issue. Agria's offer to acquire the additional shares from existing shareholders, including those from Pyne Gould Corporation Limited, is at a price of 60 cents per share.

The takeover notice given to PGW by Agria on 24 December 2010 does not constitute an offer to purchase shareholders' shares in PGW. The Takeovers Code requires that shareholders receive a written offer from Agria, which sets out the price and any conditions in prescribed form.

Based on indications from Agria, PGW understands that this is likely to be sent on Friday, 21 January 2011. The offer will be made to all shareholders on the PGW share register (excluding Agria) as at 17 January 2011.

The Board's primary concerns are to ensure that shareholders' interests are protected and that shareholders have suitable information available to them to make a decision about the Agria offer and their shareholding in PGW.

The Board of PGW has formed a response committee to discharge the PGW Board's obligations under the Takeovers Code. This committee, which comprises independent directors Sir John Anderson, Keith Smith and Bill Thomas, has the authority of the PGW Board to evaluate the takeover offer and oversee the preparation of the Target Company Statement in response to the offer.

The Code requires that a Target Company Statement be furnished by PGW to its shareholders and this is likely to be published and mailed in early February 2011.

The Target Company Statement will contain all information required under the Takeovers Code requirements including:

- A recommendation from the directors of PGW on whether to accept the offer or not and the reasons for such recommendation.
- Disclosure regarding each PGW director or senior officer and their associates who may have accepted or intend to accept the offer, and the number of shares in respect of their respective acceptances.

The Code also requires that the Target Company Statement include an independent appraisal of the offer, or a summary of that appraisal. As previously announced, the Board has appointed Grant Samuel & Associates Limited to prepare this report. The Board is also in the process of obtaining independent advice to assist in its task of ensuring that shareholders have the information and advice they require in order to make an informed decision on the merits of the offer.

No immediate response is required from shareholders on receipt of the offer and the Target Company Statement. The proposed offer closing date advised in Agria's takeover notice is 15 April 2011.

Shareholders will thus have time to consider their response after receiving the offer, the Target Company Statement and the Independent Advisor's report.

Any takeover situation is dynamic, and this means that circumstances relating to the offer could change materially between the time the offer is made and the nominated closing date (which could be extended in certain circumstances).

The next key information PGW will issue is the Target Company Statement and formal recommendation from the independent directors of PGW which is expected to be issued in early February.

PGW welcomes any queries or feedback on matters raised in this announcement, via email to info@pggwrightson.co.nz. Although it may not be possible to respond individually to all queries, PGW will address them in upcoming communications from the company.

For further information:

Maurice Noone
+64 21 343 543