

News Release

November 24 2009

**ALLIED FARMERS ANNOUNCES FURTHER DETAILS OF \$7 MILLION CAPITAL
RAISING AND STRATEGIC ALLIANCE WITH RESIMAC**

Allied Farmers Limited has announced the investor that agreed to participate in the previously announced \$7 million capital raising is RESIMAC Limited, Australia's largest non bank issuer of mortgage backed securities.

Chairman John Loughlin said today that Allied Farmers Limited had concluded the detailed terms of the \$7 million capital raising, originally announced to the market on 30 September 2009.

Mr Loughlin said "We signed documents on 30 September 2009 with a substantial intermediary in the expectation that RESIMAC would be nominated as the investor under those documents and we are no pleased to be able to announce that this has indeed proved to be the case."

The capital raised will be represented by a combination of convertible notes, perpetual bonds and warrants, which will be issued by Allied Farmers Ltd and Allied Nationwide Finance Ltd, to RESIMAC

In addition a strategic alliance agreement has been reached which will see RESIMAC invited to accept representation on the board of Allied Nationwide Finance Limited, the finance company subsidiary of Allied Farmers.

RESIMAC Chief Executive Officer, Mr Warren McLeland will be invited to join the Allied Nationwide Finance Ltd board of Directors, with further RESIMAC board appointments and management collaboration arrangements likely later.

Mr Loughlin said today the linkage with RESIMAC, recognised as one of the leading securitisation specialists in Australia, was intended to assist in the objective of significantly expanding the finance business and would be especially valuable in the bid to acquire and subsequently manage the assets of Hanover Finance and United Finance, announced yesterday.

"This forms an important part of the 'go-forward' for Allied Farmers Limited, which as a result of the deal announced yesterday with Hanover and United Finance, if concluded, will see Allied Nationwide Finance Ltd develop as one of the leading non-bank lenders in New Zealand," Mr Loughlin said.

"It is our simple objective to see Allied Nationwide Finance Ltd become the best capitalised finance company in New Zealand and the RESIMAC alliance is an important first step towards that".

As previously indicated Allied Farmers Limited has been working on a number of deals to strategically position the company for the future as a major participant in both its rural and finance sectors.

Mr McLeland said today that RESIMAC was looking forward to entering the New Zealand finance industry and identifying ways in which its securitisation and other skills could be applied for the benefit of Allied Nationwide Finance Ltd and its parent Allied Farmers Ltd

-Ends-

Issued on behalf of Allied Farmers Ltd.

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About RESIMAC

RESIMAC was established 24 years ago by the New South Wales State government with many of Australia's largest financial institutions as shareholders, including AMP, NAB, Westpac, Citigroup, Société Generale, Merrill Lynch, PMI (QBE) all of whom were founding shareholders or merged or acquired founding shareholders. The New South Wales Government sold its holding in 2003 and the major shareholder is now Ingot Capital Management Pty Ltd.

RESIMAC has completed 16 offshore and domestic public issues since 1998. The last three domestic issues have been supported by the Australian Government's Office of Financial Management (AOFM) as an integral part of the Australian Government's financial support to the non bank and ADI sector in Australia.

RESIMAC currently has AUD\$3.5 billion of funds under management.