



The
Van Diemen's
Land Company

Founded 1825 by Royal Charter of King George IV
ARBN 16 009 475 601

Press Release

The Annual General Meeting of The Van Diemen's Land Company was held in Stanley, Tasmania, on Tuesday 13th December 2011.

A copy of the Governor's presentation and address is attached to this release.

Election of Directors:

The following directors were elected:

Mrs. E. Gill
Mr. K. Sutton
Mr. M. Trousselot

For further information please contact:

Michael Guerin
Chief Executive Officer
+61 438022911

13th December 2011

THE VAN DIEMEN'S LAND COMPANY
187TH ANNUAL MEETING
TUESDAY, 13TH DECEMBER 2011

Governor's Speech

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1. WELCOME

Welcome ladies and gentlemen to this the one hundred and eighty seventh Annual Meeting of The Van Diemen's Land Company.

2. INTRODUCTION

Firstly I would like to make some introductions to the meeting:

- I am Miles Hampton Director and Chair of the Audit and Risk Committee for The Van Diemen's Land Company and I am filling in for Keith Sutton, Governor of Directors.

I would also like to present the other Directors of the Company who are present:

- Elaine Gill from New Plymouth
- Michael Trousselot from New Plymouth
- Trevor Westacott from Warrnambool, Victoria

I would also like to introduce our new Chief Executive Officer, Mike Guerin and also our Chief Financial Officer, Michael Harvey.

Keith Sutton Governor of The Van Diemen's Land Company and David McGregor representing Ernst & Young, the Company's auditor, have requested that I pass on their apologies. The auditor's report was circulated as part of the annual report. If there are any questions of the Company's auditor I will pass them on and organise for the answer to be provided to the shareholder.

The Court of Directors is the traditional term for the Board of Directors of The Van Diemen's Land Company and has been in existence since 1825.

As a Royal Charter Company, VDL is one of about only three still in operation

outside England and is the only Company still operating on part of its original land grant. This unique history of the Company is guarded and maintained by the present Court of Directors and recognised as holding a special place in the history of Tasmania.

3 PRELIMINARY MATTERS

Before addressing the business proper, I record the following matters:

- a. As per the Charter and Bye-laws of the Company, the Notice of Meeting was posted to all members of the Company within the required time frame and it is taken as been read.
- b. The register of directors' shareholdings is as set out in the 2011 Annual Report. The Register is available for inspection by shareholders.
- c. There is a quorum of shareholders present in person or by proxy.

I record that the Company holds 86,876,643 valid proxies from shareholders representing 98.42% of the issued capital of the Company.

4. APOLOGIES

Are there any apologies?

Shareholders have been mailed a printed copy of the Financial Statements, Directors' Report and Auditor's Report for the year ended 31st May 2011. Before dealing with any questions on the accounts and report I would like to make these brief comments.....

The overall result for Van Diemen's Land Company was a net profit after tax of AU\$5.77 million.

The company achieved record dairy production for the year of more than 5.1 million kilograms of milk solids, an increase of 27% on 2010, from the same dairy area.

This lift has been driven by a combination of continuing improvement in farm practices,

the migration of a significant proportion of the dairy herd to autumn calving and favourable weather conditions during the season.

The average milk price for the year was AU\$ 5.70 per kg of milk solids versus AU\$4.25 paid in 2010, an increase of 34%.

The shift in supply pattern resulting from the transition to autumn calving has allowed the company to benefit from targeted Fonterra pricing.

I would like to commence with a review of the past year and will speak shortly on the prospects and outlook for the Company.

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Financial

Your Company generated a net profit after tax and minority interests of \$5.77 million for the year ended 31st May 2011, well up from a net profit after tax of \$0.76 million in 2010.

Earnings before interest and tax were \$11.73 million, up from \$6.65 million in the previous year.

The improved outlook for farmgate milk prices has increased the market value of dairy livestock. The average value has increased to \$1,132 from \$1,020 per cow in 2010, and contributed to an \$3.62 million increase in the livestock trading account.

The market value of land and buildings was independently assessed and has increased to \$162.95 million an increase of \$8.55 million over the year.

Total assets have increased by \$20 million (to \$209 million up from \$189 million).

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Other financial factors of interest include net tangible assets of the company which decreased slightly to \$1.37 per share as at 31 May 2011, from \$1.38 at 31 May 2010 after adjusting for an increase in the number of shares on issue.

Earnings per share improved to a profit of 6.53 cents per share, compared to 1.01

cents per share at 31 May 2010.

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Farming Results

Dairy Operations

The company's milk production increased to 5.1 million kilograms milksolids a record production, cementing the company's position as the largest dairy farmer in Australia.

Farmgate milk payments in Tasmania increased some 34% compared to the previous season, with an average price of \$5.70 per kilogram milk solids being received by the Company, compared to \$4.25.

This price reflects a lift in base milk price but also the company's strategy to produce autumn milk thus receiving significant Fonterra pricing premiums.

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Non Dairy Operations

The beef operations are now acting as a true dairy support block providing short-term grazing and supplements.

Beef livestock numbers have reduced and continue to reflect the change in focus of the non dairy operations. Large scale bull beef finishing has been phased out and replaced with a breeding cow operation and a focus on high margin cattle finishing, both to the Company's own account and through an agistment arrangement with the local meat processor.

There have been continued enhancements in the Heifer Operations, with further improvements in weight gains, in-calf rates, and general animal health. The heifer operation is the underlying driver of the dairying business.

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Farm Outlook

Farm Outlook - Dairy

Our cow condition was at or above target at calving and continues to be so as was pasture cover.

Production for the 5 months to November is behind the budget set by the Company to target 5.8 million kg in the season but remains ahead of previous years.

Production is expected to continue to be above last years results.

The first new conversion since 2004 will see a new Autumn calving herd in place in 2012.

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Graph reflecting production

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Farm Outlook - Non Dairy

As outlined previously the Company is evaluating the expansion of its dairy operations at Woolnorth which will involve the conversion of land currently used for sheep and beef farming into dairying. This will impact on the future focus of the beef operations. Until the timing of this development is resolved the non dairy operations will continue to focus on:

- a heifer operation which can supply a high quality replacement heifer to the dairy unit; and
- supporting the dairy business through provision of grazing and additional supplements.
- high margin cattle finishing to achieve profitable and sustainable returns

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Farm Outlook - Industry

Improved dairy commodity prices have led to a positive outlook for the current season, with the opening milk price in July 2011 of \$4.65.

It is anticipated that there will be further increases with a budgeted season price of \$5.40.

Beef prices are currently at a high level but long-term prices remain uncertain given the current economic climate and exchange rate fluctuations.

The focus of the company continues to be on developing existing assets and identifying opportunities to add value.

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Capital Investment

A number of significant capital developments were progressed during the year, including:

- replacement of two dairy sheds,
- continued land clearance and development of pasture including the completion of the Denium Hills project ,
- improved water reticulation for the non-dairy operation and supplying further water infrastructure to dairy farms and
- continuing infrastructure improvements to support the transition of several dairy farms to autumn calving which involved significant work on laneways, drainage and crossings.
- A multi stage project to wallaby proof fence all dairy and heifer land at Woolnorth together with all land identified as being suitable for dairy is now 75% complete.
- The company has also made a significant investment in capital fertiliser to increase soil fertility.

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Profile

Company

Twelve of the Company's 23 dairy farms are now managed by employed Farm Manager's. This is attracting quality farm operators who would otherwise be unable to afford to enter the industry.

The company's community profile continues to lift with a focus from within the company on supporting the local community.

An ongoing focus on animal welfare together with management maintaining an open line of communication with local regulators has also enhanced the company profile.

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Summary

In summary ladies and gentlemen, your Company has produced record dairy production and generated a sound operating profit. The outlook for the current season is positive, with current milk prices and production both higher than last season.

Ladies and gentlemen, in concluding my address today, I would like to thank management, sharefarmers and staff for their efforts over the past season, and thank my fellow Board Members for the support they have given me as Governor.

The financial statements and annual report are now presented for your information.

Are there any questions on the financial statements?

6. Election of Directors

We now come to the next part of the meeting, Election of Directors.

As noted in resolution 2a, Mr Keith Sutton was nominated for election as a Director of The Van Diemen's Land Company.

I note that valid proxies had been received by the Company representing 98.42% of the issued capital in the Company and that these have not been rescinded.

Votes in favour	86,876,643
Discretionary	1,398,045
Against	Nil

In accordance with a resolution of the Board I advise I will vote all discretionary proxies in favour of the resolution.

The resolution has been passed and Mr. K Sutton was duly elected.

As noted in resolution 2b, Mrs. E. Gill was nominated for election as a Director of The Van Diemen's Land Company.

I note that valid proxies had been received by the Company representing 98.42% of the issued capital in the Company and that these have not been rescinded.

Votes in favour	86,876,643
Discretionary	1,398,045
Against	Nil

In accordance with a resolution of the Board I advise I will vote all discretionary

proxies in favour of the resolution.

The resolution has been passed and Mrs. E. Gill was duly elected.

As noted in resolution 2c, Mr. M. Trousselot was nominated for election as a Director of The Van Diemen's Land Company.

I note that valid proxies had been received by the Company representing 98.42% of the issued capital in the Company and that these have not been rescinded.

Votes in favour	86,876,643
Discretionary	1,398,045
Against	Nil

In accordance with a resolution of the Board I advise I will vote all discretionary proxies in favour of the resolution.

The resolution has been passed and Mr. M. Trousselot was duly elected.

7. General Business

Are there any questions or items of General Business?

8. Conclusion of Formalities

If there are no other items of general business I would like to thank you for your attendance and declare this meeting closed.

We welcome you to join Directors, Management and staff for refreshments.

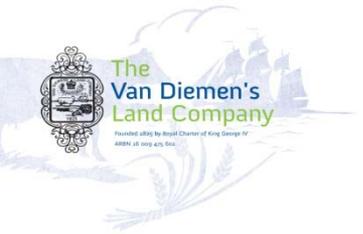
Thank you.



THE VAN DIEMEN'S LAND COMPANY

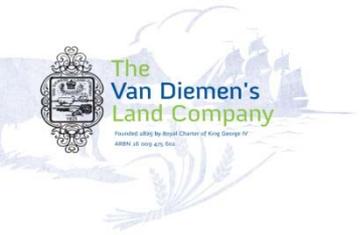
ANNUAL MEETING GOVERNOR'S ADDRESS

13th December 2011



COMPANY OVERVIEW

- Net profit after tax for 2010/11 of \$5.77 million
- Earnings before interest and tax was a profit of \$11.73 million
- Livestock valuation increase leads to a \$3.62 million gain in livestock value
- Increase in land and buildings valuation of \$8.55 million
- Total group assets \$209 million



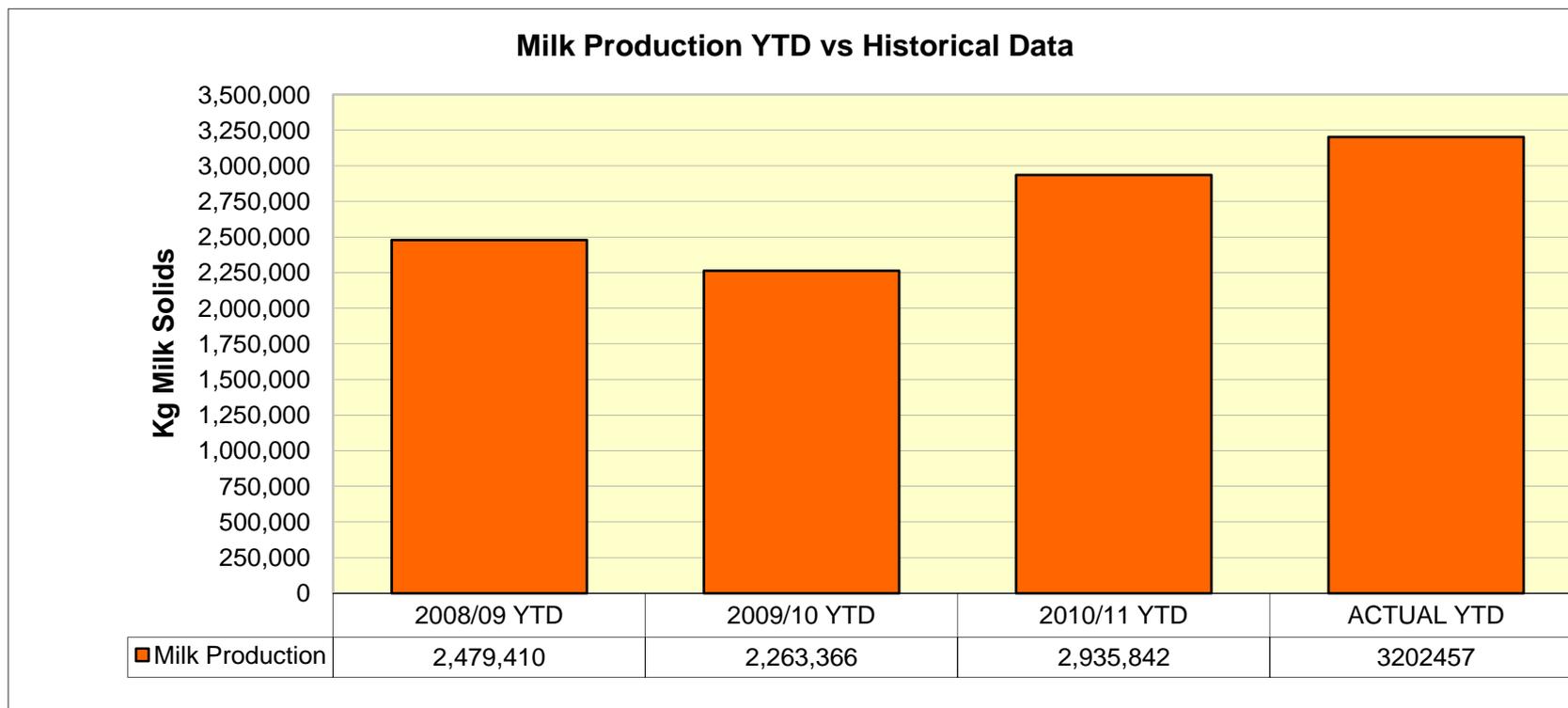
COMPANY OVERVIEW (cont)

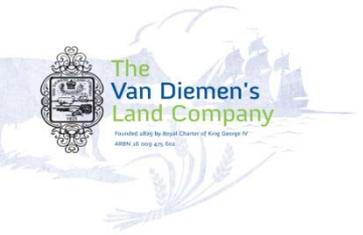
- NTA is \$1.37 per share
- EPS is 6.53 cents per share

FARMING RESULTS

Dairy Operations

- Record Milk production 5.1 million kilograms of milk solids
- Farmgate milk price increased 34% over the year to \$5.70 per kg milk solids





FARMING RESULTS

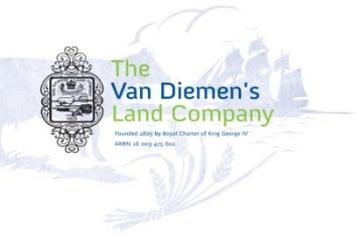
Non-Dairy Operations

- Beef Operations focused on providing full dairy support role
- Increased focus on high margin cattle finishing of agisted and owned livestock
- Dairy heifers reaching industry benchmark mating and calving weights

FARM OUTLOOK

Dairy

- Cow condition and pasture cover at or above target at calving and continues to be so.
- Expect production to continue above last years results.
- First new conversion since 2004 will see a new 1000 Autumn calving herd in place in 2012.



FARM OUTLOOK

Non – Dairy

- Beef and Heifer land are under evaluation for conversion to dairying

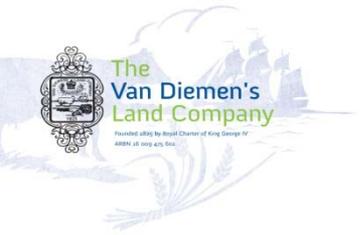
Focus remains on

- Supplying fit for purpose replacement dairy heifers
- Supporting dairy business through provision of grazing and additional supplements
- Continued focus on profitable and sustainable beef operations

OUTLOOK

Industry

- Strengthening international dairy commodity prices
- Forecast at \$5.40 per kilogram of milk solids
- Beef prices currently at a high level but long-term uncertainty remains

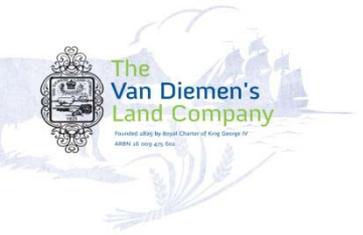


CAPITAL INVESTMENT

- Replacement of two dairy sheds
- Continued Land Clearance
- Improved Water Reticulation
- Continuing infrastructure improvements for Autumn farms
- Extensive Wallaby Proof Fencing project of Woolnorth
- Significant investment of capital fertilizer for Woolnorth

PROFILE

- Increase in number of dairy farms managed by employed farm managers
- Ongoing support of local community
- Continued improvement in animal welfare procedures
- Antipodes Consult Limited assisting the company identify growth funding options



SUMMARY

- Record dairy production
- Sound operating profit
- Positive outlook for 2011/12 milk prices and production
- Continue to focus on building a profitable and sustainable dairy and beef operation and producing fit for purpose dairy heifers