



# S&W Announces Commencement of Rights Offering

## For Immediate Release

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**FRESNO, California** – January 25, 2016 – S&W Seed Company (Nasdaq: SANW) announced today it has commenced its previously announced \$10,375,000 rights offering.

Under the terms of the rights offering, the Company is distributing to holders of its common stock, convertible notes and accompanying warrants, at no charge, non-transferable subscription rights to purchase shares of its common stock at \$4.15 per share. The holders of convertible notes and warrants are eligible to participate in the rights offering on an as-converted and as exercised basis, pursuant to the terms of those securities as issued in December 2014. Each holder of the Company's common stock, convertible notes and warrants will receive 0.0937646 subscription rights for each share of common stock (or shares that are deemed to be owned, assuming conversion of a convertible note and/or exercise of accompanying warrants, as applicable) held of record as of 5:00 p.m., New York time on January 21, 2016. The Company is distributing subscription rights exercisable for up to 1,923,077 shares of its common stock.

Immediately following the expiration of the subscription period, the Company will separately offer up to 576,923 shares of our common stock at the same price as the rights offering to the holders of the convertible notes and warrants, which offering will be made to them as a result of their contractual entitlement to purchase 30% of the shares offered in our rights offering.

Any shares not subscribed for in the basic rights offering of 1,923,077 shares and the separate offering to the noteholders and warrant holders of 576,923 shares will be placed in an oversubscription pool as part of the rights offering. The oversubscription privilege will allow any rights holder who subscribes for its full allocation of shares to over-subscribe for additional shares at the time of the basic subscription, with the over-subscription shares allocated *pro rata* in the event there are not sufficient shares to fill all of the over-



subscription requests. The maximum number of shares that may be sold in the rights offering and the separate offering to the holders of the convertible notes and warrants, including any oversubscriptions, is 2,500,000 shares. If all 2,500,000 shares are sold, the Company will receive gross proceeds of \$10,375,000.

The total number of subscription rights issued to each rights holder will be rounded down to the nearest whole number. Each whole subscription right will entitle the recipient to purchase one share of the Company's common stock at a subscription price equal to \$4.15 per share. The subscription rights may be exercised at any time during the subscription period, which will commence January 25, 2016. The subscription rights will expire if they are not exercised by 5:00 p.m., New York time, on February 22, 2016, unless the Company elects to extend the rights offering period.

MFP Partners, L.P. the Company's largest shareholder, owning approximately 16.9% of the outstanding common stock, has expressed its intention to purchase its *pro rata* share of subscription rights and any available unsubscribed shares until it owns, in the aggregate, up to a maximum of 19.9% of our issued and outstanding common stock. MFP Partners, L.P. is a private investment fund controlled by Michael F. Price that focuses on long-term, value investment opportunities. MFP Partners, L.P. originally became a shareholder in December 2014 when it acquired common stock from the Company in a private placement to help finance the DuPont Pioneer asset acquisition. Alexander C. Matina, Vice President of Investments of the general partner of MFP Partners, L.P., became a member of the S&W Seed Company board of directors in May 2015.

Mark Harvey, chairman of the board of directors of S&W Seed Company, who owns approximately 1.3% of the outstanding common stock, has expressed his intention to purchase his *pro rata* share of subscription rights and any available unsubscribed shares in an amount of \$100,000.

S&W Seed Company anticipates using proceeds from the rights offering to service its convertible debt and general corporate purposes.

A registration statement on Form S-3 relating to these securities has been filed with the SEC and was declared effective on January 22, 2016. A copy of the prospectus forming a part of the registration statement may be obtained free of charge at the website maintained by the SEC at [www.sec.gov](http://www.sec.gov). For questions about the rights offering, including questions about subscription procedures and requests for additional copies of the prospectus or subscription materials, contact Transfer Online, Inc. at (877) 901-6475. Transfer Online, Inc. is acting as the Subscription and Information Agent for the rights offering on behalf of the Company.



This press release does not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of any securities referred to in this press release in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such state or jurisdiction. The rights offering will be made only by means of a prospectus meeting the requirements of the Securities Act of 1933, as amended.

### **About S&W Seed Company**

Founded in 1980, S&W Seed Company is a global agricultural Company, headquartered in Fresno, California. The Company's vision is to be the world's preferred proprietary seed Company which supplies a range of forage and specialty crop products that supports the growing global demand for animal proteins and healthier consumer diets. The Company is the global leader in alfalfa seed, with unrivaled research and development, production and distribution capabilities. S&W's capabilities span the world's alfalfa seed production regions, with operations in the San Joaquin and Imperial Valleys of California, five other U.S. states, Australia, and three provinces in Canada, and S&W sells its seed products in more than 30 countries around the globe. Additionally, the Company is utilizing its research and breeding expertise to develop and produce stevia, the all-natural, zero calorie sweetener for the food and beverage industry. For more information, please visit [www.swseedco.com](http://www.swseedco.com).

### **Safe Harbor Statement**

*This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" describe future expectations, plans, results, or strategies and are generally preceded by words such as "may," "future," "plan" or "planned," "will" or "should," "expected," "anticipates," "draft," "eventually" or "projected." Forward-looking statements in this release include, but are not limited to, statements concerning the amount of proceeds that may be raised in the offering and the possible uses of those proceeds. You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause future circumstances, events, or results to differ materially from those projected in the forward-looking statements, including the risks that actual results may differ materially from those projected in the forward-looking statements as a result of various factors and other risks identified in our filings with the Securities and Exchange Commission, including the prospectus for the rights offering, our Annual Report on Form 10-K for the fiscal year ended June 30, 2015, and in other filings subsequently made by the Company with the Securities and Exchange Commission. The Company does not undertake any obligation to publicly update any forward-looking statements, whether as a result of the receipt of new information, the occurrence of future events or otherwise.*