GrainCorp

Company announcement

GrainCorp Limited ABN 60 057 186 035

Date: 28 August, 2012

To: The Manager
Announcements
Company announcements office

PUBLIC ANNOUNCEMENT

ACQUISITION OF GARDNER SMITH AND INTEGRO FOODS

Investor Presentation

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Company Secretary

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Acquisition of Gardner Smith & Integro Foods

Investor Presentation

28 August 2012

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Acquisition overview

GrainCorp

Transaction overview

- Agreement to acquire Gardner Smith Group ("Gardner Smith") and Integro Foods ("Integro") for a combined enterprise value of approximately $472 million(1)
  - 7.4x LTM EBITDA of $64 million(2) (excluding synergies) or 7.0x including synergies
- Estimated transaction and stamp duty costs of approximately $15 million(3)
- Targeting approximately $4 million (pre-tax) of synergies 12 months after completion. Additional incremental earnings are expected from procurement benefits and planned growth projects
- Completion expected in October 2012, subject to customary closing conditions

GrainCorp Oils overview

- Creating a leading integrated edible oils business in Australia and New Zealand that strengthens and leverages our grain business model, by combining two complementary operations:
  - **Gardner Smith**: Australia's second largest oilseed crusher, operator of strategic bulk liquid port terminal assets and operator of complementary used oil recycling and animal feed businesses in Australia and New Zealand
  - **Integro**: Leading Australian and New Zealand refiner and packager of edible fats and oils for customers in the food industry, with supply agreements with Goodman Fielder for finished goods and ingredients

Acquisition funding

- Between $110-121 million equity to be issued to Gardner Smith shareholders
- Approximately $159 million equity raised via fully underwritten renounceable entitlement offer
- Balance funded via committed acquisition debt facility, including funding for oilseed inventory and seasonal working capital requirements at completion

(1) Gardner Smith enterprise value of $302 million based on core net debt as at 31 March 2012 which excludes oilseed and oil inventory at completion (to be funded via separate oilseed and trade inventory financing). Integro enterprise value of $170 million includes an assumed investment to build up working capital based on the average working capital requirement for the 12 months ended 30 June 2012.

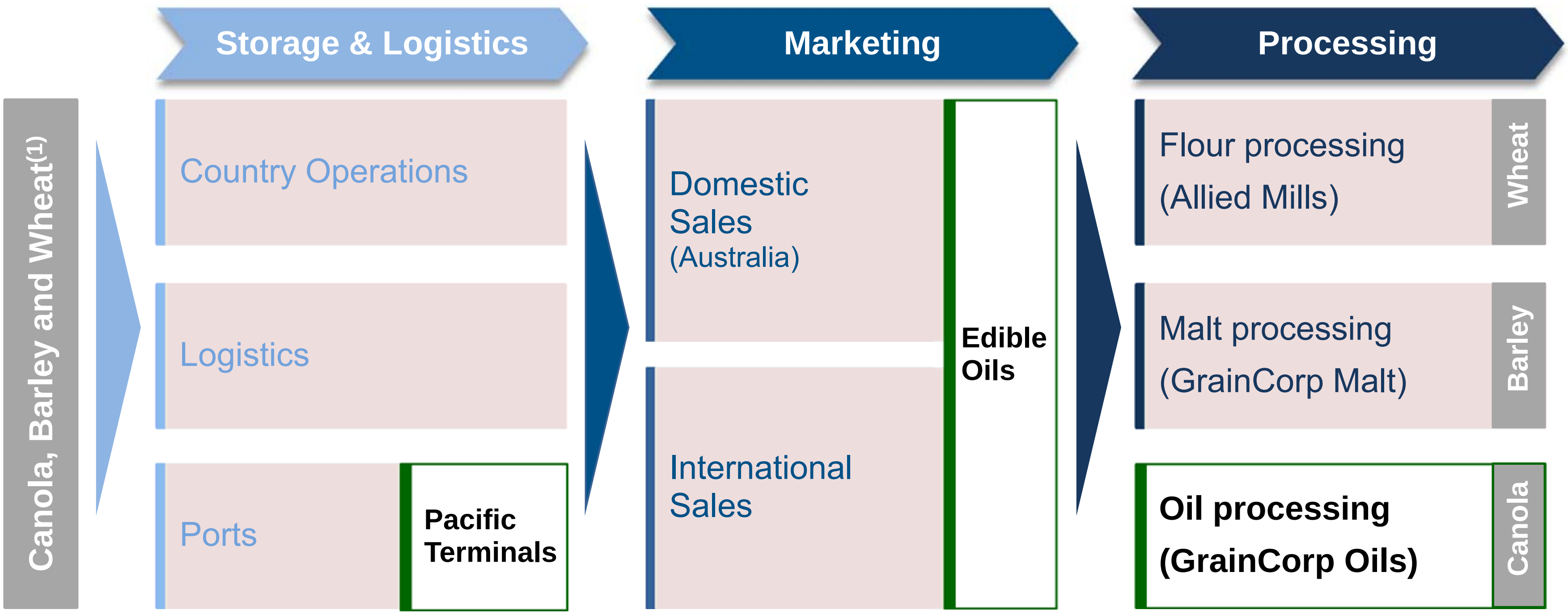
(2) Comprises Gardner Smith multiple of 9.2x EBITDA for the 12 months ended 31 March 2012 (no pro forma EBITDA amounts were included for recent Gardner Smith acquisitions finalised after FY12 year end) and Integro multiple of 5.5x EBITDA for the 12 months ended 30 June 2012. Refer to Appendix for further detail.

(3) Excludes fees associated with the equity raising which are deducted from gross proceeds of the equity offer.

Strengthening our integrated business

Acquisition enhances our "end to end" grain supply chain business through:

- Scale and insight → a leading position in Australia's canola and edible oils processing market
- Strategic assets → adds valuable bulk liquid port terminals to our portfolio which presents further opportunity for growth
- Diversification and value add → downstream canola and oil processing presence and ability to build on our upstream grain supply chain expertise



Acquired Gardner Smith & Integro operations | Existing GrainCorp operations

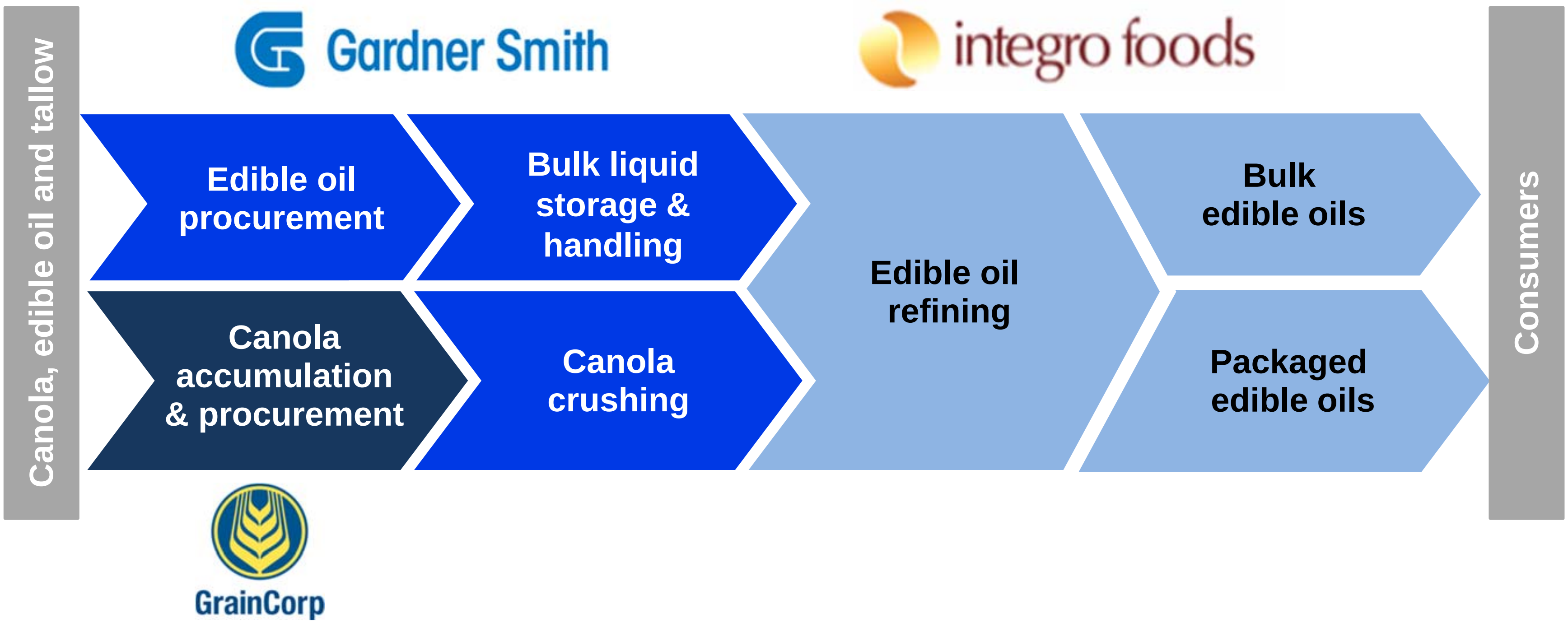
(1) Our core grains. We also handle other commodities including grains and non-grains, and market other commodities including sorghum and pulses.

Creating a leading integrated edible oils business

The combination of Gardner Smith and Integro creates an integrated and competitive offering:

- Oil processing scale → a leading canola crusher and edible oil refiner
- Bulk liquid terminals scale → a leading bulk port handler of import and export edible oils
- Enhanced customer offering with improved commodity risk and supply chain management

Bringing together the canola and edible oils processing value chain...



Alison Watkins
Managing Director and CEO

Strategic rationale

Strategic rationale

GrainCorp

Compelling strategic fit with complementary assets and capabilities

- Creates Australia and New Zealand's leading integrated edible oils business with scale and insight
- Extends core capabilities in well established business model → canola oilseed and downstream processing
- Strategic portfolio of edible oil processing facilities located near key growing regions and bulk liquid terminals
- Valuable portfolio of bulk liquid port terminals complement and diversify our port terminal network and provide additional opportunities for growth

Diversification of operations and earnings through an expanded presence in canola

- Strengthens business base through complementary operations → involvement in alternative agribusiness cycles
- Captures value along the oil supply chain through integrated and international 'end to end' capability
- Increases earnings from processing and non-grain port storage and handling activities
- Enhances our canola multi-origin sourcing capabilities and market insight

Generating value for shareholders

- Combined operations to benefit from our expertise in supply chain management and grain procurement
- Targeting approximately $4 million (pre-tax) of synergies p.a. 12 months after completion
- Potential additional incremental earnings from potential procurement benefits and planned growth projects (e.g. capacity expansion of terminals at existing sites given current high levels of capacity utilisation)
- Ability to optimise crushing and refining footprint → opportunity for business integration benefits and growth
- Expected to be EPS accretive[1] and reduce earnings volatility

(1) Based on GrainCorp's normalised grain receivals of 10.0-10.5 million tonnes, exports of 5.0-5.5 million tonnes and carry-in of 3.0 million tonnes, and Gardner Smith and Integro's average earnings over the last four years, including synergies.

Compelling strategic fit – Consistent with our business model

Grows our integrated and international 'end to end' grain supply chain model

- Leveraging our core capabilities in soft commodity supply chain management and procurement
- Complementary customer base → food and feed companies and export markets

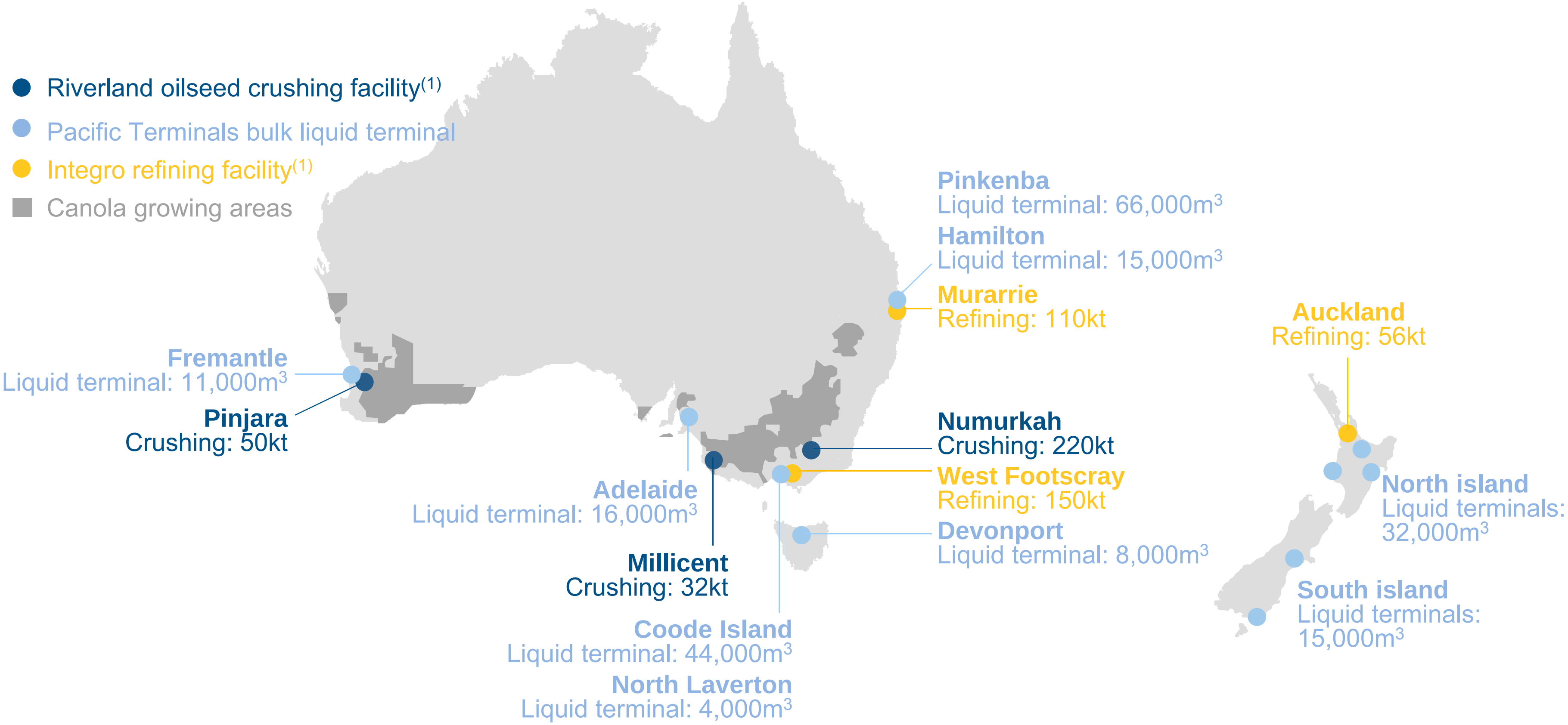
Our integrated grain activities	Storage & Logistics	Marketing	Processing
Existing GrainCorp businesses	**Australia** • Valuable portfolio of infrastructure assets • 280+ sites in eastern Aus, ~20mmt storage capacity • 7 port terminals and 2 container facilities • Manage rail / road logistics **Canada** • 10 sites	**Australia** • National presence • Market wheat, barley, canola and other grains to domestic customers **International** • Presence in Asia, Europe, and Canada • Market grain to ~25 countries	**Flour (Australia)** • Processing wheat into flour via 60% ownership of Allied Mills **Malt (Global)** • Processing barley into malt at 18 plants located in Australia, Canada, the US, the UK and Germany
GrainCorp Oils	**Australia** • 7 bulk liquid terminals[2] **New Zealand** • 5 bulk liquid terminals[2] **China** • 1 bulk liquid terminal[2] (Shanghai)	**Australia** • Pulse[1] trading • Edible oils	**Australia** • 3 oilseed crushing facilities • 2 edible oil refining and packaging facilities • National used cooking oil collection • Stockfeeds – liquids and dry **New Zealand** • 1 oil refining and packaging facility • Stockfeeds – liquids and dry

(1) Annual legume crops including chickpeas, lentils, lupins, beans and peas.
(2) Bulk liquid terminals for storage of edible fats and oils and non-organic liquids.

Compelling strategic fit – Complementary assets and footprint

Portfolio of strategically located processing facilities and bulk liquid terminals

- Complementary geographical footprint with our existing Australian businesses and assets
- Assets located near canola growing regions, domestic customers and access to export / import markets
- Valuable portfolio of bulk liquid port terminals complement and diversify our port terminal network. Also provide additional opportunities for growth at existing sites given current high level of capacity utilisation



Note: Crushing and refining capacity based on 2011 tonnes.
(1) Per annum capacity.

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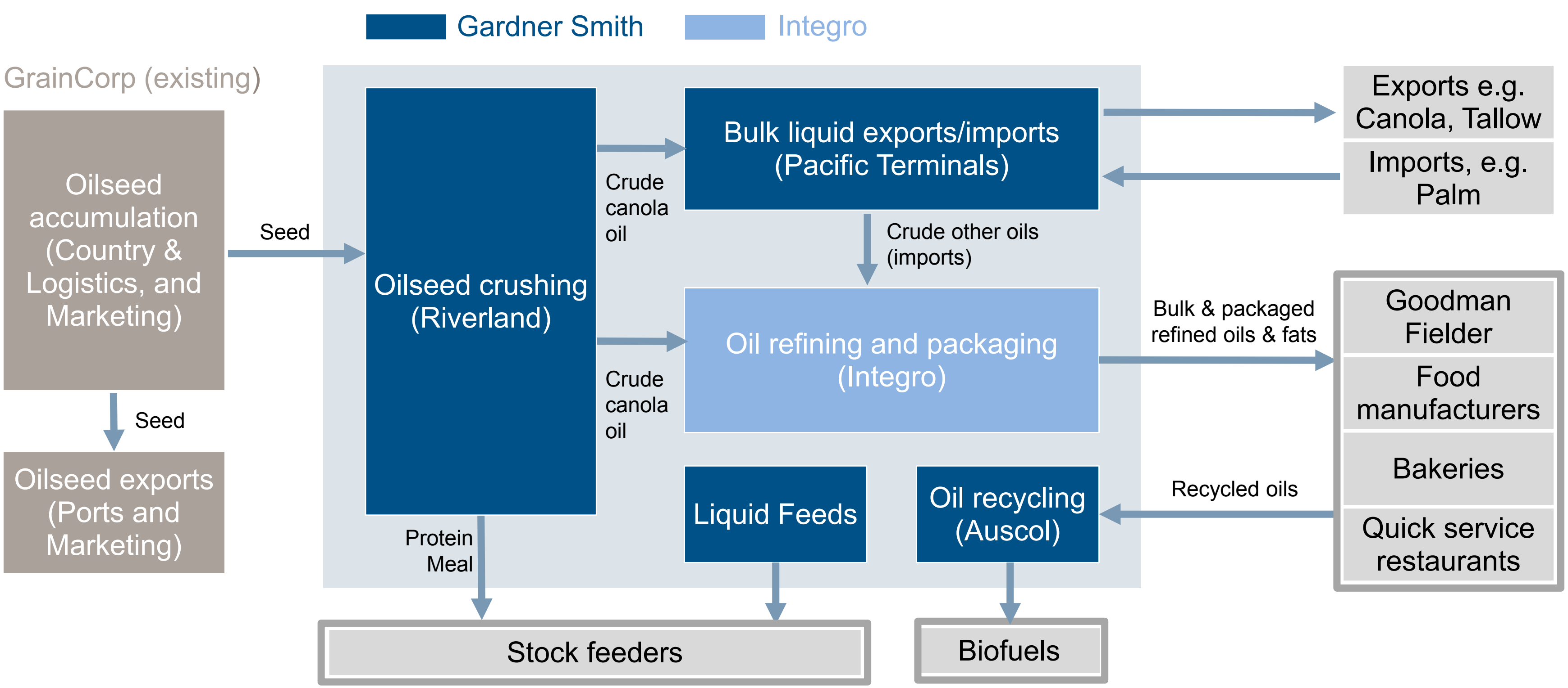
Creating an integrated business to capture value along the oil supply chain

The combination of the two edible oil businesses creates an integrated and competitive offering

- Natural fit between oilseed crushing and edible oil refining
- Leverage complementary activities from bulk liquid terminals, used edible oil collection and stockfeed
- Natural extension of GrainCorp oilseed handling

GrainCorp's canola and edible oils value chain



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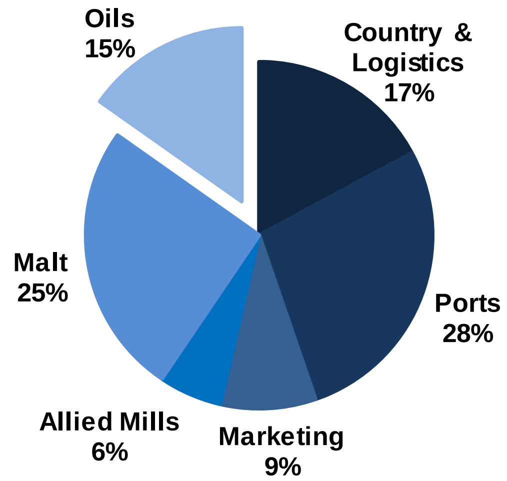
Diversification through expanded presence in canola and processing

Diversification of earnings

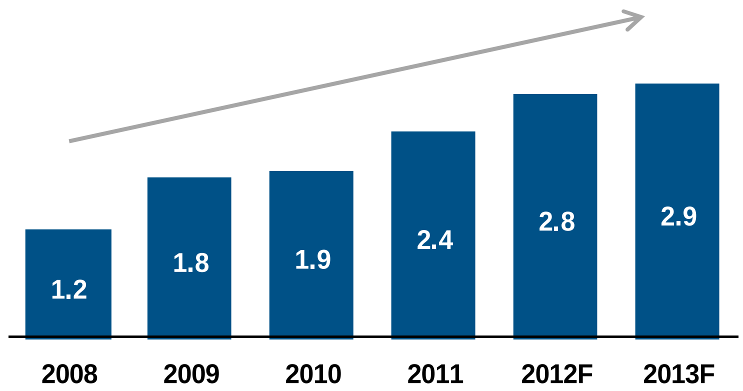
EBITDA breakdown by segment[(1)]



- Expected to generate increased earnings from downstream processing and non-grain port storage and handling operations
- Expected to reduce earnings volatility through exposure to alternative agribusiness cycles → canola crush and oil refining margins
- Expanded geographic footprint in South Australia, Western Australia and New Zealand

Expanded presence in canola

Canola production in Australia[(2)]
(Million tonnes)



- Enhanced insight into the growing global oilseed and edible oils market
- Exposure to growing global edible oil consumption → growth in Australian oilseed production, and exports of oilseeds and edible oils
- Oilseed and canola oil market dominated by Canada → one of our core geographies and where we have recently opened a Marketing office

(1) Based on average EBITDA for 2010, 2011 and LTM for GrainCorp (Marketing is Profit before tax and Allied Mills is 60% of EBITDA), Gardner Smith and Integro, where LTM is 31 March 2012 for GrainCorp and Gardner Smith and 30 June 2012 for Integro.
(2) ABARES production estimates.

Generating value for shareholders

GrainCorp

Improved earnings profile	• Expected to be EPS accretive[(1)] and reduce earnings volatility
Platform for growth	• Integration of businesses represents a significant opportunity to generate value through: – Linking complementary edible oil supply chain assets and commodity management – Optimisation of crushing and refining footprint • Crude oil and tallow represents ~75% of cost of refined edible oils → benefits from our expertise in procurement and supply chain management • Potential for growth projects in bulk liquid terminals to service non-edible oil products via expansion of capacity at existing sites which currently have high levels of utilisation
Generate synergies	• Integration of operations expected to deliver synergies → targeting synergies of approximately $4 million (pre tax) p.a. 12 months after completion • Opportunity for further benefits from applying GrainCorp's procurement and supply chain management expertise to the acquired businesses
Balanced funding structure	• Acquisition funded through $269-280 million of equity with balance debt funded – Maintains our capital structure within targeted gearing levels – Debt structured to support our seasonal working capital requirements – Maintains our balance sheet flexibility and current dividend policy[(2)]

(1) Based on GrainCorp's normalised grain receivals of 10.0-10.5 million tonnes, exports of 5.0-5.5 million tonnes and carry-in of 3.0 million tonnes, and Gardner Smith and Integro's average earnings over the last four years, including synergies.
(2) Dividend policy is to pay between 40-60% of Net Profit After Tax through the business cycle.

Sam Tainsh
General Manager, GrainCorp Oils

GrainCorp Oils

GrainCorp

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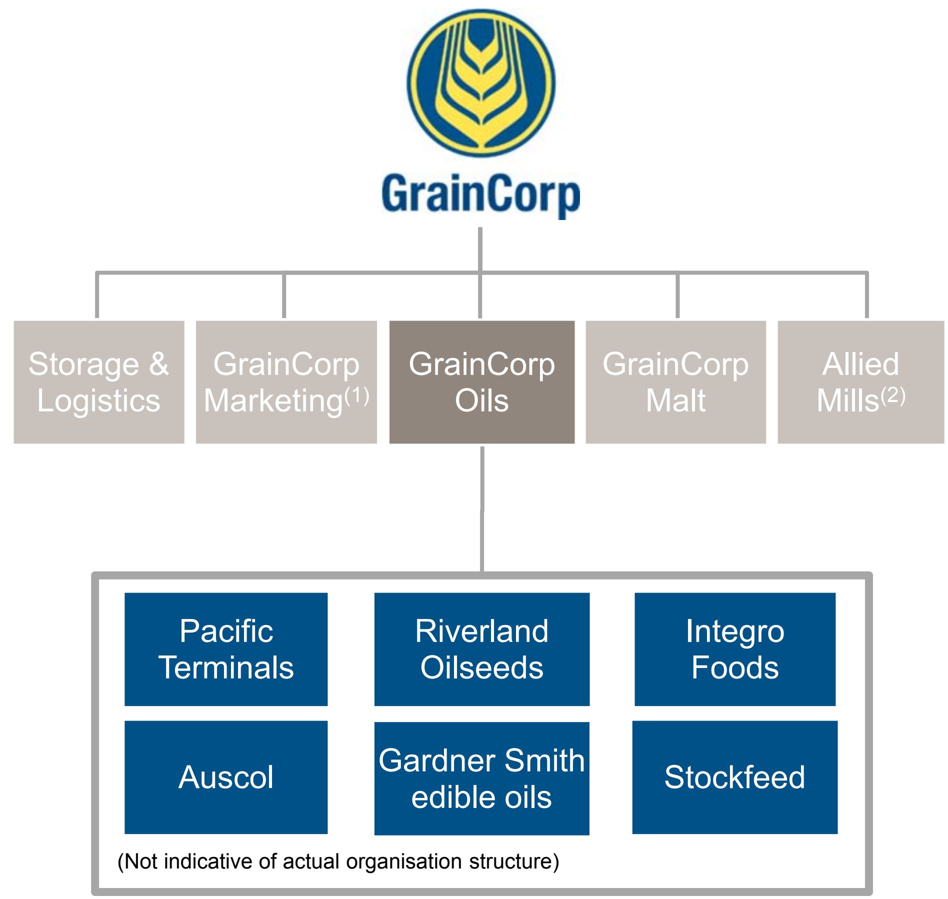
Creating a new business unit – GrainCorp Oils

- Sam Tainsh, currently head of GrainCorp Marketing, to lead and integrate GrainCorp Oils
- Klaus Pamminger, previously Trading Manager – Marketing, appointed as General Manager Marketing
- Retention of key managers and staff from Gardner Smith and Integro
- Integration planning has commenced and will focus on:
  - Reinforcing existing customer and supplier relationships
  - Combining the businesses to reinforce linkages
  - Relocating corporate centre employees to GrainCorp head office
  - Migrating IT systems and support services, leveraging GrainCorp's infrastructure
  - Capturing synergies and managing edible oil margins across the supply chain
  - Detailed scoping of footprint optimisation and growth opportunities in oil processing and bulk liquid terminals



- Integration and IT migration system costs expected to be ~$17 million
- Targeting approximately $4 million (pre-tax) p.a. of synergies 12 months after completion. Excludes additional potential procurement benefits and revenue synergies

(1) Gardner Smith's grain and pulse trading activities to be assumed within GrainCorp's existing Marketing business.
(2) 60% joint venture interest.

Gardner Smith – a leading oilseed processor and bulk liquid handler

Gardner Smith overview

- Second largest oilseed crusher in Australia → More than 300,000 tonnes p.a. crushing capacity
- A leading bulk liquid port terminal network in Australia / NZ[(1)] → Over 200,000m^3 storage capacity
- Complementary tallow edible oil marketing, recycling and animal feed businesses

Oilseed crushing

RIVERLAND Oilseeds

- 3 canola seed crushing plants in Australia → sourcing ~300,000 tonnes of canola p.a.
- Produced ~120,000 tonnes of canola oil for domestic and export consumers and ~180,000 tonnes of protein meal in FY12[(2)] for stockfeed market

Bulk liquid port terminals

Pacific Terminals

- 12 terminals in Australia and NZ, 1 terminal in China (Shanghai)
- Handling ~1 million m^3 of bulk liquids p.a.
- Storage of import and export of vegetable oils, tallow and molasses for GrainCorp Oils and third parties, and non-organic liquids, chemicals and fuels for third parties
- High levels of capacity utilisation → potential for capacity expansion at existing terminal sites

Complementary businesses

Gardner Smith
AUSCOL
CHAMPION LIQUID FEEDS
BLM HOLDINGS LTD

- Marketing → ~200,000 tonnes of edible oils and tallow p.a
- Auscol → a leading used edible oil collection and recycling network in Australia
- Feed → a leading supplier of liquid feeds, based on molasses and edible oils, in Australia / NZ

(1) New Zealand.
(2) Gardner Smith fiscal year end 31 March.

Integro – a leading refiner and packager of edible fats and oils

GrainCorp

Integro overview

- Australia and NZ’s largest refiner and packager of edible fats and oils → ~280,000 tonnes p.a. capacity

Operations

integro foods

- 3 refining facilities in Australia and NZ → ~40% market share of edible oil refining, producing ~230,000 tonnes p.a
- Close to key upstream and downstream markets
- Contract national distribution network

Products and customers

- Extensive range of edible fats and oil products → essential ingredients in a diverse range of food applications
- Edible oils sold in bulk and packaged to ~400 customers:
  – Basic and complex oil blends to food manufacturers
  – Branded products (e.g. Pilot) to bakeries
  – Branded products to Quick Service Restaurants

Strategic partnership with Goodman Fielder

goodman fielder
our homegrown food company

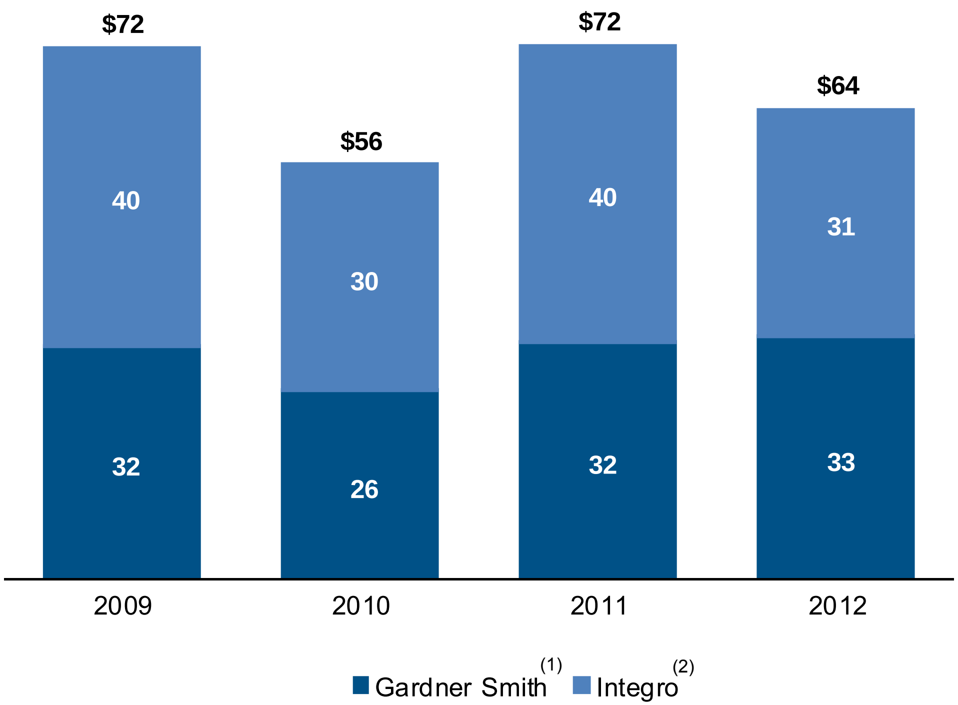
- Strategic relationship with Goodman Fielder
  – Long term supply agreements to supply finished products, including margarine and bottled oils, and ingredients
  – ~40% of Integro’s total annual volumes

Alistair Bell
Chief Financial Officer

Financials and acquisition funding

Historical financial performance

Gardner Smith and Integro EBITDA ($m)



- Variability in Gardner Smith earnings typically driven by movements in oilseed crush margins and volumes
  - Pacific Terminals is a large relatively stable contributor to Gardner Smith, with high levels of capacity utilisation
  - Earnings do not include approximately $2 million contribution from recent acquisitions[(3)]
- Variability in Integro earnings primarily due to commodity prices and volumes
  - New Goodman Fielder supply agreements underpin ~40% of total annual volumes
  - Procurement of canola and other edible oil requirements will be integrated with Gardner Smith
- Combined depreciation of ~$20 million[(4)] and stay-in-business capex of $12-15 million

(1) Represents year ended 31 March. Extracted from the unaudited management accounts of Gardner Smith which have been reconciled to the audited financial statements of Gardner Smith. Excludes contribution of edible oil and grain trading. Refer to Appendix for further detail.
(2) Represents year ended 30 June. Extracted from the unaudited carve out financial statements of Integro, which is pro forma adjusted for the impact of the Goodman Fielder supply agreements.
(3) Acquisitions of Fryfresh, Fataway and BLM Feeds completed by Gardner Smith in May 2012. Refer to Appendix for further detail.
(4) Based on FY2012 actuals.

Committed acquisition funding

Gardner Smith consideration	• Between $110-121 million scrip consideration issued to Gardner Smith vendors • Issue price of $9.79 per share, calculated based on the 5-day VWAP adjusted for the impacts of the Entitlement Offer[(1)] • Shares issued to Gardner Smith vendors subject to escrow period of six months from date of issue
Entitlement Offer	• 1-for-11 fully underwritten pro-rata Entitlement Offer to raise gross proceeds of approximately $159 million: – Approximately $103 million Institutional Entitlement Offer[(2)] – Approximately $56 million Retail Entitlement Offer[(2)] • Issue price of $8.80 per share, representing 10.1% discount to TERP of $9.79[(1)]
Debt funding	• Existing banks provided commitments for 3 year acquisition term debt facilities, new working capital and oilseed inventory facilities • Existing term debt facilities (due to mature in July 2013) of $380 million extended a further 3 years. Annual renewal of working capital ($200 million) and grain inventory facilities ($550 million) approved by banks

(1) The Theoretical Ex-Rights Price ("TERP") of $9.79 is the theoretical price at which GrainCorp shares should trade after the ex-date for the Entitlement Offer. TERP is calculated by reference to GrainCorp's 5-day VWAP to 27 August 2012 of $9.88 per share, being the last trading day prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which GrainCorp shares trade immediately after the ex-date of the Entitlement Offer will depend on many factors and may not be equal to TERP.

(2) Approximate split based on GrainCorp's share register.

GrainCorp FY12 guidance and FY13 outlook update

FY12 Guidance

- Segment guidance
  - Storage & Logistics → 12.2mmt country receivals, ~10.5mmt exports (bulk and containers) and ~4.0mmt carry-out
  - Marketing → strong domestic and export sale programs
  - Malt → 1.35mmt sales and ~$80/t EBITDA(1)
- Upper end of earnings guidance
  - EBITDA → $385-415m(2)
  - Underlying NPAT → $185-205m(3)

FY13 Outlook

- Storage & Logistics
  - Country & Logistics → industry production forecasts 16.0-17.9 million tonnes(4). Crops in eastern Australia are currently entering the key growing period of September – October
  - Ports → additional rail capacity maintained, 0.6mmt export capacity added, and strong forward bookings from exporters
- Processing
  - Malt → ~70% of production capacity forward sold

(1) Excludes ~$5 million Port of Vancouver compensation receipt.
(2) Includes 60% share of Allied Mills NPAT.
(3) Excludes ~$5 million Significant Item after tax profit, including Malt defined benefit plan adjustment (~$12 million profit), Allied Mills Toowoomba mill insurance proceeds (~$5 million profit) and the impact of a retrospective change to tax legislation (~$12 million tax expense).
(4) Production estimates for eastern Australia's 2012/2013 wheat, barley and canola crop. ABARES' June 2012 Crop Report at 16.0mmt and Australian Crop Forecasters' August report at 17.9mmt.

GrainCorp

Entitlement Offer

Entitlement Offer details

Offer Size[1]	• 1-for-11 fully underwritten pro-rata Entitlement Offer to raise approximately $159 million • Record date is 7:00pm on 3 September 2012
Offer Price	• $8.80 per New Share representing a 10.1% discount to TERP of $9.79[1]
Offer structure	• Eligible institutional shareholders can take up their entitlements by 30 August 2012 • Eligible retail shareholders will be sent the offer materials and can take up their entitlements by 5:00pm Sydney time 21 September 2012 • Lapsed or ineligible entitlements will be placed into two separate book builds: 1. Institutional bookbuild on 30 August 2012[2]; and 2. Retail bookbuild on 26 September 2012[2]
Ranking of New Shares	• New Shares issued under the entitlement offer will rank equally with existing GrainCorp shares

Note: Timetable is indicative only. All times refer to the time in Sydney, Australia.

(1) The Theoretical Ex-Rights Price ("TERP") of $9.79 is the theoretical price at which GrainCorp shares should trade after the ex-date for the Entitlement Offer. TERP is calculated by reference to GrainCorp's 5-day VWAP to 27 August 2012 of $9.88 per share, being the last trading day prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which GrainCorp shares trade immediately after the ex-date of the Entitlement Offer will depend on many factors and may not be equal to TERP.

(2) Institutional Shareholders and Retail Shareholders who renounce their entitlements will receive any premium over the Offer Price achieved in the Institutional Bookbuild and Retail Bookbuild respectively (less any applicable withholding tax).

Entitlement Offer timetable

Event	Date
Announcement of Acquisition and Entitlement Offer	28 August 2012
Institutional Entitlement Offer opens	28 August 2012
Institutional Entitlement Offer closes	30 August 2012
Institutional Bookbuild	30 August 2012
Record date under the Entitlement Offer	7:00pm Sydney time, 3 September 2012
Retail Entitlement Offer opens	6 September 2012
Despatch of Retail Offer booklet and Entitlement and Acceptance Form	6 September 2012
Settlement of the Institutional Entitlement Offer and Institutional Bookbuild	10 September 2012
Allotment of New Shares issued under the Institutional Entitlement Offer and Institutional Bookbuild and commencement of trading on ASX	11 September 2012
Retail Entitlement Offer Closes	5:00pm Sydney time, 21 September 2012
Retail Bookbuild	26 September 2012
Settlement of the Retail Entitlement Offer and Retail Bookbuild	4 October 2012
New shares allotted under the Retail Entitlement Offer and Retail Bookbuild	5 October 2012
New shares issued under the Retail Entitlement Offer and Retail Bookbuild commence trading on the ASX	8 October 2012
Despatch of Holding Statements and Despatch of payments (if any) in respect of Entitlements not accepted under the Retail Entitlement Offer	12 October 2012

Conclusion

Strategic rationale

GrainCorp

Compelling strategic fit with complementary assets and capabilities

- Creates Australia and New Zealand's leading integrated edible oils business with scale and insight
- Extends core capabilities in well established business model → canola oilseed and downstream processing
- Strategic portfolio of edible oil processing facilities located near key growing regions and bulk liquid terminals
- Valuable portfolio of bulk liquid port terminals complement and diversify our port terminal network and provide additional opportunities for growth

Diversification of operations and earnings through an expanded presence in canola

- Strengthens business base through complementary operations → involvement in alternative agribusiness cycles
- Captures value along the oil supply chain through integrated and international 'end to end' capability
- Increases earnings from processing and non-grain port storage and handling activities
- Enhances our canola multi-origin sourcing capabilities and market insight

Generating value for shareholders

- Combined operations to benefit from our expertise in supply chain management and grain procurement
- Targeting approximately $4 million (pre-tax) of synergies p.a. 12 months after completion
- Potential additional incremental earnings from potential procurement benefits and planned growth projects (e.g. capacity expansion of terminals at existing sites given current high levels of capacity utilisation)
- Ability to optimise crushing and refining footprint → opportunity for business integration benefits and growth
- Expected to be EPS accretive[1] and reduce earnings volatility

(1) Based on GrainCorp's normalised grain receivals of 10.0-10.5 million tonnes, exports of 5.0-5.5 million tonnes and carry-in of 3.0 million tonnes, and Gardner Smith and Integro's average earnings over the last four years, including synergies.

Appendix

Pro forma capital structure

- Half year ended 31 March 2012 represents seasonal peak for grain inventory cycle for both GrainCorp and Gardner Smith
  - Average drawings under oilseed and trade inventory financing was $82 million for Gardner Smith for year ended 31 March 2012 (comprising $45 million trade and $37 million oilseed finance)
- Pro forma core gearing in line with strategy to maintain core gearing <25%[4]
- Capacity and flexibility to fund growth and maintain dividend policy

	Fiscal year ended 30 Sep 2011			Half year ended 31 Mar 2012		
Pro forma capitalisation (A$m)	**GrainCorp actual**	**Adjustments**	**GrainCorp pro forma**	**GrainCorp actual**	**Adjustments**	**GrainCorp pro forma**
Short-term borrowings	365	62	427	519	107	626
Long-term borrowings	278	215	494	342	215	557
Total debt	643	277	920	861	322	1,183
(-) Cash and cash equivalents	(312)	–	(312)	(256)	–	(256)
Total net debt	331	277	608	606	322	928
(-) Grain marketing inventory[1]	(322)	–	(322)	(387)	–	(387)
(-) Trade inventory finance[2]	–	(39)	(39)	–	(58)	(58)
(-) Oilseed inventory finance[2]	–	(23)	(23)	–	(49)	(49)
Core net debt	9	215	224	219	215	434
Book value of equity[3]	1,373	271	1,644	1,429	271	1,701
Core gearing[4]	0.6%		12.0%	13.3%		20.3%
Core net debt/EBITDA	0.0x		0.5x	0.5x		0.9x
EBITDA/Net interest	13.7x		11.0x	13.0x		10.7x

Note: Numbers do not sum due to rounding.
(1) GrainCorp short-term debt includes debt drawn under grain inventory financing facilities which are secured against readily marketable grain inventories.
(2) Trade and oilseed inventory finance for Gardner Smith at 30 September 2011 extracted from the unaudited management accounts and at 31 March 2012 extracted from the audited financial statements of Gardner Smith.
(3) Adjustment represents gross equity proceeds less transaction costs, plus equity issued to Gardner Smith at mid-point of $110-121 million range.
(4) Core Gearing = Core Debt / (Core Debt + Equity). Core Debt = Total Debt – Cash – grain Marketing, trade and oilseed inventory finance.

Gardner Smith historical financial performance

- Gardner Smith EBITDA adjusted to exclude edible oil and grain trading ("Trading") contribution
  - Gardner Smith and Integro oil procurement and trading activities to be reorganised in GrainCorp Oils and grain and pulse trading to be integrated into GrainCorp Marketing
- EBITDA not adjusted to include earnings for acquisitions of BLM Feeds, Fryfresh and Fataway completed post fiscal year end in May 2012
  - Combined EBITDA from these acquisitions in 2011 was approximately $2 million

EBITDA ($m. FYE 31 March)

	2009	2010	2011	2012
EBITDA(1)	42	24	38	27
(-) Trading contribution(2)	(11)	2	(6)	6
EBITDA excluding Trading	**32**	**26**	**32**	**33**

Source: Extracted from the management accounts of Gardner Smith which have been reconciled to the audited financial statements of Gardner Smith.
Note: Numbers do not sum due to rounding.
(1) EBITDA post interest cost associated with oilseed inventory finance.
(2) Trading contribution post interest cost associated with trade finance.

Risk factors

Risks relating to GrainCorp's business and industry sector

Adverse weather conditions and other unpredictable factors may adversely affect the availability and price of agricultural commodities, as well as GrainCorp's operations

Adverse weather conditions have historically caused volatility in the agricultural sector. Consequently, GrainCorp's operating results can be negatively impacted by change in grain production, which can affect the volume and pricing of grain the Company stores and handles, transports, trades, exports and uses in its business, and may negatively affect the creditworthiness of agricultural producers who transact with GrainCorp.

In addition to the weather conditions, the availability and price of grain is also subject to other external factors, including farmer sowing decisions, domestic and international government farm support programs and policies, demand for biofuels, commodity price volatility, the outbreak of a plant disease or pest and the occurrence of and resistance of pests to pesticides used to protect grain in storage. These factors may cause price and supply volume volatility and, consequently, volatility in GrainCorp's operating results.

Disruption of or changes to transportation services may adversely impact GrainCorp operations

GrainCorp's operations rely on rail and road transportation to move grain from farms into country storage sites, and from these sites to port terminals and domestic consumers. A disruption or delay in rail transportation service provision, for instance as a result of temporary or permanent rail track closures, a lack of rolling stock or train crews or access to rail paths, may adversely impact GrainCorp's operations and operating results.

GrainCorp Marketing and GrainCorp Malt coordinate road and/or rail freight and charter vessels in and to international jurisdictions to transport products to consumers. GrainCorp enters into various international trade terms to effect these shipments, and where required and available, takes out insurance to mitigate and manage these risks. A disruption in international shipping activities, for instance ship diversion, port blockages or acts of piracy, may adversely impact GrainCorp. There is also risk in successfully recouping losses from the insurer in a timely manner.

GrainCorp is subject to grain and processing industry operational risks

Companies involved in the grain and processing industries are subject to various operational risks, including those which may be categorised as claims and disputes in relation to grain or finished product inventory (from handling losses, infestation, damage or destruction to storage facilities, storage infestation and theft), machinery breakdown, extreme weather (such as cyclones, floods, drought and frost), fire, supply issues, loss of long term agreements for supply or for premises, regulatory requirements, workplace disputes and impacts of environmental obligations.

GrainCorp is vulnerable to industry cyclicality and commodity prices

In the grain handling and grain processing industries, the lead time required to build new facilities can make it difficult to coordinate capacity additions with market demand for grain and processed grain products. When additional capacity becomes operational, a temporary imbalance between the supply and demand for grain might exist. Until the supply and demand balance is restored, this may negatively impact upon volumes and margins. During times of reduced market demand, the company may suspend or reduce operations and production at some of its facilities. The extent to which GrainCorp efficiently manages available capacity at its facilities will also affect its profitability. The Company may be adversely affected by changes in the price of commodities, additional raw materials, the cost of energy and other utility costs caused by market fluctuations beyond the company's control, which have in the past, and could in the future, adversely affect margins

Risks relating to GrainCorp's business and industry sector (cont'd)

GrainCorp is subject to food and feed industry risks

GrainCorp is subject to food and stockfeed industry risks which include, but are not limited to, spoilage, contamination, fumigation or treatment applications which do not meet destination requirements, incorrect grade classification, tampering or other adulteration of products, product recalls, government regulation, destination or industry standards, shifting customer and consumer preferences and concerns, including concerns regarding genetically modified organisms and plants, and potential product liability claims. These matters could adversely affect GrainCorp's business and operating results.

Regulatory Impacts on GrainCorp's operations

GrainCorp's operations are regulated by environmental, competition and anti-trust, industrial /employment, anti-bribery and corruption, chain of responsibility, international and local trading, health and safety and other laws, instruments and regulations in the countries where the Company operates, including those which govern open access to ports, the labelling, carriage, shipment, carbon tax and emission, export, use, storage, discharge and disposal of grain, food products, dangerous goods and hazardous materials. The Company may be subject to costs, investigations, penalties, liabilities, loss of reputation, and other adverse effects as a result of failure to comply with these laws and regulations.

The impact of the regulatory environment as well as the focus on food safety and traceability, customer focus on port access and natural resource management, amongst other things, could also result in new or more stringent forms of regulatory oversight of both GrainCorp and the industries in which the Company operates. This may lead to increased levels of expenditure on compliance, monitoring, controls, access regimes and arrangements and land use restrictions, affecting the Company or its suppliers, and other conditions that could materially adversely affect its business, financial condition and results of operations.

GrainCorp is a capital intensive business and depends on cash provided by its operations as well as access to external financing to operate and expand its business

GrainCorp requires significant amounts of capital to operate its business and fund capital expenditure. If GrainCorp is unable to generate sufficient cash flows, or raise sufficient external financing on attractive terms to fund these activities, the company may be forced to limit its operations and growth plans, which may adversely impact efficiency, productivity, competitiveness and, therefore, financial results.

GrainCorp may breach its debt covenants or be unable to refinance its debt

GrainCorp's debt obligations are subject to certain operating, financial and other covenants. If GrainCorp fails to meet these covenants, the Company may be forced to repay those debt obligations on demand. GrainCorp may also not be able to put in place new debt facilities on acceptable terms by the time existing debt facilities expire.

Risks relating to GrainCorp's business and industry sector (cont'd)

GrainCorp is subject to global and regional economic downturns and risks relating to turmoil in global financial markets

The level of demand for GrainCorp's services and products is affected by global and regional demographic and macroeconomic factors, including population growth rates and changes in standards of living. A significant downturn in global economic growth, or recessionary conditions in major geographic regions, may lead to a change in consumer preferences impacting demand for grain and agricultural commodities, such as malt and flour, which could adversely affect GrainCorp's business and results of operations.

Additionally, the current weak global economic conditions and the tightening of credit markets, have recently adversely affected, and may in the future continue to adversely affect, the financial viability of some of GrainCorp's customers, suppliers and other counterparties, which in turn may negatively impact the Company's financial condition and results of operations.

GrainCorp's risk management practices and strategies may not be effective

GrainCorp's business is affected by fluctuations in grain and other agricultural commodity prices, transportation costs, energy and utility prices, interest rates and foreign currency exchange rates. GrainCorp's hedging strategies may not be successful in minimising its exposure to these fluctuations. It is possible that GrainCorp's control procedures and risk management policies may not successfully prevent the Company's traders from entering into unauthorised transactions that have the potential to alter or impair the Company's financial position.

A change in regulation, legislation and policies may result in an adverse impact on GrainCorp's business

GrainCorp provides storage and handling services for bulk grain and other commodities, domestic and export logistical services, and manufactures malt and other products, and as such, may be impacted by Government regulation and legislation beyond its control, such as government transport policies and the Australian Wheat Export Accreditation scheme.

GrainCorp's actual financial results for FY2012 may differ from guidance provided

GrainCorp's actual financial results for the financial year ended 30 September 2012 are due to be released in late November and may differ from the guidance provided. In particular, GrainCorp's financial results for the year ended 30 September 2012 are subject to finalisation of GrainCorp's accounts and completion of the audit by GrainCorp's auditors. As such, actual results for the year ended 30 September 2012 may differ from the guidance provided.

Risks relating to the Acquisitions

To the extent the due diligence information on Integro and/or Gardner Smith is incomplete, incorrect, inaccurate or misleading; there is a risk that the future results of the operations of the Combined Group may differ from GrainCorp's expectations

The information regarding Gardner Smith and Integro in this presentation has been derived from financial information and other information made available by or on behalf of the Vendors during the due diligence process conducted by GrainCorp in connection with the Acquisitions.

While the due diligence conducted by GrainCorp on Integro and Gardner Smith is believed by the Board to be reasonable, some of the information relating to Integro and Gardner Smith has been provided by, or on behalf of the Vendors and GrainCorp has been unable to verify the accuracy or completeness of all information provided to it by or on behalf of the Vendors by reference to independent data. To the extent that any information is incomplete, incorrect, inaccurate or misleading, there is a risk that the profitability and future results of the operations of the Combined Group may differ (including in a materially adverse way) from GrainCorp's expectations as reflected in this presentation, or that additional liabilities may emerge.

There is a risk that either or both of the Acquisitions may not complete

Completion of the Acquisitions is subject to various conditions such as mandatory consultation with transferring employees and the securing of various consents or confirmations for the granting of subleases and sublicenses that are part of or required to operate these businesses.

In the intervening period from the execution of the relevant transaction documents and completion of the Acquisitions, events may arise that have a material adverse effect on the relevant businesses, and the Company is exposed to the risk that either or both of the Acquisitions complete later than expected, not at all or to give rise to a purchase price adjustment.

In relation to the Integro acquisition, these risks could include less than 90% of the current workforce not accepting offers of employment with the new buyer entity, loss or destruction of a plant or site or the loss of key customer contracts. In relation to the Gardner Smith acquisition this relates to loss or destruction of a plant or site or insufficient comfort that relevant port terminal leases can be renewed or extended. Each Acquisition is not conditional on or subject to the other.

The Company does not expect any regulatory approvals to be required to finalise the transactions however GrainCorp has lodged submissions with the ACCC for their information and consideration. Market enquiries will be conducted by the ACCC.

If the Entitlement Offer completes but either of the Acquisitions do not complete, GrainCorp will consider various options in relation to use of the funds from the Entitlement Offer including use of the funds for general corporate purposes, repayment of debt or return of the funds to shareholders.

Risks relating to the Acquisitions (cont'd)

Risk of termination of the Underwriting Agreement or unavailability of the Acquisition Debt Facility

The Underwriting Agreement includes certain rights of the Lead Manager to terminate those arrangements, and the availability of the Acquisition Debt Facility is also subject to various conditions precedent which mean that the funds may not be available under the Acquisition Debt Facility, in circumstances which may not also entitle GrainCorp to terminate the Acquisition Agreement. While the termination rights of the Lead Managers and the conditions precedent of the banks are considered to be consistent with market practice, some of those rights could arise in circumstances outside GrainCorp's control. As such, there is a risk that GrainCorp has an obligation to pay the Purchase Price but, due to the termination of the Underwriting Agreement or the unavailability of the Acquisition Debt Facility, does not have the necessary amount of funding available. In this instance GrainCorp would need to seek to put in place new financing arrangements, the terms of which may be less attractive than the proposed funding mix.

The warranties and indemnities in the Sale and Purchase Agreements may not be sufficient to cover actual liabilities incurred in connection with the Acquisitions

On Completion, GrainCorp will assume the liabilities of Gardiner Smith and some obligations and liabilities of Integro, including legal and regulatory liabilities, for which it may not be adequately indemnified. The transaction documents contain a number of representations, warranties and indemnities. However, the warranties and indemnities may not be sufficient to cover the actual liabilities incurred in connection with any known or unknown liabilities of Gardner Smith or Integro and GrainCorp may not be able to recover sufficient funds under the indemnities (or in the event of fraud, from the Vendors). Any material unsatisfied warranty or indemnity claims could adversely affect the Combined Group's business, results of operations or financial condition and performance.

Integro's and/or Gardner Smith's future earnings may be less than current performance

GrainCorp has undertaken financial and business analyses of Integro and Gardner Smith in order to determine its attractiveness to the Company and whether to pursue the Acquisitions. To the extent that the actual results achieved by Integro and/or Gardner Smith are weaker than those indicated by GrainCorp's analysis, there is a risk that the profitability and future earnings of the operations of the Combined Group may differ (including in a materially adverse way) from the current performance.

GrainCorp is exposed to the risk of loss of key contracts and change of control risks

The Integro transaction is underpinned by a long term supply agreement of up to 10 years, with Goodman Fielder. GrainCorp will be affected by the success or otherwise, of the Goodman Fielder brands that underpin this long term supply agreement. Both Integro and Gardner Smith have in place important customer contracts and other arrangements such as those which secure access to and tenure of critical sites. Any loss of, or failure to assign or novate such contracts or arrangements could have a material impact on the earnings expected for this business.

Risks relating to the Acquisitions (cont'd)

GrainCorp may not effectively integrate the Acquisitions with its existing business

The Acquisitions involve the integration of businesses that have previously operated independently in the case of Gardner Smith and as part of a larger company in the case of Integro. The integration process will involve, among other things, integrating information technology systems, integrating personnel from different business backgrounds and corporate and workplace cultures. The process of integrating operations could, among other things, divert management's attention, interrupt or cause a loss of momentum in the activities of one or more of the businesses and could result in the loss of key personnel.

It may not be possible to achieve the integration or otherwise realise the earnings or acquisition benefits that GrainCorp anticipates or in the timeframe that the Company anticipates. Any of these outcomes could have an adverse effect on the Combined Group's business, results of operations or financial condition and performance. GrainCorp will incur additional expenses integrating Integro and Gardner Smith with its existing operations. GrainCorp is unable to determine precisely at this time what the total amount of the direct and indirect costs of the Acquisitions will be.

Acquisition accounting may affect the Combined Group's post acquisition NPAT, including, but not limited to, increased depreciation and amortisation charges

In accounting for the Acquisitions, GrainCorp will need to perform a fair value assessment of all of the assets, liabilities and contingent liabilities of Integro and Gardner Smith, which will include the identification and valuation of identifiable intangible assets. As a result, the Combined Group's depreciation and amortisation charges may differ from the depreciation and amortisation charges of GrainCorp, Integro and Gardner Smith as separate businesses, which may have an adverse impact on the financial position and performance of the Combined Group.

GrainCorp will have a dependence on key personnel

The operating and financial performance of Gardner Smith and Integro, like GrainCorp, is largely dependent on its ability to retain and attract key personnel. GrainCorp, Gardner Smith and Integro have qualified and experienced management teams. The loss of any key members of these teams, or GrainCorp's inability to attract the requisite personnel with suitable experience could have an adverse effect on GrainCorp and the performance of the Combined Group. It may take time to recruit or transfer key staff and additional managers and this could lead to a period of instability which may adversely impact the financial performance, position and prospects of the Combined Group.

Risks related to the Shares

The future price of Shares is subject to the Combined Group's perceived growth prospects

The growth prospects of the Combined Group may be perceived to be less attractive than GrainCorp's current stand-alone growth outlook, and hence attract a downward re-rating of the market price of Shares on ASX.

The future price of Shares is subject to the uncertainty of equity market conditions

There are general risks associated with an investment in the share market. Such risks may affect the value of Shares. The value of Shares may rise above or fall below the Offer Price, depending on the financial position, operating performance and dividends of GrainCorp, as well as commodity price fluctuations and expectations about the size of the eastern Australia grain harvest. Further, broader market factors affecting the price of Shares are unpredictable and may be unrelated or disproportionate to the financial or operating performance of GrainCorp. Such factors may include the economic conditions in Australia and overseas, investor sentiment in the local and international stock markets, consumer sentiment, changes in fiscal, monetary, regulatory and other government policies, global political and economic stability, interest and inflation rates and foreign exchange rates. Recent turmoil in global credit markets has negatively affected economies across the world and led to increased volatility in stock markets, including ASX. Continued volatility in global markets could negatively impact the value of GrainCorp's shares.

There are risks associated with not taking up your entitlement under the Offer

If you do not take up all of your entitlements under the Offer, your percentage shareholding in GrainCorp will be reduced and there is no guarantee that you will receive any value for your entitlements through the bookbuild process. The ability to sell entitlements under the bookbuild and the ability to obtain any value for them will depend on a number of factors including market conditions.

International offer restrictions

International offer restrictions

International Offer Restrictions

This document does not constitute an offer of entitlements (Entitlements) or new ordinary shares (New Shares) of the Company in any jurisdiction in which it would be unlawful. Entitlements and New Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of Entitlements and New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – Prospectus and Registration Exemptions, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the Entitlements or the New Shares or the offering of such securities and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of Entitlements or New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the Entitlements or the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements.

The Company, and the directors and officers of the Company, may be located outside Canada, and as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada, and as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board.

Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

International offer restrictions (cont'd)

GrainCorp

Statutory rights of action for damages and rescission

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defences contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the Entitlements or the New Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against the Company if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Company. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the Entitlements and the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Company, provided that:

(a) the Company will not be liable if it proves that the purchaser purchased such securities with knowledge of the misrepresentation;

(b) in an action for damages, the Company is not liable for all or any portion of the damages that the Company proves does not represent the depreciation in value of such securities as a result of the misrepresentation relied upon; and

(c) in no case shall the amount recoverable exceed the price at which such securities were offered.

Section 138 of the Securities Act (Ontario) provides that no action shall be commenced to enforce these rights more than:

(a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action.

These rights are in addition to and not in derogation from any other right the purchaser may have.

Certain Canadian income tax considerations. Prospective purchasers of the Entitlements and the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding, or disposition of such securities as any discussion of taxation related maters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

International offer restrictions (cont'd)

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the Entitlements and the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

European Economic Area – Belgium, Germany and Netherlands

The information in this document has been prepared on the basis that all offers of Entitlements and New Shares will be made pursuant to an exemption under the Directive 2003/71/EC ("Prospectus Directive"), as amended and implemented in Member States of the European Economic Area (each, a "Relevant Member State"), from the requirement to produce a prospectus for offers of securities.

An offer to the public of Entitlements and New Shares has not been made, and may not be made, in a Relevant Member State except pursuant to one of the following exemptions under the Prospectus Directive as implemented in that Relevant Member State:

- to any legal entity that is authorized or regulated to operate in the financial markets or whose main business is to invest in financial instruments;
- to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);
- to any person or entity who has requested to be treated as a professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2004/39/EC, "MiFID"); or
- to any person or entity who is recognised as an eligible counterparty in accordance with Article 24 of the MiFID.

France

This document is not being distributed in the context of a public offering of financial securities *(offre au public de titres financiers)* in France within the meaning of Article L.411-1 of the French Monetary and Financial Code *(Code monétaire et financier)* and Articles 211-1 et seq. of the General Regulation of the French *Autorité des marchés financiers* ("AMF"). The Entitlements and the New Shares have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.

This document and any other offering material relating to the Entitlements and the New Shares have not been, and will not be, submitted to the AMF for approval in France and, accordingly, may not be distributed (directly or indirectly) to the public in France.

International offer restrictions (cont'd)

Such offers, sales and distributions have been and shall only be made in France to qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2° and D.411-1 to D.411-3, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation.

Pursuant to Article 211-3 of the General Regulation of the AMF, investors in France are informed that the Entitlements and the New Shares cannot be distributed (directly or indirectly) to the public by the investors otherwise than in accordance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French Monetary and Financial Code.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies Ordinance (Cap. 32) of Hong Kong (the "Companies Ordinance"), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Entitlements and the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the Entitlements and the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Entitlements and the New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted Entitlements or New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Ireland

The information in this document does not constitute a prospectus under any Irish laws or regulations and this document has not been filed with or approved by any Irish regulatory authority as the information has not been prepared in the context of a public offering of securities in Ireland within the meaning of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005, as amended (the "Prospectus Regulations"). The Entitlements and the New Shares have not been offered or sold, and will not be offered, sold or delivered directly or indirectly in Ireland by way of a public offering, except to "qualified investors" as defined in Regulation 2(l) of the Prospectus Regulations.

International offer restrictions (cont’d)

Italy

The offering of the Entitlements and the New Shares in the Republic of Italy has not been authorized by the Italian Securities and Exchange Commission (Commissione Nazionale per le Società e la Borsa, "CONSOB") pursuant to the Italian securities legislation and, accordingly, no offering material relating to these securities may be distributed in Italy and these securities may not be offered or sold in Italy in a public offer within the meaning of Article 1.1(t) of Legislative Decree No. 58 of 24 February 1998, as amended ("Decree No. 58"), other than:

- to qualified investors ("Qualified Investors"), as defined in Article 100 of Decree No. 58 by reference to Article 34-ter of CONSOB Regulation no. 11971 of 14 May 1999, as amended ("Regulation No. 1197l"); and
- in other circumstances that are exempt from the rules on public offer pursuant to Article 100 of Decree No. 58 and Article 34-ter of Regulation No. 11971.

Any offer, sale or delivery of the Entitlements or the New Shares or distribution of any offer document relating to these securities in Italy (excluding placements where a Qualified Investor solicits an offer from the issuer) under the paragraphs above must be:

- made by investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with Legislative Decree No. 385 of 1 September 1993 (as amended), Decree No. 58, CONSOB Regulation No. 16190 of 29 October 2007 (as amended) and any other applicable laws; and
- in compliance with all relevant Italian securities, tax and exchange controls and any other applicable laws.

Any subsequent distribution of the Entitlements and the New Shares in Italy must be made in compliance with the public offer and prospectus requirement rules provided under Decree No. 58 and the Regulation No. 11971, unless an exception from those rules applies. Failure to comply with such rules may result in the sale of such securities being declared null and void and in the liability of the entity transferring the securities for any damages suffered by the investors.

Japan

The Entitlements and the New Shares have not been and will not be registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "FIEL") pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the Entitlements and the New Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors. Any Qualified Institutional Investor who acquires Entitlements or New Shares may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of Entitlements or New Shares is conditional upon the execution of an agreement to that effect.

International offer restrictions (cont'd)

GrainCorp

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand).

The Entitlements and the New Shares in the entitlement offer are not being offered to the public in New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

Other than in the entitlement offer, New Shares may be offered and sold in New Zealand only to:

- persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money; or
- persons who are each required to (i) pay a minimum subscription price of at least NZ$500,000 for the securities before allotment or (ii) have previously paid a minimum subscription price of at least NZ$500,000 for securities of the Company ("initial securities") in a single transaction before the allotment of such initial securities and such allotment was not more than 18 months prior to the date of this document.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The Entitlements and the New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

Singapore

This document and any other materials relating to the Entitlements and the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Entitlements and New Shares, may not be issued, circulated or distributed, nor may the Entitlements and New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

International offer restrictions (cont'd)

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Entitlements or the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Entitlements or New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The Entitlements and the New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Entitlements and the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. These securities may only be offered to regulated financial intermediaries such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations.

Neither this document nor any other offering or marketing material relating to the Entitlements and the New Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of Entitlements and New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

This document is personal to the recipient only and not for general circulation in Switzerland.

United Arab Emirates

Neither this document nor the Entitlements and the New Shares have been approved, disapproved or passed on in any way by the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other governmental authority in the United Arab Emirates, nor has the Company received authorization or licensing from the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other governmental authority in the United Arab Emirates to market or sell the Entitlements or the New Shares within the United Arab Emirates. No marketing of any financial products or services may be made from within the United Arab Emirates and no subscription to any financial products or services may be consummated within the United Arab Emirates. This document does not constitute and may not be used for the purpose of an offer or invitation. No services relating to the Entitlements or the New Shares, including the receipt of applications and/or the allotment or redemption of such securities, may be rendered within the United Arab Emirates by the Company.

No offer or invitation to subscribe for Entitlements or New Shares is valid in, or permitted from any person in, the Dubai International Financial Centre.

International offer restrictions (cont'd)

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the Entitlements or the New Shares. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA) in the United Kingdom, and these securities may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received in connection with the issue or sale of the Entitlements or the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.