



Company announcement

GrainCorp Limited ABN 60 057 186 035

Date: 6 September, 2012
To: The Manager - Announcements
Company Announcements Office
Australian Securities Exchange
20 Bridge Street, Sydney

GRAINCORP LIMITED ("GNC")

RETAIL OFFER BOOKLET

Attached is the Retail Offer Booklet for GrainCorp Limited's accelerated pro-rata renounceable entitlement offer announced on 28 August 2012.

A handwritten signature in black ink, appearing to read "A. Horne", is positioned above the name of the Company Secretary.

Andrew Horne
Company Secretary

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GrainCorp

Renounceable Entitlement Offer Booklet

GrainCorp Limited ACN 057 186 035 ("GrainCorp")

An accelerated pro-rata renounceable entitlement offer by GrainCorp to Eligible Shareholders of 1 New Share for every 11 Shares held as at the Record Date at an issue price of \$8.80 per New Share to raise approximately \$159 million before costs of the offer.

Offer closes at 5:00pm (AEST) on Friday, 21 September 2012

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety. This document is not a prospectus under the Corporations Act and has not been lodged with the Australian Securities & Investments Commission (**ASIC**).

Please call your professional adviser or the GrainCorp Offer Information Line on 1300 883 034 (from within Australia) or +61 2 8280 7483 (from outside Australia) at any time between 8:30am and 5:30pm (AEST) on Monday to Friday during the Retail Entitlement Offer period.



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NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This Offer Booklet, and any accompanying ASX announcements and the Entitlement and Acceptance Form do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this Offer Booklet nor the Entitlement and Acceptance Form may be distributed or released in the United States. Neither the Entitlements nor the New Shares offered in the Entitlement Offer have been, nor will be, registered under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States absent registration or except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable U.S. state securities laws. The New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act.

Chairman's Letter

6 September 2012

Dear Shareholder,

On behalf of the directors of GrainCorp, I am pleased to invite you to participate in the retail component of a 1-for-11 underwritten accelerated renounceable pro-rata entitlement offer of new fully paid ordinary shares in GrainCorp (**New Shares**) at an issue price of \$8.80 (**Offer Price**) per New Share (**Entitlement Offer**).

The Entitlement Offer

On 28 August 2012, GrainCorp announced details of an equity raising of approximately \$159 million by way of the Entitlement Offer, comprising an offer of New Shares to eligible institutional shareholders (**Institutional Entitlement Offer**) at the Offer Price and an offer to eligible retail shareholders (**Retail Entitlement Offer**) at the same price. The Offer Price represents a 10.1% discount to TERP.¹

The Institutional Entitlement Offer was successfully completed on 30 August 2012. A bookbuild for the Institutional Entitlement Offer (**Institutional Bookbuild**) through which entitlements not taken up by Eligible Institutional Shareholders (as defined in section 1.4 of this Offer Booklet) and entitlements that would have been offered to Ineligible Institutional Shareholders (as defined in section 1.4 of this Offer Booklet) were sold to institutional investors, was completed on 30 August 2012. The Institutional Entitlement Offer and the Institutional Bookbuild raised approximately \$107 million. The Institutional Entitlement Offer was conducted at the Offer Price and the price determined under the Institutional Bookbuild was \$9.20.

Allotment of the New Shares under the Institutional Entitlement Offer is expected to occur on 11 September 2012, and those New Shares are expected to commence trading on the ASX on the same date (on a normal settlement basis).

This offer booklet (**Offer Booklet**) is in relation to the Retail Entitlement Offer.

As the Entitlement Offer is renounceable, Eligible Retail Shareholders (as defined in section 1.4 of this Offer Booklet) who do not take up some or all of their entitlement and all Ineligible Retail Shareholders (as defined in section 1.5 of this Offer Booklet) (**Renouncing Shareholders**) will be able to have those of their entitlements that they do not take up (or in the case of Ineligible Retail Shareholders, those entitlements that would have otherwise been available to them) sold on their behalf through a bookbuild process to be conducted at the close of the Retail Entitlement Offer (**Retail Bookbuild**). It is expected that the Retail Bookbuild will be completed on Thursday, 27 September 2012.

Any premium over the Offer Price of \$8.80 per New Share that may be achieved under the Retail Bookbuild will be remitted to the Renouncing Shareholders (less any applicable withholding tax as per section 3.7 of this Offer Booklet and any other withholdings that may be required) for each New Share represented by their Entitlement. However, as set out in this Offer Booklet, no assurance can be given as to the price that will be achieved under the Retail Bookbuild for the sale of New Shares and there is no guarantee that Renouncing Shareholders will receive any proceeds from the sale of entitlements that they did not take up (or in the case of Ineligible Shareholders, those entitlements that would have otherwise been available to them).

Entitlements will not be able to be traded on ASX or any other exchange, nor will they be able to be privately transferred.

Purpose of the Entitlement Offer and use of proceeds

The funds raised under the Entitlement Offer will be used to partially fund the acquisition of Gardner Smith Group and Integro Foods. These two businesses will be combined to form GrainCorp Oils, creating Australasia's leading integrated edible oils business (**Acquisition**). The Acquisition will further diversify GrainCorp's operations by increasing earnings from processing and non-grain port storage and handling activities.

Details of your Entitlement

As an Eligible Retail Shareholder you are entitled to subscribe for 1 New Share for every 11 existing GrainCorp fully paid ordinary shares (each a **Share**) held at 7:00pm (AEST) on Monday, 3 September 2012 (**Record Date**) (**Entitlement**), such ratio being the same as under the Institutional Entitlement Offer.

New Shares will be issued on a fully paid basis and will rank equally with existing Shares.

¹ The Theoretical Ex-Rights Price (**TERP**) is the theoretical market price for shares in GrainCorp immediately following the Entitlement Offer assuming the Entitlement Offer is fully subscribed, based on the 5-day volume weighted average price (**VWAP**) of GrainCorp shares prior to announcement of the equity raising on 28 August 2012. This is a theoretical calculation only and the actual market price may be higher or lower than this.

Chairman's Letter continued

Offer Booklet

This Offer Booklet contains a number of important documents including:

- "Key Dates for the Entitlement Offer";
- Instructions on "How to Apply", setting out how to accept all or part of your Entitlement in the Retail Entitlement Offer if you choose to do so;
- ASX Offer Announcement and Investor Presentation;
- "Important Information"; and
- a personalised Entitlement and Acceptance Form which details your Entitlement, to be completed in accordance with the instructions provided on the form and the instructions in section 1 of this Offer Booklet.

The Retail Entitlement Offer closes at 5:00pm (AEST) on Friday, 21 September 2012.

To participate, you need to ensure that:

- you have made your payment (**Application Monies**) via BPAY^{®2} pursuant to the instructions that are set out on the Entitlement and Acceptance Form so that your payment via BPAY[®] has been received by GrainCorp by 5:00pm (AEST) on Friday, 21 September 2012;

OR

- your completed Entitlement and Acceptance Form, together with payment of Application Monies, by cheque, bank draft or money order is received by GrainCorp (care of Link Market Services) by 5:00pm (AEST) on Friday, 21 September 2012.

Please refer to the instructions in section 1.8 of this Offer Booklet for further information.

Additional information

Further information on the Entitlement Offer and GrainCorp's business is detailed in this Offer Booklet or you can call the GrainCorp Offer Information Line on 1300 883 034 (from within Australia) or +61 2 8280 7483 (from outside Australia) at any time between 8:30am and 5:30pm (AEST) on Monday to Friday during the Retail Entitlement Offer period.

You should read the entirety of this Offer Booklet carefully (including the "Key Risks" section of the GrainCorp Investor Presentation released to ASX on Tuesday, 28 August 2012 and included in section 2 of this Offer Booklet, which contains a summary of key risks associated with an investment in GrainCorp) before deciding whether to participate in the Entitlement Offer.

If you have any further questions about the Entitlement Offer, you should seek advice from your stockbroker or other professional adviser.

The board of directors of GrainCorp looks forward to your participation in the Entitlement Offer.

Yours sincerely,



Don Taylor
Chairman

² Registered to BPAY[®] Pty Limited

Key Dates for the Entitlement Offer

Entitlement Offer announced	28 August 2012
Record Date to determine right to participate in the Retail Entitlement Offer	3 September 2012
Retail Entitlement Offer opens	6 September 2012
Institutional Settlement Date	10 September 2012
Issue of New Shares under the Institutional Entitlement Offer	11 September 2012
Trading of New Shares issued under the Institutional Entitlement Offer expected to commence on ASX	11 September 2012
Retail Entitlement Offer closes	21 September 2012
Retail Bookbuild	26-27 September 2012
Retail Settlement date	4 October 2012
Issue of New Shares under the Retail Entitlement Offer	5 October 2012
Trading of New Shares issued under the Retail Entitlement Offer expected to commence on ASX	8 October 2012
Dispatch of retail holding statements and earliest dispatch of refund cheques to Renouncing Shareholders (if applicable)	12 October 2012

Note: The above timetable is indicative only and subject to change. GrainCorp reserves the right to amend any or all of these events, dates and times subject to the *Corporations Act 2001* (Cth) (**Corporations Act**), the Australian Securities Exchange (**ASX**) Listing Rules and other applicable laws. In particular, GrainCorp reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications either generally or in particular cases or to withdraw the Retail Entitlement Offer without prior notice. The commencement of quotations of New Shares is subject to confirmation from ASX. All references in this Offer Booklet are to Australian Eastern Standard Time (**AEST**).

Enquiries

For any additional information about the Retail Entitlement Offer, please call the GrainCorp Offer Information Line on 1300 883 034 (from within Australia) or +61 2 8280 7483 (from outside Australia) at any time between 8:30am and 5:30pm (AEST) on Monday to Friday during the Retail Entitlement Offer period.

1. How to Apply

1.1 The Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders are being offered the opportunity to subscribe for 1 New Share for every 11 Shares held as at the Record Date (7:00pm (AEST) on 3 September 2012), at the Offer Price (\$8.80) per New Share.

New Shares issued pursuant to the Entitlement Offer will be fully paid and rank equally with existing Shares on issue and will be entitled to dividends/distributions on the same basis as existing Shares. The rights and liabilities attaching to the New Shares are set out in GrainCorp's constitution, a copy of which is available at <http://www.graincorp.com.au/investors-and-media/investor-information/corporate-governance>.

You should note that not all holders of Shares (**Shareholders**) as at the Record Date (7:00pm (AEST) on 3 September 2012) will be eligible to participate in the offer of New Shares. Please read section 3 of this Offer Booklet.

As the Retail Entitlement Offer is renounceable, all Entitlements which are not exercised by the close of the Retail Entitlement Offer will be offered on behalf of Renouncing Shareholders (as defined in the Chairman's Letter at the beginning of this Offer Booklet) through the Retail Bookbuild and any proceeds in excess of the Offer Price will be remitted to Renouncing Shareholders in proportion to the number of New Shares represented by their renounced Entitlements (subject to any withholding tax as per section 3.7 of this Offer Booklet and any other withholdings). Entitlements will not be able to be traded on ASX or any other exchange, nor will they be able to be privately transferred. The directors of GrainCorp reserve the right to issue New Shares under the Retail Bookbuild at their discretion. For more information, see sections 1.4 to 1.6 of this Offer Booklet.

The Retail Entitlement Offer is fully underwritten by Credit Suisse (Australia) Limited (the **Underwriter**). See section 3.19 of "Important Information" for more information.

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 1 New Share for every 11 Shares you held as at the Record Date, being 7:00pm (AEST) on 3 September 2012. If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

Note: The Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up where, for example, you are holding Shares on behalf of a person in the United States (to the extent you are holding Shares for the account or benefit of such person in the United States) (see definition of Eligible Retail Shareholders in section 1.4 of this Offer Booklet).

Eligible Retail Shareholders who hold shares in the capacity of a trustee, nominee or custodian (or in another capacity) for another person cannot take up Entitlements and purchase New Shares for beneficiaries that are in the United States.

1.2 Consider the Entitlement Offer in light of your particular investment objectives and circumstances

Please consult with your stockbroker, accountant or other independent professional adviser if you have any queries or are uncertain about any aspect of the Retail Entitlement Offer. You should also refer to the "Key Risks" section of the GrainCorp Investor Presentation released to ASX on Tuesday, 28 August 2012 and included in section 2 of this Offer Booklet.

1.3 Complete and return the accompanying Entitlement and Acceptance Form with your Application Monies or make a payment by BPAY®

If you are an Eligible Retail Shareholder, you may do any one of the following:

- take up all or part of your Entitlement; or
- do nothing, in which case value for your Entitlement may be realised in the Retail Bookbuild and all your Entitlement will lapse (see section 1.7 of this Offer Booklet).

If you decide to take up all or part of your Entitlement, please complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies or pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form.

If you are paying by BPAY®, please make sure to use the specific biller code and unique reference number on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the reference number specific to the Entitlement on that form.

If you take no action or your application is not supported by cleared funds, you will be deemed to have renounced all of your Entitlement. You should note that if you renounce all or part of your Entitlement, your percentage shareholding in GrainCorp will be diluted. If you take up and pay for all or part of your Entitlement before the closing date of the Retail Entitlement Offer of 5:00pm (AEST), 21 September 2012, you will be allotted your New Shares on 5 October 2012. GrainCorp's decision on the number of New Shares allotted to you will be final.

1.4 Eligible Retail Shareholders

Eligible Retail Shareholders are those Shareholders who:

- (a) are not an Eligible Institutional Shareholder or Ineligible Institutional Shareholder (defined below);
- (b) are registered as a holder of Shares as at the Record Date, being 7:00pm (AEST) on 3 September 2012;
- (c) as at the Record Date, have a registered address in Australia or New Zealand;
- (d) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent they are holding Shares for the account or benefit of such person in the United States); and
- (e) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

By returning a completed Entitlement and Acceptance Form or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above. Eligible Retail Shareholders who are nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

Nominees and custodians which hold Shares as nominees or custodians will have received, or will shortly receive, a letter in respect of the Entitlement Offer from GrainCorp. Nominees and custodians should consider carefully the contents of that letter and note in particular that:

- the Retail Entitlement Offer is not available to eligible institutional shareholders who were invited to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not) (**Eligible Institutional Shareholders**) and institutional shareholders who were treated as ineligible institutional investors under the Institutional Entitlement Offer (**Ineligible Institutional Shareholders**);
- no offer document or any other material relating to the Retail Entitlement Offer is to be sent to any Ineligible Shareholder, or any person that is in the United States or acting for the account or benefit of any person that is in the United States, in each case for whom they are the nominee holder, or in any other jurisdiction outside Australia or New Zealand except to beneficial shareholders who are institutional or professional investors in the countries listed in, and to the extent permitted under, the section captioned “International Offer Restrictions” in GrainCorp’s Investor Presentation relating to the Entitlement Offer
- no Entitlement and Acceptance Form is to be submitted or New Shares otherwise purchased on behalf of any Ineligible Shareholder, or any person that is in the United States or acting for the account or benefit of any person that is in the United States (to the extent they are holding Shares for the account or benefit of such person in the United States); and
- failure to comply with these restrictions could result in violations of applicable securities laws.

GrainCorp is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws. Eligible Retail Shareholders who are nominees, trustees or custodians are therefore advised to seek independent advice as to how to proceed.

For the avoidance of doubt, GrainCorp may (in its absolute sole discretion) extend the Retail Entitlement Offer to any institutional shareholder who was eligible to participate in the Institutional Entitlement Offer but was not invited to participate in the Institutional Entitlement Offer and was not treated as an Ineligible Institutional Shareholder under the Entitlement Offer (subject to compliance with applicable laws). GrainCorp also reserves the right (in its absolute sole discretion) to reduce the number of New Shares allocated to Eligible Retail Shareholders, or persons claiming to be Eligible Retail Shareholders, if their claims prove to be overstated or they fail to provide information to substantiate their claims.

1.5 Notice to Nominees

Because of legal restrictions, nominees may not send copies of this Offer Booklet or any material in relation to the Entitlement Offer to any person in the United States, or in any other jurisdiction outside Australia or New Zealand except to beneficial shareholders who are institutional or professional investors in the countries listed in, and to the extent permitted under, the section captioned “International Offer Restrictions” in GrainCorp’s Investor Presentation relating to the Entitlement Offer.

Nominees may not submit an application or otherwise accept the Retail Entitlement Offer on behalf of a person in the United States or any other country outside Australia and New Zealand except institutional and professional investors (who did not participate in the Institutional Entitlement Offer and were not treated as an Ineligible Institutional Shareholders under the Entitlement Offer) in the countries listed in, and to the extent permitted under, the section captioned “International Offer Restrictions” in the Investor Presentation.

1. How to Apply continued

1.6 Ineligible Retail Shareholders

All Shareholders who are not Eligible Retail Shareholders, Eligible Institutional Shareholders or Ineligible Institutional Shareholders are ineligible Retail Shareholders (**Ineligible Retail Shareholders**). Ineligible Retail Shareholders will not be entitled to participate in the Retail Entitlement Offer.

GrainCorp has determined that it would be unreasonable on this occasion to extend the Retail Entitlement Offer to Ineligible Retail Shareholders, having regard to the number of securities held by Ineligible Retail Shareholders, the number and value of New Shares that they would be offered and the costs of complying with the legal and regulatory requirements which would apply to an offer of securities to Ineligible Retail Shareholders in those places.

Accordingly, the Retail Entitlement Offer is not being extended to shareholders who are in the United States or are acting for the account or benefit of a person in the United States (to the extent they are holding Shares for the account or benefit of such person in the United States), or whose registered address is outside Australia and New Zealand, and no action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand. Any Entitlements belonging to Ineligible Retail Shareholders will be offered for sale in the Retail Bookbuild and any Retail Premium will be paid to those shareholders. However, as detailed in section 1.7 of this Offer Booklet, no assurance can be given as to the price that will be achieved under the Retail Bookbuild for the sale of New Shares. There is also no guarantee that any proceeds will be realised from the sale of Entitlements that would otherwise have been offered to Ineligible Retail Shareholders.

1.7 Value of Renounced Entitlements

If you choose not to take up all or part of your Entitlement, you still have the potential opportunity to receive payment for those renounced Entitlements. Ineligible Retail Shareholders may also have the potential opportunity to receive payment for Entitlements they would otherwise have received had they been eligible to participate in the Retail Entitlement Offer. GrainCorp will arrange for Renouncing Shareholders to have their Entitlements offered for subscription to certain institutional investors on their behalf through the Retail Bookbuild and any premium over the Offer Price of \$8.80 per New Share that may be achieved under the Retail Bookbuild (**Retail Premium**) will be remitted to the Renouncing Shareholders (after the deduction of withholding tax (as per section 3.7 of this Offer Booklet) and any other deductions that may be required by law) for each New Share represented by their Entitlement.

The Retail Bookbuild will take place on Tuesday and Wednesday, 26 and 27 September 2012 (subject to amendment in the timetable). The price that will be achieved under the Retail Bookbuild for the sale of New Shares (**Clearing Price**) may be equal to or above the Offer Price.

If the Clearing Price is equal to the Offer Price:

- GrainCorp will receive the Offer Price in respect of all New Shares issued under the Retail Bookbuild; and
- no cash will be payable to the holders of any renounced Entitlements.

If the Clearing Price is above the Offer Price:

- GrainCorp will receive the Offer Price in respect of all New Shares issued under the Retail Bookbuild; and
- the Retail Premium will be paid pro rata to the holders of the renounced Entitlements (less any applicable withholding tax as per section 3.7 of this Offer Booklet and any other withholdings that may be required).

No assurance or guarantee can be given as to the price that will be achieved under the Retail Bookbuild for the sale of New Shares. The Retail Premium may be zero, in which case no distribution will be made to Renouncing Shareholders. To avoid doubt, any excess between the price at which Entitlements are sold under the Institutional Bookbuild and the Offer Price (**Institutional Premium**), which will be distributed as a premium pro-rata to each eligible institutional shareholder (to the extent they did not take up their full Entitlement), is not an indication that there will be a Retail Premium or what the Retail Premium may be. The ability to sell Entitlements under the Retail Bookbuild and the ability to obtain any Retail Premium will be dependent on various factors, including market conditions and the share price of GrainCorp at the time. Similarly, the Retail Bookbuild price may not be the highest price offered but will be determined by agreement between GrainCorp and the Underwriter (as outlined in section 3.19 of this Offer Booklet) having regard to a number of matters, such as having binding and bona fide offers which, in the reasonable opinion of the Underwriter, will (if accepted) result in allocations to dispose of all New Shares offered for sale through the Retail Bookbuild. The Retail Premium may be less than, more than, or equal to the Institutional Premium.

To the maximum extent permitted by law, GrainCorp, the Underwriter, and their respective related bodies corporate, agents or affiliates, or the directors, partners, officers, employees or advisers of any of them, disclaim all liability, including but not limited to for negligence, for any failure to procure applications under the Retail Bookbuild at a price in excess of the Offer Price of \$8.80 per New Share and for any difference between the Retail Premium and the Institutional Premium.

Retail Premium amounts, if any, will only be paid in Australian dollars. You will be paid by an Australian dollar cheque sent by ordinary post to your address as recorded on the share register.

Cheques for the Retail Premium (if any) are expected to be despatched on or about Friday, 12 October 2012.

Any proceeds you may receive as a result of the Retail Bookbuild may have Australian and/or overseas tax consequences for you, depending on your individual circumstances. You should seek professional tax advice regarding the taxation of any proceeds received.

Eligible Retail Shareholders should note that if you choose to renounce all or part of your Entitlement, then your percentage shareholding in GrainCorp will be diluted by your non-participation in the Retail Entitlement Offer.

1.8 Acceptance of the Entitlement Offer

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, or otherwise applying to participate, you will be deemed to have represented that you are an Eligible Retail Shareholder and made the other declarations on that personalised Entitlement and Acceptance Form and set out below.

In addition, by completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, or otherwise applying to participate, you:

- (a) agree to:
 - (i) apply for, and be issued with up to, the number of New Shares that you apply for at the Offer Price of \$8.80 per New Share; and
 - (ii) be bound by the terms of this Offer Booklet and the provisions of GrainCorp's constitution;
- (b) authorise GrainCorp to register you as the holder of New Shares and authorise GrainCorp and its officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instruction of GrainCorp's share registry by using the contact details set out in the personalised Entitlement and Acceptance Form;

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, or otherwise applying to participate, you will also be deemed to have acknowledged, represented and warranted on your own behalf and on behalf of each person on whose account you are acting that:

- (a) all details and statements made in the personalised Entitlement and Acceptance Form are complete and accurate;
- (b) you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Retail Entitlement Offer;
- (c) you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- (d) once GrainCorp receives the Entitlement and Acceptance Form with the requisite Application Monies or your payment by BPAY®, you may not withdraw it except as allowed by law;
- (e) you have read and understood this Offer Booklet and the personalised Entitlement and Acceptance Form;
- (f) the law of any place (other than Australia and New Zealand) does not prohibit you from being given this Offer Booklet or making an application for New Shares;
- (g) you are not in the United States, are not acting for the account or benefit of a person in the United States (to the extent you are holding Shares for the account or benefit of such person in the United States), and are subscribing for or purchasing New Shares in an "offshore transaction" (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act;
- (h) you understand and acknowledge that neither the Entitlements nor the New Shares have been, nor will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, or in any other jurisdiction outside Australia or New Zealand. Accordingly, the Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States absent registration or except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable U.S. state securities laws;
- (i) you have not and will not send any materials relating to the Entitlement Offer, including this Offer Booklet and the Entitlement and Acceptance Form, to any person in the United States;
- (j) you are eligible under applicable securities laws to exercise Entitlements and acquire New Shares under the Retail Entitlement Offer;
- (k) if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in regular way transactions on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
- (l) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is not in the United States, and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Entitlement Offer to any such person in the United States.

1. How to Apply continued

(a) General

You can pay in the following ways:

- BPAY®, or
- cheque, bank draft or money order.

Cash payments will not be accepted. Receipts for payment will not be issued.

GrainCorp will treat you as applying for as many New Shares as your payment will pay for in full.

Application Monies received from Eligible Retail Shareholders will be held in the GrainCorp Entitlement Offer Account solely for the purpose of holding the Application Monies.

Any Application Monies received for more than your final allocation of New Shares will be refunded (except for where the amount is less than \$1.00 in which case it will be donated to a charity chosen by GrainCorp). No interest will be paid on any Application Monies received or refunded.

(b) Payment by BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the biller code and your unique reference number). You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please note that should you choose to pay by BPAY®:

- you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations on that personalised Entitlement and Acceptance Form; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 5:00pm (AEST) on 21 September 2012 (subject to variation). You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment.

(c) Payment by cheque, bank draft or money order

For payment by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions set out on that form and return it accompanied by a cheque, bank draft or money order in Australian currency for the amount of the Application Monies, payable to "GrainCorp Limited – Entitlement Offer" and crossed "Not Negotiable".

Your cheque, bank draft or money order must be:

- for an amount equal to \$8.80 multiplied by the number of New Shares that you are applying for. The number of New Shares you are applying for should not exceed the number of shares indicated as your entitlement to New Shares in your personalised Entitlement and Acceptance Form which is calculated as 1 for every 11 GrainCorp share you own as at the Record Date rounded down to the nearest whole share; and
- in Australian currency drawn on an Australian branch of a financial institution.

You should ensure that sufficient funds are held in the relevant account(s) to cover the Application Monies. If the amount of your cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Shares as your cleared Application Monies will pay for (and taken to have specified that number of New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

1.9 Mail and hand delivery

To participate in the Entitlement Offer, your payment must be received no later than the close of the Retail Entitlement Offer, on 5:00pm (AEST) on 21 September 2012. Shareholders who make payment via cheque, bank draft or money order should send their completed personalised Entitlement and Acceptance Form together with Application Monies to:

By mail:

GrainCorp Limited
c/o Link Market Services Limited
GPO Box 3560
Sydney NSW 2001
Australia

By hand:

GrainCorp Limited
c/o Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138
Australia

2. ASX Offer Announcements

ASX announcement of Offer launch dated 28 August 2012



News Release

Not for distribution or release in the United States

28 August 2012

CREATION OF GRAINCORP OILS: A LEADING INTEGRATED EDIBLE OILS BUSINESS

GrainCorp today executed agreements to acquire both the Gardner Smith Group and Goodman Fielder's commercial oils business, Integro Foods ("Integro"). The two businesses will be combined to form GrainCorp Oils, creating a leading integrated edible oils business.

The combined purchase price of \$472 million¹ represents a transaction multiple of 7.4x EBITDA² of \$64 million (excluding synergies), or 7.0x including synergies. Transaction costs, including stamp duty, are expected to be approximately \$15 million³.

Acquisition details and rationale

Gardner Smith is Australia's second largest oilseed crusher, a leading operator of bulk liquid port terminals and operates complementary used oil recycling and animal feed businesses. Integro is a leading Australian and New Zealand refiner and packager of edible fats and oils for food industry customers⁴.

GrainCorp Managing Director & Chief Executive Officer, Alison Watkins, said the acquisitions were consistent with the company's strategic focus on its three core grains – wheat, barley and canola.

"The opportunity to combine Gardner Smith and Integro into a larger business is a clear and logical fit with our business model. Together they build on GrainCorp's existing supply chain management and grain marketing expertise, and expand our downstream processing operations into canola and other edible oils," Ms Watkins said.

"GrainCorp Oils will provide us with immediate scale in the edible oils sector in Australia and New Zealand. The business can crush more than 300,000 tonnes of oilseeds annually, and has 280,000 tonnes of annual edible fats and oils refining and packaging capacity. Its 13 bulk liquid port terminals have high capacity utilisation, with room to grow, and already handle up to 1 million cubic metres of bulk liquids each year.

"Both Gardner Smith and Integro offer us leading positions along the edible oils supply chain. While both are very good businesses in their own right, it is the combination of the two into a cohesive whole that allows us to unlock additional value for GrainCorp's shareholders, connects the grain growers who use our network more closely with edible oils customers, and creates a seamless and compelling offer for those customers," she said.

GrainCorp is targeting \$4 million per annum of synergies (pre-tax) after the first 12 months. Additional incremental earnings are expected from procurement benefits and planned growth projects. The acquisitions are expected to be Earnings per Share accretive⁵ and reduce earnings volatility.

Ms Watkins said the combined GrainCorp Oils business would be expected to provide:

- a more compelling offer for edible oils customers, by providing improved commodity risk and supply chain management;
- a platform for growth, such as the potential for expansion of capacity at existing terminal sites;
- reduced earnings volatility through further diversifying operations into alternative agribusiness cycles;
- the ability to capture value at additional points along the edible oils supply chain and opportunity to identify and realise further integration benefits.

GrainCorp Limited ACN 057 186 035
Level 26, 175 Liverpool St., Sydney NSW 2000
PO Box A268 Sydney South NSW 1235
T: 02 9325 9100 F: 02 9325 9180 www.graincorp.com.au

2. ASX Offer Announcements continued

GrainCorp Oils will benefit from a long term supply agreement with Goodman Fielder, under which it would provide approximately 40% of Integro total annual volumes.

Management and integration

Sam Tainsh will be appointed as Group General Manager of GrainCorp Oils. Mr Tainsh has been with GrainCorp for more than 11 years, most recently as the General Manager of GrainCorp Marketing. Klaus Pamminer, currently Trading Manager with GrainCorp Marketing, will be appointed General Manager of GrainCorp Marketing and will join GrainCorp's executive team.

Mr Tainsh will work closely with the leadership teams and employees of Gardner Smith and Integro to ensure a smooth integration, to provide a streamlined service to customers and to capture the synergies.

"The three businesses know each other well and there is a strong cultural fit between us," Ms Watkins said.

Group Managing Director of Gardner Smith Chris Morkane said: "The opportunity to combine our group with another leading Australian agribusiness like GrainCorp, whose operations, culture and values are so aligned with ours, was very important to us. Gardner Smith is excited about the opportunities created for our people and the enhanced offering for our customers generated by the new, integrated business."

Goodman Fielder Chief Executive Officer Chris Delaney said: "We are very pleased with the outcome of this transaction, which enables Goodman Fielder to concentrate our investment and internal resources on our core categories and brands. We have also structured a long term supply partnership with GrainCorp to ensure Goodman Fielder maintains an efficient supply of strategic raw materials. This transaction is also a positive result for the staff at Integro. The combination of GrainCorp's expertise along the grain supply chain and Gardner Smith's oils expertise offers significant opportunities to support Integro's continued growth in the region."

Each of the acquisitions is expected to complete during October 2012, on satisfaction of closing conditions. Integration planning has commenced and is focused on supporting our new employees, reinforcing customer relationships, aligning the business structure and migrating systems and services to GrainCorp's infrastructure.

Acquisition funding

The acquisitions will be funded via:

- approximately \$110-\$121 million scrip consideration issued to Gardner Smith shareholders at an issue price of \$9.79 per share, calculated based on the 5-day VWAP adjusted for the impacts of the Entitlement Offer;
- a 1-for-11 fully underwritten accelerated, pro-rata renounceable Entitlement Offer to raise approximately \$159 million; and
- the balance funded via a committed acquisition debt facility, including funding for oilseed inventory and seasonal working capital requirements at completion.

"This balanced funding structure maintains our flexible balance sheet, supports our seasonal working capital and grain marketing requirements, and maintains our current dividend policy," Ms Watkins said.

Approximately 18.0 million new shares in GrainCorp will be issued as part of the Entitlement Offer.

Under the Entitlement Offer, eligible shareholders will be invited to subscribe for 1 new share at an offer price of \$8.80 per new share for every 11 existing GrainCorp ordinary shares held at 7.00pm (Sydney time) on the record date of 3 September 2012.

The Offer Price represents a 10.1% discount to the theoretical ex rights price⁶ of \$9.79.

Details of the Entitlement Offer are also set out in an investor presentation which GrainCorp has provided to the ASX today. The investor presentation contains important information, including key risks and foreign selling restrictions with respect to the Entitlement Offer.

Entitlement Offer key dates

The indicative key dates for the Entitlement Offer are as follows:

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
New institutional shares commence trading	11 September 2012
Retail Entitlement Offer closes	5.00pm (Sydney time) 21 September 2012
Retail Bookbuild	26 September 2012
New retail shares commence trading	8 October 2012

FY12 guidance and FY13 outlook

“Due to the ongoing strong performance of our businesses, I’m confident our 2012 financial year earnings will come in around the upper end of our guidance ranges of \$385-415 million EBITDA and \$185-205 million Underlying NPAT⁷,” Ms Watkins said.

“In terms of FY13, across eastern Australia’s grain belt, the winter crop remains in generally good condition however, as always, a good spring break will be critical. Industry production forecasts for eastern Australia’s wheat, barley and canola crop are currently in the 16.0-17.9 million tonne range. There are strong forward bookings from exporters on our shipping stem.

“While we’re expecting the global malt market to remain challenging, we have made good progress with our FY13 sales, forward selling more than 70% of our production capacity, and remain confident we have the right strategy and competitive position.”

MEDIA CONTACT: Angus Trigg, 0413 946 708, atrigg@graincorp.com.au

2. ASX Offer Announcements continued

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Investors should be aware that certain financial data included in this announcement are "non-GAAP financial measures" under Regulation G of the U.S. Securities Exchange Act of 1934. These measures include "EBITDA" and "NPAT". The disclosure of such non-GAAP financial measures in the manner included in the release may not be permissible in a registration statement under the U.S. Securities Act. Such non-GAAP financial measures do not have a standardized meaning prescribed by Australian Accounting Standards and therefore may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Although GrainCorp believes these non-GAAP financial measures provide useful information to users in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-GAAP financial measures included in this release.

Forward looking statements

This document contains certain forward looking statements. Forward looking statements should or can generally be identified by the use of forward looking words such as "anticipate", "believe", "expect", "forecast", "estimate", "will", "could", "may", "target", "plan" and other similar expressions within the meaning of securities laws of applicable jurisdictions, and include earnings guidance and statements of intention about future matters and the outcome and effects of the equity raising. Indications of, and guidance or outlook on, future earnings, distributions or financial position or performance are also forward looking statements. The forward looking statements contained in this document involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of GrainCorp, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Except as required by law, GrainCorp assumes no obligation to update or revise such information to reflect any change in expectations, beliefs, hopes, intentions or strategies. No representations, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward looking statements in this document will actually occur.

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.

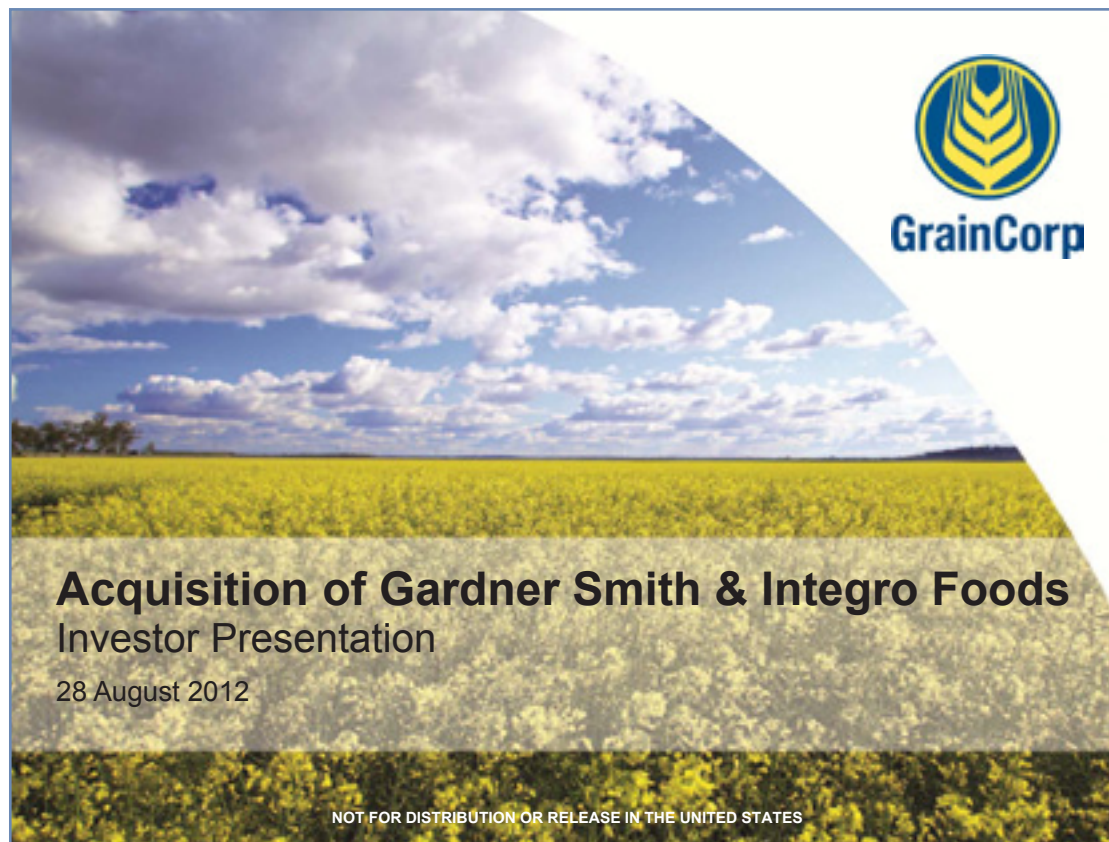
³ Excludes fees associated with the equity raising which are deducted from gross proceeds of the equity offer.

⁴ The purchase of Integro does not include Goodman Fielder's out of home business in Australia, or its Asia Pacific fats and oils business.

⁵ 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.

⁶ The Theoretical Ex-Rights Price ("TERP") 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 approximate TERP.

⁷ 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).



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This Presentation contains summary information about GNC and its activities as at the date of this Presentation. The information in this Presentation is of general nature and does not purport to be complete nor does it contain all the information that a prospective investor may require in evaluating a possible investment in GNC nor does it contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act 2001.

For further information relating to GNC see the periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX) by GNC which are available on the ASX website.

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2. ASX Offer Announcements continued

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Investors should also be aware that certain financial data included in this presentation are "non-GAAP financial measures" under Regulation G under the U.S. Securities Exchange Act of 1934, including EBITDA (earnings before interest, taxes, depreciation and amortization), NPAT (net profit after tax), net debt, core gearing, core net debt/EBITDA and EBITDA/net interest. The disclosure of such non-GAAP financial measures in the manner included in this Presentation would not be permissible in a registration statement under the US Securities Act. These non-GAAP financial measures do not have a standardized meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Although GNC believes these non-GAAP financial measures provide useful information to users in measuring the financial performance and condition of its business, investors are cautioned, not to place undue reliance on any non-GAAP financial measures and ratios included in this Presentation.

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Acquisition overview



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.

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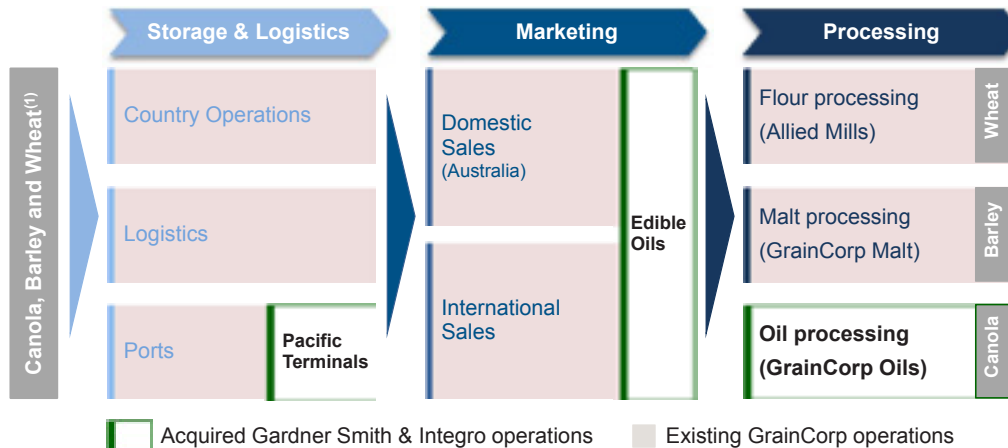
2. ASX Offer Announcements continued

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



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

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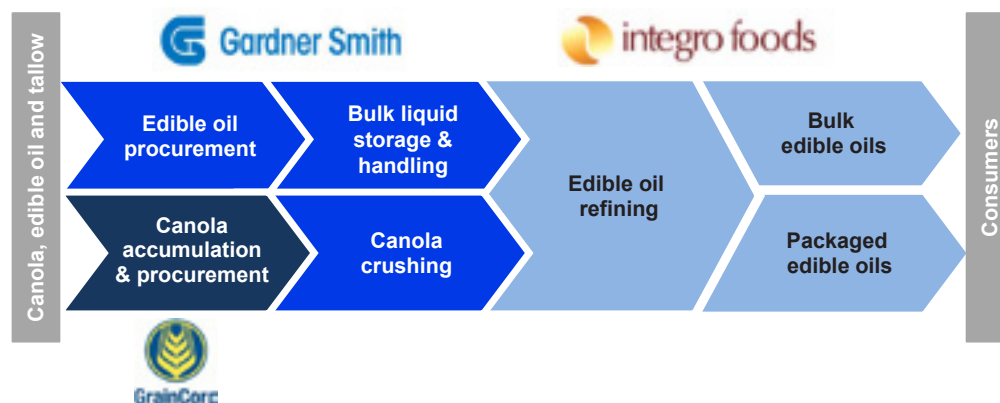
Creating a leading integrated edible oils business



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...



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Alison Watkins
Managing Director and CEO



Strategic rationale

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Strategic rationale



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 receipts 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.

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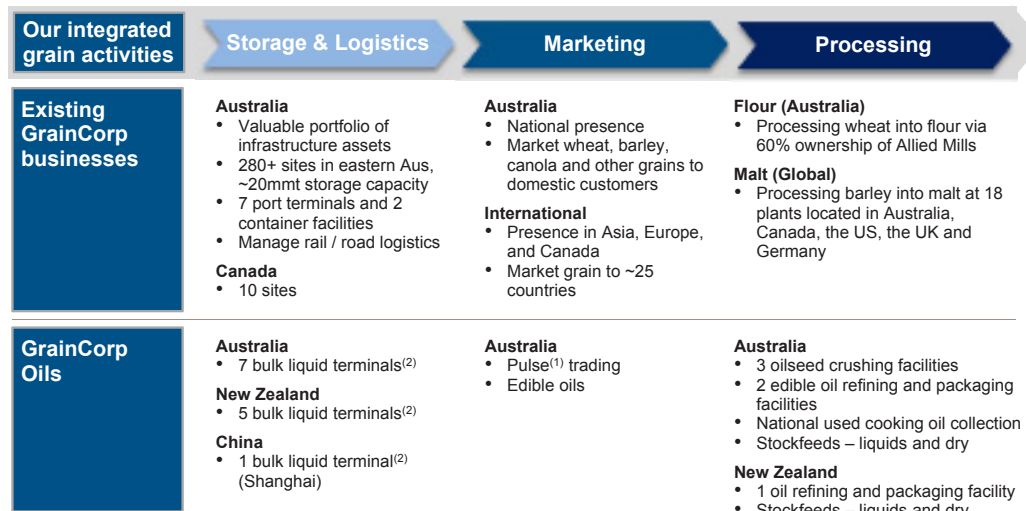
2. ASX Offer Announcements continued

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



(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.

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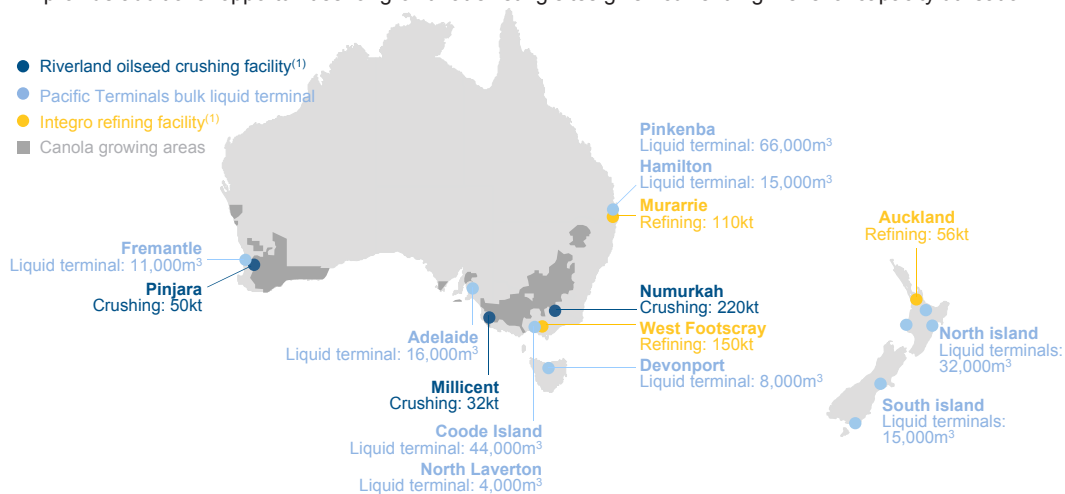
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Compelling strategic fit – Complementary assets and footprint



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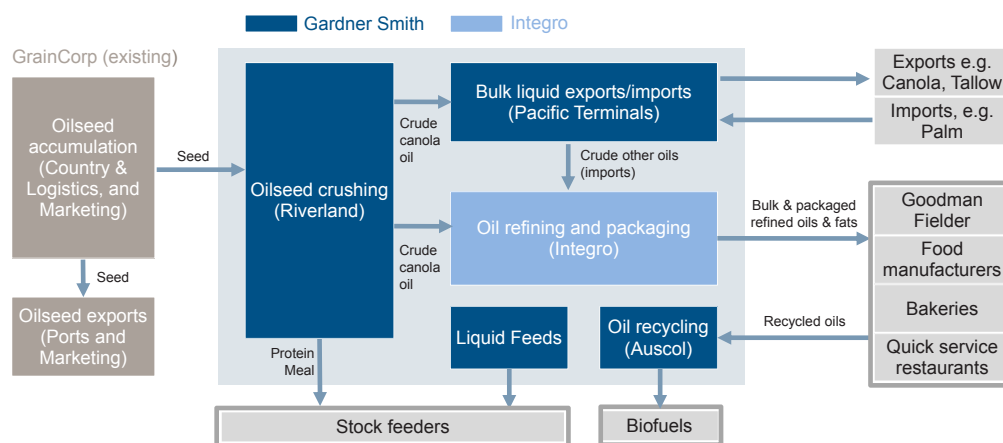
Creating an integrated business to capture value along the oil supply chain



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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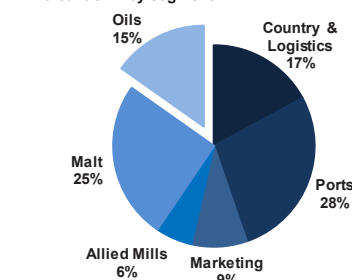
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Diversification through expanded presence in canola and processing



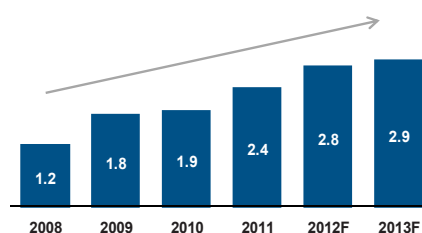
Diversification of earnings

EBITDA breakdown by segment⁽¹⁾



Expanded presence in canola

Canola production in Australia⁽²⁾
(Million tonnes)



- 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

- 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.

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2. ASX Offer Announcements continued

Generating value for shareholders



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 receipts 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.

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Sam Tainsh
General Manager, GrainCorp Oils



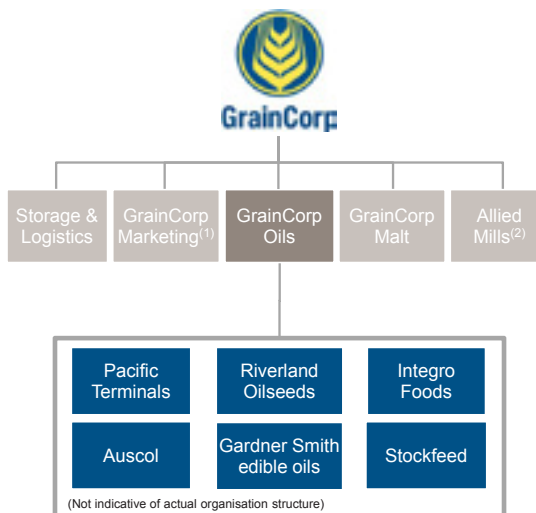
GrainCorp Oils

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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 Pammeringer, 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.

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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 200,000m³ storage capacity
- Complementary tallow edible oil marketing, recycling and animal feed businesses

Oilseed crushing



- 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



- 12 terminals in Australia and NZ, 1 terminal in China (Shanghai)
- Handling ~1 million m³ 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



- 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.

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2. ASX Offer Announcements continued

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



Integro overview

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

Operations



- 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



- 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

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Alistair Bell
Chief Financial Officer



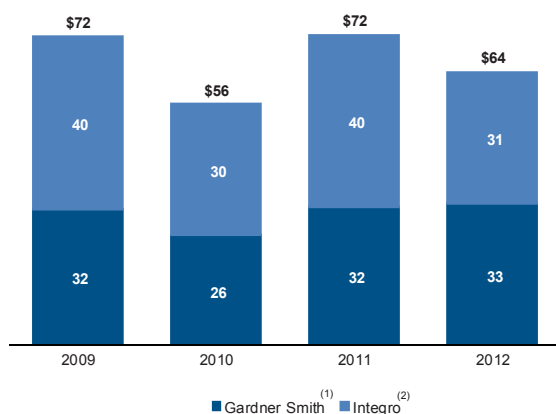
Financials and acquisition funding

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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.

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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.

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2. ASX Offer Announcements continued

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 Forecaster's August report at 17.9mmt.

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Entitlement Offer

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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).

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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

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2. ASX Offer Announcements continued



Strategic rationale



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 receipts 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.

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GrainCorp

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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

Pro forma capitalisation (A\$m)	Fiscal year ended 30 Sep 2011			Half year ended 31 Mar 2012		
	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.

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2. ASX Offer Announcements continued

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.

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Risk factors

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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.

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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.

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2. ASX Offer Announcements continued

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.

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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.

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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.

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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.

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2. ASX Offer Announcements continued

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.

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NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES



International offer restrictions

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

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 received 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.

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NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

International offer restrictions (cont'd)



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 matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

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NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

2. ASX Offer Announcements continued

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.

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NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

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(1) of the Prospectus Regulations.

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NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

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. 11971"); 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.

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NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

International offer restrictions (cont'd)



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.

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NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

2. ASX Offer Announcements continued

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.

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NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

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.

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NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES



News Release

Not for distribution or release in the United States

31 August 2012

GrainCorp successfully completes Institutional Entitlement Offer

GrainCorp Limited ("GrainCorp") today announced the successful close of the institutional component of its fully underwritten 1-for-11 pro-rata accelerated renounceable entitlement offer ("Entitlement Offer") at an offer price of \$8.80 per new share ("Offer Price").

- **Institutional Entitlement Offer successfully closed to raise approximately \$107 million**
- **Approximately 96% take-up by eligible institutional shareholders**
- **Balance of Institutional Entitlement Offer cleared in bookbuild at \$9.20 per New Share, which represents a 4.5% premium to the Offer Price**
- **Institutional shareholders that have not taken up their Entitlements to receive \$0.40 per Entitlement**
- **Retail Entitlement Offer opens on 6 September 2012**

The close of the institutional component of the Entitlement Offer ("Institutional Entitlement Offer") represents the first stage of GrainCorp's \$159 million equity raising, announced on 28 August 2012.

The Institutional Entitlement Offer has raised gross proceeds of approximately \$107 million (subject to final shareholding reconciliations).

GrainCorp's eligible institutional shareholders took up approximately 96% of the New Shares available to them as part of the Institutional Entitlement Offer.

Approximately 1.2 million New Shares including those attributable to ineligible institutional shareholders were available for the institutional shortfall bookbuild, which was conducted on 30 August 2012. The bookbuild clearing price was \$9.20 per New Share, which represents a 4.5% premium to the Offer Price.

Institutional shareholders who did not take up all of their entitlements, or who were ineligible to take up their entitlements under the Institutional Entitlement Offer, will receive \$0.40 (less any applicable withholding tax) for each New Share not taken up.

New Shares taken up under the Institutional Entitlement Offer and the bookbuild for the institutional shortfall and for ineligible shareholders are expected to be issued on 11 September 2012 and commence trading on the ASX on the same day.

Retail Entitlement Offer

The retail component of the Entitlement Offer ("Retail Entitlement Offer") will raise approximately \$52 million. The Retail Entitlement Offer will open on 6 September and close at 5:00pm Sydney time on 21 September 2012.

Eligible retail shareholders will be able to subscribe for 1 New Share for every 11 GrainCorp shares held at 7:00pm Sydney time, on 3 September 2012, at the same \$8.80 Offer Price as the Institutional Entitlement Offer.

Not for distribution or release in the United States

2. ASX Offer Announcements continued

New Shares which are not taken up by eligible retail shareholders and those attributable to ineligible retail shareholders, will be sold through the retail shortfall bookbuild on 26 September 2012. Any proceeds in excess of the Offer Price will be remitted proportionally to those holders (less any applicable withholding tax). Eligible retail shareholders wishing to participate in the Retail Entitlement Offer should carefully read the Retail Offer Booklet that will be dispatched on 6 September 2012. To apply for New Shares, eligible retail shareholders will need to complete and submit the personalised Entitlement and Acceptance Form that will accompany the Retail Offer Booklet.

GrainCorp's shares are expected to resume trading on ASX on 31 August 2012 on an ex-entitlement basis.

Summary of key dates

The indicative key dates for the Entitlement Offer are as follows:

Record date under the Entitlement Offer	7:00pm (Sydney time) 3 September 2012
Retail Entitlement Offer opens	6 September 2012
Dispatch of Retail Offer booklet and Entitlement and Acceptance Form	6 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 retail shares commence trading on ASX	8 October 2012
Despatch of Holding statement and retail cash return dispatched (if any)	12 October 2012

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NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Neither the entitlements nor the new shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not, directly or indirectly, be taken up by, and the new shares may not be offered or sold to, any person in the United States, unless they have been registered under the U.S. Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable U.S. state securities laws.

Investors should be aware that certain financial data included in this announcement are "non-GAAP financial measures" under Regulation G of the U.S. Securities Exchange Act of 1934. These measures include "EBITDA" and "NPAT". The disclosure of such non-GAAP financial measures in the manner included in the release may not be permissible in a registration statement under the U.S. Securities Act. Such non-GAAP financial measures do not have a standardized meaning prescribed by Australian Accounting Standards and therefore may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Although GrainCorp believes these non-GAAP financial measures provide useful information to users in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-GAAP financial measures included in this release.

Not for distribution or release in the United States

3. Important Information

This Offer Booklet (including the ASX Offer Announcements and the enclosed personalised Entitlement and Acceptance Form) has been prepared by GrainCorp. This Offer Booklet is dated 6 September 2012 (other than the ASX Offer Announcements, which were published on the ASX website on 28 August 2012).

No party other than GrainCorp has authorised or caused the issue of this Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Offer Booklet.

This Offer Booklet is important and requires your immediate attention.

This Offer Booklet contains an offer of New Shares to Eligible Retail Shareholders in Australia and New Zealand and has been prepared in accordance with section 708AA of the Corporations Act as modified by ASIC Class Order 08/35 which allows rights issues to be offered without a prospectus.

Neither this Offer Booklet nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC. This Offer Booklet is not a prospectus under the Corporations Act and no prospectus for the Entitlement Offer will be prepared. These documents do not contain, or purport to contain, all of the information that a prospective investor may require in evaluating an investment in GrainCorp. They do not contain all the information which would be required to be disclosed in a prospectus.

As a result, it is important for Eligible Retail Shareholders to carefully read and understand the information on GrainCorp and the Entitlement Offer made publicly available, prior to accepting all or part of their Entitlement. In particular, please refer to this Offer Booklet, the GrainCorp Investor Presentation and other announcements made available at <http://www.asx.com.au/>.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Offer Booklet and you have acted in accordance with and agree to the terms of the Retail Entitlement Offer detailed in this Offer Booklet.

3.1 No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been made.

3.2 ASX quotation

On 28 August 2012, GrainCorp made an application to ASX for admission of the New Shares offered under this Offer Booklet.

It is expected that trading will commence in relation to the New Shares issued under the Retail Entitlement Offer on 5 October 2012 on a normal settlement basis. GrainCorp disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares before the New Shares are listed on the official list of ASX or receiving their holding statements, whether on the basis of confirmation of the allocation provided by GrainCorp or the GrainCorp share registry or otherwise.

3.3 Not investment advice

This Offer Booklet is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. GrainCorp is not licensed to provide financial product advice in respect of the New Shares.

Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Offer Booklet, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other independent professional adviser.

3.4 Issue of New Shares

New Shares will be issued as soon as practicable after the close of the Retail Entitlement Offer and holding statements are anticipated to be despatched on 12 October 2012. Issues of New Shares under the Entitlement Offer will only be made after permission for their quotation on ASX has been granted.

Subscription money will be held in a subscription account until the New Shares are issued. This account will be established and kept by GrainCorp on behalf of each participating Eligible Retail Shareholder and Eligible Institutional Shareholder.

Interest earned on the subscription money will be for the benefit of GrainCorp, and will be retained by GrainCorp irrespective of whether New Shares are issued.

3.5 Rights attaching to New Shares

The New Shares issued will rank equally with the existing Shares on issue. The rights and liabilities attaching to the New Shares are set out in the constitution of GrainCorp, the ASX Listing Rules and the Corporations Act.

3. Important Information continued

3.6 Privacy statement

If you complete an application for New Shares, you will be providing personal information to GrainCorp (directly or by Link Market Services Limited). GrainCorp collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and Link Market Services Limited.

You can access, correct and update the personal information that is held about you. If you wish to do so please contact Link Market Services Limited at the relevant contact numbers set out in the Corporate Directory of this Offer Booklet.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if the information required on the Entitlement and Acceptance Form is not provided, GrainCorp may not be able to accept or process your application.

3.7 Taxation

Set out below is a summary of the Australian tax implications of the Retail Entitlement Offer for Eligible Retail Shareholders who are residents of Australia for tax purposes and who hold their Shares on capital account. The summary below does not deal with the tax implications for Eligible Retail Shareholders who are not residents of Australia for tax purposes, or who hold their Shares as revenue assets or trading stock such as banks, insurance companies and taxpayers carrying on a business of share trading or whose Shares were acquired under an employee share plan. It is intended as a general guide only and is not an authoritative or complete statement of all potential tax implications for each Eligible Retail Shareholder. The summary below also does not take account of any individual circumstances of any particular Eligible Retail Shareholder. Taxation is a complex area of law and can be subject to constant change and the taxation consequences for each Eligible Retail Shareholder may differ depending on their own particular circumstances. Accordingly, Eligible Retail Shareholders should seek specific advice applicable to their own particular circumstances from their own financial or tax advisers. The summary below is based on the law in effect as at the date of this Offer Booklet.

(a) Issue of Entitlements

Generally, the issue of the Entitlements should not itself result in any amount being included in the assessable income of an Eligible Retail Shareholder.

(b) Sale of Entitlements under Retail Bookbuild

The Entitlements are renounceable but will not be able to be traded on ASX or privately transferred. Renouncing Shareholders may however receive proceeds on sale of their Entitlements under the Retail Bookbuild.

The Commissioner of Taxation has expressed the view in Taxation Ruling TR 2012/1 “Retail Premiums paid to shareholders where share entitlements are not taken up or not available” that certain retail premiums are to be treated as an assessable unfranked dividend or, if not a dividend, as ordinary income. As such, the Commissioner considers that retail premiums are not taxable as capital gains.

Based on the current views of the Commissioner, the Retail Premium will be subject to tax without the benefit of any tax offsets such as imputation credits or the capital gains tax (**CGT**) discount. As a consequence, you will not be able to apply the CGT discount, nor be able to offset any Retail Premium with capital losses.

Given the uncertainty relating to the tax treatment of Retail Premiums, GrainCorp recommends that you seek your own tax advice.

The law requires that tax be withheld by Australian resident companies from dividends paid to certain shareholders (for example, subject to certain exceptions, Australian tax resident shareholders who have not provided their TFN or ABN or shareholders who are not Australian residents for tax purposes). Given the Commissioner’s position, GrainCorp considers that it will be obliged to withhold tax in relation to any proceeds on sale of their Entitlement under the Retail Bookbuild. Therefore, an amount will be withheld from any proceeds paid to certain Eligible Retail Shareholders such that the ultimate receipt will be net of any withholdings.

If you are an Australian tax resident shareholder, and you have not previously provided your TFN or ABN to GrainCorp, you may wish to do so prior to the close of the Retail Entitlement Offer to ensure that withholding tax is not deducted from any proceeds payable to you. If you do not provide your TFN or ABN, withholding tax will be deducted from such payment at the rate of 46.5%.

*You are able to provide your TFN or ABN online with the GrainCorp share Registry at www.linkmarketservices.com.au. When providing your details online, you will be required to enter your Shareholder Reference Number (**SRN**) or Holder Identification Number (**HIN**), as shown on your Issuer Sponsored/CHESS statements and other personal details such as your postcode.*

(c) **Exercise of Entitlements**

Eligible Retail Shareholders should not make any capital gain or loss, or derive assessable income, from exercising the Entitlements or subscribing for the New Shares.

Eligible Retail Shareholders who exercise their Entitlements and are allocated New Shares will acquire each such Share with a cost base (and reduced cost base) for CGT purposes equal to the Offer Price payable by them for the New Share plus certain non-deductible incidental costs they incur in acquiring the New Share.

The New Shares will be taken to be acquired on the day the Entitlement is exercised.

(d) **New Shares**

Eligible Retail Shareholders who exercise their Entitlements will acquire New Shares. Any future dividends or other distributions made in respect of those New Shares will be subject to the same taxation treatment as dividends or other distributions made on Shares held in the same circumstances.

On any future disposal of New Shares, Eligible Retail Shareholders may make a capital gain or capital loss, depending on whether the capital proceeds of that disposal are more than the cost base or less than the reduced cost base of the New Shares. The cost base of those New Shares is described above.

New Shares will be treated for the purposes of the CGT discount as having been acquired when the Eligible Retail Shareholder exercised the Entitlement to subscribe for them. Accordingly, in order to benefit from the CGT discount in respect of a disposal of those New Shares, they must have been held for at least 12 months (not including the dates of acquisition and disposal of the New Shares).

The CGT discount applicable is one-half for individuals and trustees and one-third for complying superannuation entities. The CGT discount is not available for companies that are not trustees.

If a capital loss arises on the disposal of New Shares, the capital loss can only be used to offset capital gains. i.e. the capital loss cannot be used offset ordinary income. However, if the capital loss cannot be used in a particular income year it can be carried forward to use in future income years, provided certain tests are satisfied.

(e) **Taxation of Financial Arrangements (TOFA)**

The *Tax Laws Amendment (Taxation of Financial Arrangements) Act 2009* (**TOFA Amendments**) made amendments to the Australian income tax law that operate to make assessable or deductible, gains or losses arising from certain “financial arrangements”. The TOFA Amendments will apply for income tax years commencing on or after 1 July 2010. However, a taxpayer can elect to apply the TOFA Amendments to income tax years commencing on or after 1 July 2009 and may also elect to apply the TOFA Amendments to existing financial arrangements held at the relevant start date.

An Entitlement or right to receive a share is a “financial arrangement”. However, depending on the circumstances of the particular taxpayer, the TOFA Amendments may be effectively excluded from applying. Further, certain taxpayers may be excluded from the application of the TOFA Amendments unless they make an election for them to apply.

As the application of the TOFA Amendments is dependent on the particular facts and circumstances of the taxpayer, Eligible Retail Shareholders should obtain their own advice in relation to the potential applicability of the amendments contained in the TOFA Amendments, in light of their own individual facts and circumstances.

(f) **Other Australian taxes**

No Australian GST or stamp duty is payable in respect of the issue, sale or exercise of the Entitlements, or the acquisition of New Shares.

3.8 Rounding of Entitlements

Where fractions arise in the calculation of Entitlements, they will be rounded down to the nearest whole number of New Shares.

3.9 Offer Booklet availability

Eligible Retail Shareholders in Australia and New Zealand can obtain a copy of this Offer Booklet during the period of the Entitlement Offer by accessing the ASX website or accessing the GrainCorp website at www.GrainCorp.com.au. Persons who access the electronic version of this Offer Booklet should ensure that they download and read the entire Offer Booklet. The electronic version of this Offer Booklet on the ASX website and the GrainCorp website will not include a personalised Entitlement and Acceptance Form.

A replacement personalised Entitlement and Acceptance Form can be requested by calling the GrainCorp Offer Information Line on 1300 883 034 (from within Australia) or +61 28280 7483 (from outside Australia) at any time between 8:30am and 5:30pm (AEST) on Monday to Friday during the Retail Entitlement Offer period.

3. Important Information continued

This Offer Booklet (including the accompanying personalised Entitlement and Acceptance Form) may not be distributed or released to, or relied upon by, persons in the United States or that are, or are acting for the account or benefit of a person in the United States.

3.10 Future performance and forward looking statements

This Offer Booklet contains certain forward looking statements. Forward looking statements should or can generally be identified by the use of forward looking words such as “anticipate”, “believe”, “expect”, “project”, “forecast”, “estimate”, “likely”, “intend”, “should”, “will”, “could”, “may”, “target”, “plan” and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings, distributions or financial position or performance are also forward looking statements. The forward looking statements contained in this Offer Booklet involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of GrainCorp, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Forward looking statements may also be based on estimates and assumptions which are subject to change. Actual results, performance or achievements may vary materially for many projections because events and actual circumstances frequently do not occur as forecast and these differences may be material. These statements may assume the success of GrainCorp’s business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond GrainCorp’s control (including uncertainties described in the “Key Risks” section of the GrainCorp Investor Presentation released to ASX on Tuesday, 28 August 2012 and included in section 2 of this Offer Booklet), and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward looking statements may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward looking statements and, except as required by law, GrainCorp assumes no obligation to update or revise such information to reflect any change in expectations or assumptions. The inclusion of the forward looking statements in this Offer Booklet should not be regarded as a representation, warranty or guarantee with respect to its accuracy or the accuracy of the underlying assumptions or that GrainCorp will achieve, or is likely to achieve, any particular results.

3.11 Past performance

Investors should note that the past share price performance of GrainCorp provides no guarantee or guidance as to future share price performance. Past performance information given in this Offer Booklet is provided for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. The historical information in this Offer Booklet is, or is based upon, information that has been released to the market. For further information, please see past announcements released to the ASX.

3.12 Governing law

This Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of Entitlement Offers pursuant to the personalised Entitlement and Acceptance Forms are governed by the laws applicable in New South Wales, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

3.13 Foreign jurisdictions

This Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia and New Zealand.

New Zealand

The New Shares being offered under this Offer Booklet are not being offered or sold to the public in New Zealand other than to Shareholders with registered addresses in New Zealand in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand). This Offer Booklet has not been registered, filed with or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand). The Offer of New Shares is renounceable in favour of the members of the public. This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This Offer Booklet is not an investment statement or prospectus under New Zealand law, and may not contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

Other

This Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares or otherwise permit the public offering of the New Shares in any jurisdiction other than Australia and New Zealand.

The distribution of this Offer Booklet (including an electronic copy) outside of Australia and New Zealand may be restricted by law. If you come into possession of this Offer Booklet, you should observe such restrictions and should seek your own advice on such restrictions.

Any non-compliance with these restrictions may contravene applicable securities laws.

The Entitlements and the New Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements and the New Shares may not be offered, sold or otherwise transferred, directly or indirectly, in the United States absent registration or in a transaction exempt from or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws.

This Offer Booklet and any accompanying ASX announcements and the Entitlement and Acceptance Form may not be released or distributed in the United States. This Offer Booklet and any material accompanying it does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Neither the Entitlements nor the New Shares have been, nor will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States absent registration or except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable U.S. state securities laws. The New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in “offshore transactions” (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act.

See the “International Offer Restrictions” section of the GrainCorp Investor Presentation released to ASX on Tuesday, 28 August 2012 and included the section 2 of this Offer Booklet for more information.

3.14 Withdrawal of Entitlement Offer

The Directors reserve the right to withdraw all or part of the Entitlement Offer at any time prior to the issue of New Shares, in which case GrainCorp will refund Application Monies in accordance with the Corporations Act without payment of interest.

3.15 Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Offer Booklet.

Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by GrainCorp, or its related bodies corporate in connection with the Entitlement Offer.

Except as required by law, and only to the extent so required, none of GrainCorp, or any other person, warrants or guarantees the future performance of GrainCorp or any return on any investment made pursuant to this Offer Booklet.

3.16 Risk factors

An investment in GrainCorp involves general risks associated with an investment in the share market. The price of New Shares may rise or fall.

There are also a number of risk factors, both specific to GrainCorp and of a general nature, which may affect the future operating and financial performance of GrainCorp and the value of an investment in GrainCorp. Before deciding to invest in GrainCorp, prospective investors should carefully consider the “Key Risks” section of the GrainCorp Investor Presentation released to ASX on Tuesday, 28 August 2012 and included in section 2 of this Offer Booklet.

3.17 Obtaining copies of documents

GrainCorp will provide free of charge to any Shareholder who asks before the Entitlement Offer closes, a copy of:

- the annual financial report of GrainCorp for the year ended 30 September 2011, being the most recently lodged annual financial report of GrainCorp before the date of this Offer Booklet;
- the half year financial report of GrainCorp for the six months ended 30 September 2012;
- any continuous disclosure notices given by GrainCorp to ASX after the lodgement of the annual financial report of GrainCorp for the year ended 30 June 2011 with ASIC and before lodgement of a copy of this Offer Booklet with the ASX; and

These documents are available on <http://www.asx.com.au/>.

3. Important Information continued

3.18 ASX waivers

To facilitate the Entitlement Offer, ASX has granted GrainCorp waivers from ASX Listing Rules 3.20.2, 7.1, 7.40 and 10.11 subject to a number of conditions, including that:

- all Shareholders are offered their pro rata share of the Entitlement Offer unless ASX Listing Rule 7.7.1 would permit the Shareholder to be excluded from the Entitlement Offer;
- New Shares are offered under the Institutional Entitlement Offer and Retail Entitlement Offer at the same price and same ratio; and
- related parties do not participate beyond their pro rata entitlement other than under bona fide underwriting arrangements that are disclosed to the market. There are no such underwriting arrangements in place.

The waivers also allow GrainCorp to ignore, for the purposes of determining Entitlements, transactions occurring after the announcement of the Entitlement Offer (other than registrations of integrated trading system transactions which were effected before the announcement) (**post ex-date transactions**). Such transactions are to be ignored in determining holders and registered holders, and holdings and registered holdings, of Shares as at the Record Date, and references to such holders, registered holders, holdings and registered holdings are to be read accordingly. Therefore, if you have acquired Shares in a post ex-date transaction you will not receive an Entitlement in respect of those Shares.

3.19 Underwriting

GrainCorp has entered into an underwriting agreement with the Underwriter, who have agreed to manage and underwrite the Entitlement Offer. As is customary with these types of arrangements:

- GrainCorp has agreed to indemnify the Underwriter, its affiliates and related bodies corporate and the directors, partners, officers, employees, agents and representatives of the Underwriter, in connection with the Entitlement Offer; and
- the Underwriter may (in certain circumstances, including having regard to the materiality of the relevant event) terminate the underwriting agreement and be released from its obligations under it on the occurrence of certain events. Those events include (but are not limited to) where:
 - GrainCorp shares are suspended from trading on or cease to be quoted on ASX, or GrainCorp is delisted;
 - GrainCorp withdraws the Offer Booklet or the Entitlement Offer (or any part of it) or it or its subsidiaries become insolvent;
 - there is a delay in the timetable for the Entitlement Offer for more than 2 Business Days without the prior written approval of the Underwriter;
 - there is a change in the senior management of GrainCorp or a change to the GrainCorp board;
 - there is a material adverse change or effect in or affecting the business, operations, prospects, management, financial position or prospect of the Company other than as disclosed by the Company to ASX before the date of the underwriting agreement, in the Offer Booklet or other material disclosed to the ASX on the date of the Offer Booklet;
 - there are certain major disruptions to financial markets or hostilities break out;
 - the Offer Booklet (or any other offer document) was false, misleading or deceptive (including by way of omission) at the time of issue;
 - the taking of regulatory action by ASIC in relation to the Entitlement Offer; or
 - ASX withdraws, revokes or amends the ASX waivers in relation to the Entitlement Offer.

If the underwriting agreement is terminated, the Retail Entitlement Offer may not proceed.

The Underwriter will be remunerated by GrainCorp for providing these services at market rates and may be reimbursed for certain expenses.

The Underwriter has not authorised or caused the issue of this Offer Booklet and take no responsibility for any information in this Offer Booklet or any action taken by you on the basis of such information. To the maximum extent permitted by law, the Underwriter excludes and disclaims all liability, for any expenses, losses, damages or costs incurred by you as a result of your participation in the Retail Entitlement Offer and the information in this Offer Booklet being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. The Underwriter makes no recommendations as to whether you or your related parties should participate in the Retail Entitlement Offer, nor do they make any representations or warranties to you concerning this Retail Entitlement Offer, or any such information, and you represent, warrant and agree that you have not relied on any statements made by the Underwriter or any of their affiliates in relation to the New Shares or the Retail Entitlement Offer generally.

GrainCorp will arrange for Entitlements to be sold on behalf of Renouncing Shareholders. The Underwriter will conduct an Institutional Bookbuild and a Retail Bookbuild to sell Entitlements on behalf of Renouncing Shareholders. However, it is important to note that the Underwriter will be acting for and providing services to GrainCorp in this process and will not be acting for or providing services to Shareholders. The engagement of the Underwriter by GrainCorp is not intended to create any agency or other relationship between the Underwriter and the Shareholders.

4. Glossary

ABN means Australian Business Number.

Acquisition means the acquisition of Gardner Smith Group and Integro Foods.

AEST means Australian Eastern Daylight Savings Time.

Application Monies means the amount specified in the personalised Entitlement and Acceptance Form, being the consideration for New Shares under the Retail Entitlement Offer.

ASX means ASX Limited ACN 008 624 691 or, where the context requires, the financial market operated by it on which GrainCorp Shares are quoted.

ASX Offer Announcements means the ASX announcements reproduced in section 2 of the Offer Booklet, being the announcement to ASX of the launch of the Offer on 28 August 2012, the GrainCorp Investor Presentation announced to the ASX on 28 August 2012 and the successful completion of Institutional Entitlements Offer announced to the ASX on 28 August 2012.

CGT means capital gains tax.

Clearing Price means the price that is achieved under the Retail Bookbuild for the sale of New Shares.

Corporations Act means the *Corporations Act 2001* (Cth).

Eligible Institutional Shareholder means institutional shareholders who were invited to participate in the Institutional Entitlement Offer.

Eligible Retail Shareholders has the meaning given in section 1.4 of the Offer Booklet.

Entitlement and Acceptance Form means the personalised form accompanying this Offer Booklet to be used to make an application in accordance with the instructions set out on that form.

Entitlement means the number of New Shares for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being 1 New Share for every 11 existing Shares held at the Record Date.

Entitlement Offer means the fully underwritten accelerated renounceable pro-rata entitlement offer of 1 fully paid ordinary share for every 11 existing Share held at the Record Date at an Offer Price of \$8.80.

GrainCorp Entitlement Offer Account means the account established by GrainCorp solely for the purpose of holding any Application Monies received from Eligible Retail Shareholders.

GrainCorp means GrainCorp Limited ACN 057 186 035.

GST means goods and services tax.

HIN means Holder Identification Number.

Ineligible Institutional Shareholder means institutional shareholders who were treated as ineligible institutional investors under the Institutional Entitlement Offer.

Ineligible Retail Shareholders means Shareholders who are not Eligible Retail Shareholders, Eligible Institutional Shareholders or Ineligible Institutional Shareholders.

Ineligible Shareholders means Ineligible Retail Shareholders and Ineligible Institutional Shareholders.

Institutional Bookbuild means the bookbuild that was conducted for the Institutional Entitlement Offer through which entitlements not taken up by Eligible Institutional Shareholders and entitlements that would have otherwise been offered to Ineligible Institutional Shareholders were sold to institutional investors.

Institutional Entitlement Offer means the entitlement offer made to Eligible Institutional Shareholders and successfully completed on 30 August 2012.

Institutional Premium means the excess (if any) between the price at which Entitlements were sold under the Institutional Bookbuild and the Offer Price.

Institutional Trading Date means the date on which New Shares are issued under the Institutional Entitlement Offer.

Launch Date means the date on which the Entitlement Offer is launched being 28 August 2012.

Link Market Services Limited means Link Market Services Limited ACN 083 214 537.

Listing Rules means the official listing rules of the ASX.

New Shares means the fully paid ordinary shares issued under Entitlement Offer.

Offer Booklet means this offer booklet in relation to the Retail Entitlement Offer.

4. Glossary *continued*

Offer Price means \$8.80 being the price payable per New Share under the Entitlement Offer.

Record Date means Monday, 3 September 2012.

Relevant Time means any time between the Launch Date and the Institutional Trading Date.

Renouncing Shareholders means Eligible Retail Shareholders who do not take up some or all of their entitlements and all Ineligible Retail Shareholders.

Retail Allotment Date means the date on which New Shares are issued under the Retail Entitlement Offer.

Retail Bookbuild means the bookbuild process that will be conducted at the close of the Retail Entitlement Offer to sell, on behalf of the Renouncing Shareholders the entitlements not taken up by the Renouncing Shareholders.

Retail Entitlement Offer means the fully underwritten accelerated renounceable pro-rata entitlement offer of 1 fully paid ordinary share for every 11 existing Shares held at the Record Date at an Offer Price of \$8.80 made to Eligible Retail Shareholders.

Retail Premium means any premium over the Offer Price of \$8.80 per New Share that may be achieved under the Retail Bookbuild.

Share means a fully paid ordinary share in GrainCorp.

Shareholder means a holder of a Share.

SRF means Shareholders Reference Number.

TFN means tax file number.

TOFA means Taxation of Financial Arrangements.

TOFA Amendments means the *Tax Laws Amendment (Taxation of Financial Arrangements) Act 2009* (Cth).

Underwriter means Credit Suisse (Australia) Limited.

U.S. Securities Act means the United States Securities Act 1933 (as amended).

Corporate Directory

GRAINCORP LIMITED **ACN 057 186 035**

REGISTERED OFFICE

Level 26, 175 Liverpool Street
Sydney NSW 2000
Australia

LEGAL ADVISER TO GRAINCORP

Gilbert + Tobin
Level 37, 2 Park Street
Sydney NSW 2000
Australia

UNDERWRITER

Credit Suisse (Australia) Limited
1 Macquarie Place
Gateway
Level 31
Sydney, 2000

SHARE REGISTRY

Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia
1300 554 474 (within Australia)
+61 2 8280 7111 (outside Australia)

ADDITIONAL INFORMATION

Further information on the Entitlement Offer and GrainCorp's business is detailed in this Offer Booklet or you can call the GrainCorp Offer Information Line on 1300 883 034 (from within Australia) or +61 2 8280 7483 (from outside Australia) at any time between 8:30am and 5:30pm (AEST) on Monday to Friday during the Retail Entitlement Offer period.

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