

NEWS RELEASE



20 February 2014

GrainCorp Liquid Terminals expansion

GrainCorp Liquid Terminals has announced investment of approximately \$70 million to add a combined 65,000m³ of bulk liquid storage capacity at three locations.

The three projects are expected to contribute at least \$8 million of underlying EBITDA uplift by FY16, with additional earnings benefit for the GrainCorp Oils business expected beyond that time. Capital investment will be funded from cash reserves and debt facilities over the next two years.

- In **Brisbane** (Queensland), GrainCorp Liquid Terminals' Pinkenba facility will add additional storage that will be available from 2015. The extra capacity will service increasing demand from the petroleum fuel sector and provide improved flexibility for one of the company's long-standing existing customers.
- Works have already commenced on the construction of a new bulk liquid storage facility adjacent to GrainCorp's existing grain export terminal at **Port Kembla** (NSW). Construction is expected to be complete by the end of 2014 to service demand from the local chemical industry.
- At the GrainCorp Liquid Terminals facility in **Fremantle** (WA), tanks are being constructed to respond to demand from the chemical and mining sectors. The additional capacity will also be available by the end of 2014.

There is scope to increase capacity at each location further, should additional demand arise.

GrainCorp Executive Chairman Don Taylor said the investment forms part of the *Asset Optimisation* stream of earnings growth initiatives targeting an additional \$110 million of incremental underlying EBITDA.

"It's pleasing to see continued growth and opportunity for the Liquid Terminals business we purchased in 2012. There is strong, confirmed customer demand for each of these projects and we have a high level of confidence in their ability to generate good returns for our business; as well as supporting the growth of our customers' businesses," Mr Taylor said.

FOR FURTHER INFORMATION

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