

Emerald lift pools and announce final Early Order Premium

Melbourne, 2 September 2008: A weakening Australian dollar and declining international shipping rates has lead to an increase in the 2008-09 Emerald barley and wheat pools.

Emerald's 2008-09 estimated pool return (EPR) for feed barley increased \$15 to \$265-\$285 while wheat increased \$10 to \$360-\$380.

Emerald Managing Director, Mick Cattnach, said this reflects Australian dollar movements, falling international shipping rates and concern in some areas of continuing dry conditions, although weekend rains eased this fear in the market to some degree.

Canola EPR dropped \$10 to \$650-\$670 which, according to Mr Cattnach, was due to bearish developments in international canola markets.

September is the last month of Emerald's Early Order Premium (EOP) +PLUS which offers premiums of up to \$10/t for wheat and canola and \$6/t for barley to growers who forward commit their grain this month.

Emerald's EOP +PLUS also offers the security of a guaranteed minimum pool return and the peace of mind of a fixed contract cancellation fee should the committed crop fail.

"Many grain growing regions in Eastern Australia experienced good falls last week which is sharpening growers focus on quality," Mr Cattnach said.

"The *Emerald Rewards* system, which we announced last month, will outline premiums and discounts for protein, screenings and moisture in the 2008-09 season for growers contracting to an Emerald wheat pool.

"The recent currency and market volatility adds to the uncertainty for Australian grain growers and Emerald wanted to assure our growers we will stick by them and reward them when they outperform," he concluded.

Emerald's 2007-08 EPR remained unchanged for all commodities with wheat at \$410 (FOB), malt barley at \$405 and canola \$595 (FOB).

The table below outlines the September EOP premium, guaranteed minimum price (GMP), fixed cancellation fees and the current estimated pool return (EPR).

Emerald Early Order Premium +PLUS and 2008-09 Pool Estimates – September 2008				
Commodity	September Early Order Premium	GMP for September (FOB)	Cancellation Fee	Estimated Pool Return
Wheat	\$10	\$270*	\$20	\$360 - \$380*
Feed Barley	\$6	\$200	\$15	\$265 - \$285
Malt Barley	\$6	\$200	\$15	\$305 - \$325
Canola	\$10	\$520	\$25	\$650 - \$670

*Wheat basis APW benchmark, protein 10.5%, screenings 5%, moisture 12.5%

All prices are on FOB basis

Note:

1. The EOP is paid over and above the final pool return unless the GMP is triggered
2. The GMP is the total GMP i.e. the premium does NOT apply above the guaranteed minimum pool return
3. Cancellation is only available in the event of verifiable production failure

Contact Emerald on **1300 880 432** or visit www.emerald-group.com.au

Media Enquiries: Emma Field on 03 9882 4835 or 0439974490

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