

Emerald October 2008 WA Pool Return Update

Melbourne 7 October, 2008: Falling international grain prices and continued volatility in global financial and commodity markets have pressured Emerald estimates down today for all 2008/09 season grain pools.

Emerald's 2008/09 APW wheat has been revised to \$320/t FOB (plus *Emerald Rewards* quality premiums). Barley has been reduced in line with weaker markets by between \$10 and \$15 dollars to \$295/t - \$315/t FOB (malt) and \$250 - \$270 FOB (feed barley). Canola markets have also softened forcing canola pool values lower to between \$590/t to \$610/t FOB.

Massive volatility in international financial and commodity markets is impacting Australian grain prices with the lower Australian dollar providing some protection.

The recent release of Emerald's quality rewards matrix for wheat remains a highlight of this seasons pools with all growers delivering against an Emerald wheat pool being rewarded for test weight as well as protein, moisture and screenings. The matrices can be found on the emerald website www.emerald-group.com.au.

Emerald has maintained estimates unchanged for all the 2007/08 pools. APW wheat (\$410 FOB), barley (\$405 FOB for malt barley, \$355 FOB feed barley) and canola pool (\$595 FOB).

Emerald's Early Order (EOP) +PLUS program for September has been extended into October for a short time which means growers can still access a premium for early commitment to the pool and lock in the guaranteed minimum price and fixed washout fee. Volumes are limited and can be closed at any time.

The Early Order Premium +PLUS for 2008/09 wheat remains at a \$10/t, \$6/t for barley and \$5/t for canola, but is likely to close within days.

Emerald will update estimated pool returns on 15 October 2008 and again on 29 October. During November and December returns will be updated weekly.

For more information on Emerald's pool returns call **1300 880 432** or visit the web site at www.emerald-group.com.au

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Emerald 2008/09 No.1 Wheat Pool Estimated Pool Return (EPR) Base Rate (\$AUD/t) by grade



APW2	\$320	ASW1	\$310
H1	\$336	ANW1	\$310
H2	\$336	ANW2	\$300
AHP	\$328	AGP	\$310
AUH2	\$325	AUW1	\$290
		FEED	\$270

Emerald 2007/08 No.1 Wheat Pool Estimated Pool Return (EPR) Base Rate (\$AUD/t) by grade

APW	\$410	APN	\$424
AGP	\$400	ASW	\$407
AH	\$414	ASWN	\$410
AHP	\$419	AUH	\$414
APH	\$425	APWT	\$416
APHP	\$430	AUW	\$400
		FEED	\$360

Note: Estimated Pool Return (EPR) is as at date of release and at a defined level of protein, screenings and moisture for each pool pay grade. Prices are net of management fees. Wheat base grade is APW and all prices are FOB. FOB refers to Free On Board and deductions associated with payment option choice and location need to be taken into account. All prices are in Australian dollars (AUD) and are estimates only and subject to change over the life of the pool as a result in changing market conditions and management performance. All terms and conditions of Emerald pools plus Emerald Reward quality payment matrices are published on our website at www.emerald-group.com.au

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Emerald 2008/09 No.1 Barley Pool Estimated Pool Return Base Rate (\$AUD/t) by grade

Feed WA & SA	\$250- \$270	Feed NSW & Qld	\$250 - \$270
Malt WA & SA	\$295 - \$315	Malt NSW & Qld	\$295 - \$315

Emerald 2007/08 No.1 Barley Pool Estimated Pool Return Base Rate (\$AUD/t) by grade

Malt 1 – WA	\$405	Malt 1 – SA & East Coast	\$405
Feed 1 – WA	\$355	Feed 1 – SA & East Coast	\$355
Feed 2 – All states	-\$10 (less \$10/t from feed 1)	Feed 3 – All states	-\$20 (less \$20/t from feed 1)

Emerald 2008/09 No.1 Canola Pool Estimated Pool Return Base Rate (\$AUD/t) by grade

Can1 – WA & SA	\$590 - \$610	Can 1 - NSW	\$590 - \$610
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Emerald 2007/08 No.1 Canola Pool Estimated Pool Return Base Rate (\$AUD/t) by grade

Can1 – WA	\$595	Can 1 – SA & East Coast	\$595
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Emerald September 2008 Early Order Premium +PLUS (extended into October for a limited time)

Commodity	September Early Order Premium	GMP for September (FOB)	Cancellation Fee
Wheat	\$10.00	\$270*	\$20
Feed Barley	\$6.00	\$200	\$15
Malt Barley	\$6.00	\$200	\$15
Canola	\$5.00	\$500	\$25

Emerald Early Order Premium +PLUS Comparison Table

The table below shows the current 2007/08 pool estimate (EPR) plus Emerald's EOP premium

	APW Wheat EOP Premium	Wheat APW EPR plus EOP	Barley EPR plus EOP (Feed WA)	Barley EPR plus EOP (Malt WA)	Barley EPR plus EOP (Feed SA)	Canola EPR plus EOP
Mar-07	\$7.25	\$417.25	\$361.70	\$411.70	\$361.70	\$603.25
Apr-07	\$6.00	\$416.00	\$360.00	\$410.00	\$360.00	\$602.00
May-07	\$5.50	\$415.50	\$359.75	\$409.75	\$359.75	\$601.50
Jun-07	\$5.00	\$415.00	\$359.50	\$409.50	\$359.50	\$601.00
Jul-07	\$4.50	\$414.50	\$359.00	\$409.00	\$359.00	\$600.50
Aug-07	\$4.00	\$414.00	\$359.00	\$409.00	\$359.00	\$600.00
Sep-07	\$3.00	\$413.00	\$357.00	\$407.00	\$357.00	\$599.00

*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

Please note: Emerald has applied to the WEA for accreditation as a bulk wheat exporter, and is yet to have its application fully assessed. Emerald is not in a position to export bulk wheat without accreditation, however can access containerised export channels and wholesale trade and domestic markets for wheat.

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