

Emerald Canola Pool Update(WA): Emerald revises pool as global canola dives \$30/t

Fremantle 4 December, 2008: Emerald Group has adjusted their WA canola pool values as the worldwide canola market suffered a negative week plunging C\$30 per tonne on the back of falling crude oil and harvest pressures.

Despite the global and local market canola price reduction of up to \$50 per tonne Emerald's number one 2008/09 canola pool values have only slipped \$10/t to \$630/t FOB largely protecting pool participants from these falls. The number two pool, which opened last week, has been revised to \$580/t FOB.

Rob Proud, Emerald State Manager WA, said the worldwide canola markets fell C\$30/t in the past week, on the back of continued global market pressure resulting from an overflow from falling crude oil and equity markets.

"Increased levels of farmer selling in Australia and Canada have added to this pressure, along with improved weather across Argentina as they finalise soybean plantings," he said.

"Local prices have been impacted by a number of other factors. The thanksgiving holiday in the States meant many traders were away and markets closed, reducing global liquidity and the aggressive selling by WA growers at this time have hit local prices.

"Pressure from lower freight rates and increased competition from Canadian canola imports, has reduced local basis by \$20/t on top of the broader global market fall, pushing local cash prices down \$50/t.

"Emerald customers have been partly cushioned from this dramatic fall in the canola market due to our forward selling and risk management strategies with only a \$10 per tonne fall in the number one pool and a reduction in the number two pool of around six and a half percent."

Mr Proud believes moving forward that the short-term lead on canola prices will be taken from outside markets, mainly crude oil and equities, along with local Australian harvest progress.

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

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

Can1	\$630*
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Emerald 2008/09 No.2 WA Canola Pool Estimated Pool Return (EPR) Base Rate (\$AUD/t) by grade

Can1	\$580
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*Closed pools

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. All prices are Free On Board (FOB) and deductions associated with payment option choice and location need to be taken into account. All prices are in Australian dollars (AUD) unless otherwise indicated 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 are published on our website at www.emerald-group.com.au

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