



FREE Eyre Limited Supporting Eyre Peninsula Farmers in a Unique Business Approach

FREE Eyre Limited (Fresh Rare Enticing Eyre) is an Australia-based company that identifies new opportunities for businesses for the farming district of the Eyre Peninsula, South Australia and progresses these through to commercialisation.

Several of these opportunities to date have included; setting up a 50% / 50 % joint venture with the Emerald group a grain trading partner; implementing an alternative grain storage option for farmers, developing a red meat finishing industry on Eyre Peninsula that has regional branding, processing and distribution system; developing a livestock and aquaculture feed industry; carbon and biomass opportunities through growing Mallees as complimentary ventures.

FREE Eyre is currently offering investors an opportunity to join the company with an Initial Public Offering of 2,500,000 shares at an issue price of \$2.00 each to raise \$5,000,000. The current closing date of the offer is the 27th June 2008.

The company was initially created in mid 2007 after the recognition of the dire need of the region's farmers to reestablish control over the region's supply chain, building alliances and partnerships and adding value to local produce.

FREE Eyre Limited has a shareholding membership of some 247 farming enterprises (many of these making up the top 20% of the Eyre Peninsula's agribusinesses) and Eyre investors and aims to incubate and develop new businesses and enterprises, manage profits and reduce costs along the supply chain for Eyre Peninsula farming enterprises.

FREE Eyre Limited's Chairman Michael Tilley and Managing Director Susanne Tegen informed the Australian Investor of the details of this IPO and the upcoming projects for the company.

"FREE Eyre raised some \$750,000 a year ago, with the majority of funding coming from Eyre Peninsula farmers and businesses. This financial support, and indeed the need for our company, came from hard adversity from several years of hard seasons, both from an environmental and financial perspective. FREE Eyre started as an incubator of ideas for this region with the first idea being to represent the area, farmers and businesses located within it." Mr. Tilley explained.

"FREE Eyre examines opportunities within the same markets and or new markets and then seeks improved access opportunities for farmers. We look across sectors for answers that are applicable and cater for more than one sector, such as grain and feedstock supplies." Ms. Tegen stated.

FREE Eyre recently announced a new innovative venture, known as "EP Grain", with Australian commodity management firm, Emerald, of which the Eyre Peninsula farmers and investors are the key beneficiaries.

'EP Grain Pty Ltd' will be a 50/50 joint venture focused on delivering grain marketing services to growers on South Australia's Eyre Peninsula. It is expected the joint venture will be fully operational by July 2008 with Emerald providing a range of new crop services to Eyre Peninsula farmers which will be transferred to the new entity start July 08.

"The funds raised from the IPO will primarily be allocated towards the farmers on the Eyre Peninsula, who are incidentally the bulk of our shareholders. These farmers are experiencing additional specific issues to the region, such as remoteness and access thereby requiring additional specialised funding." Mr. Tilley told the Australian Investor.

"Secondly the raised funds will be used in our storage project initiative. Historically, farmers have delivered grain to common silos that are controlled by a monopoly. Now we have developed an alternative storage option used extensively overseas, allowing farmers to store grain in "sausage type grain bags". These bags allow far greater control to the farmers in regards to quality, time to sell and costs." He added.

FREE Eyre states within its prospectus that it is pursuing several projects that all have the potential to be significant for the community. The planned investment activities will be initially in grain accumulation and marketing, and implementation a Managed Commodity Accumulation and Storage System.

FREE Eyre was established as a public company with shares so that shareholders may benefit if activities of the company are successful and there are any distributable profits. FREE Eyre does not intend to apply for admission to the ASX or any other stock exchange.

"FREE Eyre has the support of a third of framers in the area through their positions as shareholders. FREE Eyre has 247 shareholders that include farmers and businesses from the Eyre Peninsula area. Now that the IPO has commenced and with news of our EP Grain project, we anticipate that even more farmers will join. It is this aspect, of farmers supporting the very same business that supports them, that

separates us from a superfund type investments or from being a mere agent for a company which supplies our farmers. We maintain constant communication with the farmers of the region: we have a grass roots focus, which many larger companies now take for granted or ignore. FREE Eyre own the company and should rightly dictate the company's course." Ms. Tegen told the Australian Investor.

"Our EP grain project is expected to be very profitable with plans for both FREE Eyre and Emerald to invest over \$1 million in equity. Meanwhile, our list of projects has received excellent approval and support from farmers and the business community. We employ a proactive approach to a globally and environmentally challenging environment by farming solutions. The FREE Eyre model is to use the scale of our members to identify and incubate business ideas and business ventures that are then developed for the benefit of our shareholders and our region. It is about taking control of areas where you believe you can actually take control. If you look back at the Pivot and Westfarmers stories, I am sure you will notice some commonalities" Ms. Tegen concluded.

May 2008

Personal Profile of FREE Eyre Limited's Chair – Mr Michael Douglas Tilley

Name: Mr Michael Douglas Tilley

Position: Chair

Brief Career Background

Michael is Managing Director Terrain Capital. He currently advises businesses on strategies, capital-raising, and mergers and acquisitions for nearly 20 years. Michael brings practical and strategic knowledge about successful business management in both public and private sectors.

He manages vineyards and a wheat farm at Cummins on the Eyre Peninsula.

- Director of Tourism SA,
- Chairman of Lower Murray Water Authority,
- Vision Super Pty Ltd,
- Legg Mason Asset Management Special Advisory Committee;
- member of the Industry Fund Management Pty Ltd Investor Advisory Board and
- V-Line Passenger Pty Ltd Board.

Qualifications;

- Bachelor of Arts (Accountancy) (Uni SA),
- Fellow of the Institute of Chartered Accountants,
- Fellow of the Australian Society of CPAs, a registered Tax Agent and a Registered Company Auditor.

Personal Profile of FREE Eyre Limited's Managing Director – Ms. Susanne (Susi) Tegen

Name: Ms. Susanne (Susi) Tegen

Position: Managing Director

Brief Career Background:

Susi joined the Company as a Director in June 2007, and was appointed as Managing Director in September 2007.

An award-winning CEO, Susi has extensive business, government and community links, a reputation and skills in working across both private and public sectors. She has held roles in, and advocated for, the agricultural and rural medical sectors on a state, national and international level.

She is ardent about resilient rural businesses and life with her partner and 2 children on a grazing and cropping property in the Limestone Coast. Her experience gives her an excellent grasp of what makes sustainable communities.

Susi is currently;

- Deputy Chair of the FarmBis SA State Planning Group
- Director, SA Sheep Advisory Board
- Director of the Western General Practice Network, South Australia.

Qualifications:

- MBA (Melb),
- FAICD,
- BA (Adel)
- Dip Edn (UNE)
- FARLP