



24 September, 2012

Emerald acquires 100% of EP Grain

Port Lincoln, South Australia, (24 September 2012).

The shareholders of EP Grain today announced a change to the ownership structure of the business as it gears itself up in readiness for the 2012/13 grain harvest. Emerald Group will move from its current 50% ownership stake to 100% control of Eyre Peninsula's leading grain marketing company.

EP Grain was founded in February 2008 to provide a greater choice of grain marketing services to grain growers located on the Eyre Peninsula region of South Australia. The company has been a Joint Venture between the Eyre Peninsula's farmer owned investment company, FREE Eyre Limited (FEL) and national grain marketer, Emerald Group Australia Pty Ltd (Emerald) during its four years of operation.

The company has been highly successful during this period, gaining as much as 30% seasonal market share of the grain produced on the Eyre Peninsula and having contracted with over 800 of the 1,000 farming families who produce grain in the region.

With FEL having achieved its objective of creating grain marketing competition at the farm gate it has decided to sell its share in EP Grain to its JV partner Emerald, effective today. FEL will now focus its energy, capital and resources in creating other value adding and competition building opportunities for the region. These include up-country grain storage and handling, its nominated position as the "Grain Operator" in the proposed Port Spencer export terminal as well as fertilizer, fibre, energy related pursuits.

In moving to 100% ownership Emerald will assume all of the existing management responsibilities of EP Grain, and continue ongoing management of its grain pools and cash contracts. EP Grain will continue to offer its grain accumulation and marketing activities throughout the Eyre Peninsula region.

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Media enquiries: Danielle Buller, Emerald Communications Manager, 0400 949 065
Mark Rodda, CEO, FREE Eyre, 0417 414 123