

MEDIA RELEASE



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Strong performance as Pre-Harvest Optimiser finalised

GrainCorp is pleased to announce the finalisation of the 14/15 Pre-Harvest Optimiser Product.

GrainCorp Pools Manager, Bernie Byrnes, said:

"The Pre-Harvest Optimiser has performed very strongly in a volatile market over the past 12 months. It significantly outperformed average contract prices during the commitment period by between \$24 and \$43/tonne. It also outperformed the average cash market price over the pool's life by \$16-\$24/tonne."

GrainCorp's Pre-Harvest Optimiser is designed to provide protection in the pre-harvest marketplace, along with participation in the post-harvest marketplace. Washout is capped at \$25/mt should production failure occur.

In the 2014 winter to spring contracting window for Pre-Harvest Optimiser, growers had to contend with an El Nino forecast and strong contract prices. Our Pre-Harvest Optimiser product offered growers market participation during this pre-harvest period, with limited risk given the production concerns at the time.

"Pre Harvest Optimiser offers a valid alternative to forward selling in a strong market, with the added benefit of a capped washout for a worst case scenario," Mr Byrnes said.

"We continue to see growers utilise this product as a portion of their pre-harvest marketing program, due to the comfort they gain from strong past pool performance."

GrainCorp's experienced Pools team uses a range of tools including options and futures trading to reduce price risk to Pool participants.

GrainCorp's strong domestic presence helps with physical grain sales, while global trade information drawn from our international offices in Asia, Europe and North America assist the Pools team with technical risk management to protect value.

"The 15/16 Pre-Harvest Optimiser is now open for contracting and I encourage growers to consider it when looking to commence their marketing strategy for the approaching harvest." Mr Byrnes said.

Growers must read the terms and conditions carefully and take professional advice where necessary in order to properly evaluate whether Pre-Harvest Optimiser Product is appropriate for their individual needs and circumstances. The terms and conditions are available at graincorp.com.au or upon request. Further information is also available by contacting your local GrainCorp representative.

FOR FURTHER INFORMATION

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