

Start your season right with Season Starter.



2017/18 Season Starter: Estimated Pool Return update – 16 November 2017

Program Update

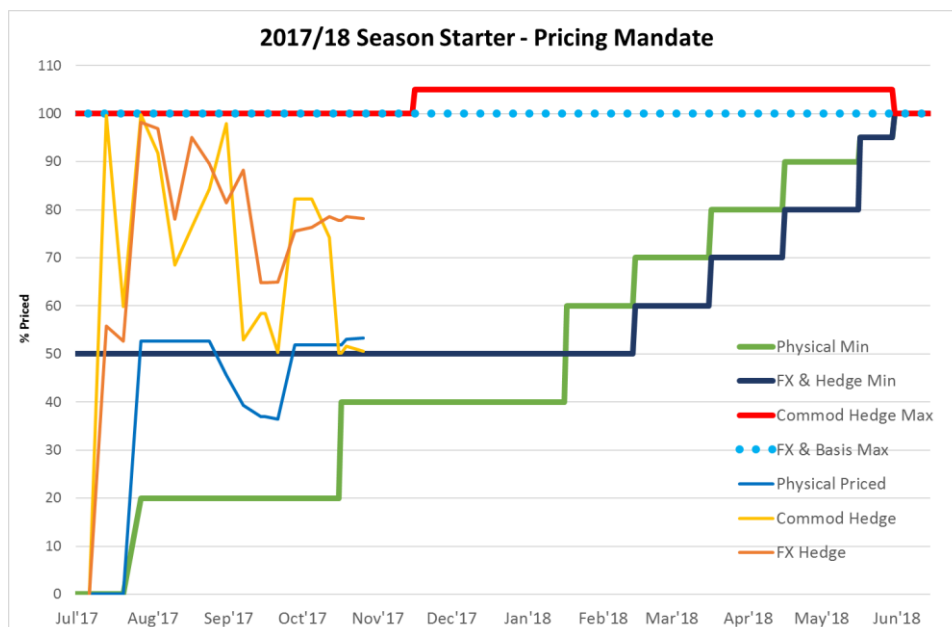
Today AWB are leaving the 2017/18 AWB Season Starter EPRs unchanged.

While global wheat prices have been very flat over the past few months due to a continuation of large global stocks, the Australian price has been volatile due to variable weather across the wheat belt. Fairly wide-spread rain during October, combined with some milder temperatures, took the strength out of the Australian wheat market bought on by more than a month of overall dry conditions especially in Northern NSW and Southern Qld through August and September. The market has been impacted essentially in two ways by this improved weather. Firstly, despite the rains being too late to rescue the Southern Queensland and Northern NSW wheat crops, they have significantly improved the production prospects of the 2018 Sorghum crop and hence reduced the demand for feed wheat into animal feed rations in that region which had been putting significant upward pressure on price. Secondly, at the same time rain across the remainder of the national cropping belt rescued, and in some cases, improved wheat yield prospects.

In late September some market pundits suggested that national production could be as low as 17m tonnes, however this has now turned around and they are now expecting a crop closer to 21m tonnes. This is clearly a big turnaround and the combination of decreased wheat feeding demand and increased supply has clearly changed the supply and demand scenario considerably. In September it economically made sense to truck grain from northern Victoria to the Queensland Darling Downs for stock feed demand, whereas today the numbers only really work to truck grain from northern NSW into the Darling Downs – a huge shift. The knock on impact of this is that wheat in Southern Australia now needs to focus on the export markets. The short term outlook for Australian Wheat prices is not bullish as harvest gathers pace and in a number of port zones, Australian prices are still above export parity prices.

Pricing Mandate Update

AWB is committed to transparency and to demonstrate this, we provide a regularly updated pricing position. This exceeds the level of transparency recommended by the Australian Grain Industry Code of Practice, Operating Standard for Grain Pool Providers. The pricing mandate shows the parameters our trading team operate in when making pricing and hedging decisions.



| QUEENSLAND | | | | | | |
|------------|----------|--------------|-----------|--------------|--------|--------------|
| Grade | BRISBANE | | GLADSTONE | | MACKAY | |
| APH1 | \$ | 351.00 - \$0 | - | - | - | - |
| APH2 | \$ | 341.00 - \$0 | \$ | 311.00 - \$0 | \$ | 311.00 - \$0 |
| H2 | \$ | 331.00 - \$0 | \$ | 304.00 - \$0 | \$ | 304.00 - \$0 |
| AUH2 | \$ | 321.00 - \$0 | \$ | 296.00 - \$0 | \$ | 296.00 - \$0 |
| APW1 | \$ | 321.00 - \$0 | \$ | 296.00 - \$0 | \$ | 296.00 - \$0 |
| ASW1 | \$ | 313.00 - \$0 | \$ | 286.00 - \$0 | \$ | 286.00 - \$0 |
| AGP1 | \$ | 311.00 - \$0 | \$ | 281.00 - \$0 | \$ | 281.00 - \$0 |
| SFW1 | \$ | 311.00 - \$0 | \$ | 278.00 - \$0 | \$ | 278.00 - \$0 |
| FED1 | \$ | 286.00 - \$0 | \$ | 256.00 - \$0 | \$ | 256.00 - \$0 |

| NEW SOUTH WALES | | | | | |
|-----------------|-----------|--------------|-------------|--------------|--|
| Grade | NEWCASTLE | | PORT KEMBLA | | |
| APH1 | \$ | 336.00 - \$0 | \$ | 321.00 - \$0 | |
| APH2 | \$ | 326.00 - \$0 | \$ | 313.00 - \$0 | |
| H1 | | - | \$ | 309.00 - \$0 | |
| H2 | \$ | 316.00 - \$0 | \$ | 306.00 - \$0 | |
| AUH2 | \$ | 301.00 - \$0 | \$ | 291.00 - \$0 | |
| APW1 | \$ | 301.00 - \$0 | \$ | 291.00 - \$0 | |
| ASW1 | \$ | 291.00 - \$0 | \$ | 281.00 - \$0 | |
| AGP1 | \$ | 286.00 - \$0 | \$ | 271.00 - \$0 | |
| SFW1 | \$ | 271.00 - \$0 | \$ | 271.00 - \$0 | |
| FED1 | \$ | 251.00 - \$0 | \$ | 241.00 - \$0 | |

| VICTORIA | | | | | | |
|----------|-----------|--------------|---------|--------------|----------|--------------|
| Grade | MELBOURNE | | GEELONG | | PORTLAND | |
| H1 | \$ | 301.00 - \$0 | \$ | 301.00 - \$0 | \$ | 293.50 - \$0 |
| H2 | \$ | 293.00 - \$0 | \$ | 293.00 - \$0 | \$ | 288.50 - \$0 |
| AUH2 | \$ | 281.00 - \$0 | \$ | 281.00 - \$0 | \$ | 278.50 - \$0 |
| APW1 | \$ | 281.00 - \$0 | \$ | 281.00 - \$0 | \$ | 278.50 - \$0 |
| ASW1 | \$ | 273.00 - \$0 | \$ | 273.00 - \$0 | \$ | 268.50 - \$0 |
| AGP1 | \$ | 266.00 - \$0 | \$ | 266.00 - \$0 | \$ | 263.50 - \$0 |
| SFW1 | \$ | 256.00 - \$0 | \$ | 256.00 - \$0 | \$ | 253.50 - \$0 |
| FED1 | \$ | 231.00 - \$0 | \$ | 231.00 - \$0 | \$ | 228.50 - \$0 |

| SOUTH AUSTRALIA | | | | | | | | | | |
|-----------------|---------------|--------------|------------|--------------|----------|--------------|--------------|--------------|-----------|--------------|
| Grade | PORT ADELAIDE | | PORT GILES | | WALLAROO | | PORT LINCOLN | | THEVENARD | |
| H1 | \$ | 291.00 - \$0 | \$ | 291.00 - \$0 | \$ | 286.00 - \$0 | \$ | 291.00 - \$0 | \$ | 286.00 - \$0 |
| H2 | \$ | 281.00 - \$0 | \$ | 281.00 - \$0 | \$ | 276.00 - \$0 | \$ | 281.00 - \$0 | \$ | 276.00 - \$0 |
| AUH2 | \$ | 271.00 - \$0 | \$ | 271.00 - \$0 | \$ | 266.00 - \$0 | \$ | 271.00 - \$0 | \$ | 266.00 - \$0 |
| APW1 | \$ | 271.00 - \$0 | \$ | 271.00 - \$0 | \$ | 266.00 - \$0 | \$ | 271.00 - \$0 | \$ | 266.00 - \$0 |
| ASW1 | \$ | 261.00 - \$0 | \$ | 261.00 - \$0 | \$ | 256.00 - \$0 | \$ | 261.00 - \$0 | \$ | 256.00 - \$0 |
| AGP1 | \$ | 246.00 - \$0 | \$ | 241.00 - \$0 | \$ | 236.00 - \$0 | \$ | 241.00 - \$0 | \$ | 236.00 - \$0 |
| SFW1 | \$ | 241.00 - \$0 | \$ | 236.00 - \$0 | \$ | 231.00 - \$0 | - | - | - | - |
| FED1 | \$ | 226.00 - \$0 | \$ | 226.00 - \$0 | \$ | 221.00 - \$0 | \$ | 226.00 - \$0 | \$ | 221.00 - \$0 |

| WESTERN AUSTRALIA | | | | | | | | |
|-------------------|---------|--------------|--------|--------------|-----------|--------------|-----------|--------------|
| Grade | KWINANA | | ALBANY | | ESPERANCE | | GERALDTON | |
| H1 | \$ | 320.00 - \$0 | \$ | 317.50 - \$0 | \$ | 312.50 - \$0 | \$ | 319.50 - \$0 |
| H2 | \$ | 310.00 - \$0 | \$ | 307.50 - \$0 | \$ | 302.50 - \$0 | \$ | 309.50 - \$0 |
| AUH2 | \$ | 300.00 - \$0 | \$ | 297.50 - \$0 | \$ | 292.50 - \$0 | \$ | 299.50 - \$0 |
| APW1 | \$ | 300.00 - \$0 | \$ | 297.50 - \$0 | \$ | 292.50 - \$0 | \$ | 299.50 - \$0 |
| APW2 | \$ | 295.00 - \$0 | \$ | 292.50 - \$0 | \$ | 287.50 - \$0 | \$ | 294.50 - \$0 |
| ASW1 | \$ | 290.00 - \$0 | \$ | 287.50 - \$0 | \$ | 282.50 - \$0 | \$ | 289.50 - \$0 |
| AGP1 | \$ | 275.00 - \$0 | \$ | 272.50 - \$0 | \$ | 267.50 - \$0 | \$ | 274.50 - \$0 |
| ANW1 | \$ | 320.00 - \$0 | \$ | 312.50 - \$0 | - | - | \$ | 314.50 - \$0 |
| ANW2 | \$ | 290.00 - \$0 | \$ | 282.50 - \$0 | - | - | \$ | 284.50 - \$0 |
| FED1 | \$ | 245.00 - \$0 | \$ | 242.50 - \$0 | \$ | 237.50 - \$0 | \$ | 244.50 - \$0 |

For more information contact your AWB representative or call 1800 447 246

IMPORTANT INFORMATION: The AWB Season Starter™ is an initiative of AWB Harvest Finance Pools Pty Ltd atf 2017/18 AWB Pools Trust ABN 14 391 417 252 ('AWB', 'we', 'us' or 'our'). Season Starter™ is a committed sub-pool within the 2017/18 AWB Pools Trust. This document contains information of a summary nature about the operation of aspects of the Season Starter™. It does not purport to be comprehensive or complete. Nothing in this document is intended to constitute financial, investment, tax, legal or any other form of advice, recommendation or a representation that any transaction, or otherwise is suitable or appropriate for you. If you would like further details including the terms and conditions please contact 1800 447 246 or visit www.awb.com.au. The statements contained in this document are accurate as at the date of publication unless otherwise stated and remain subject to change without notice.