

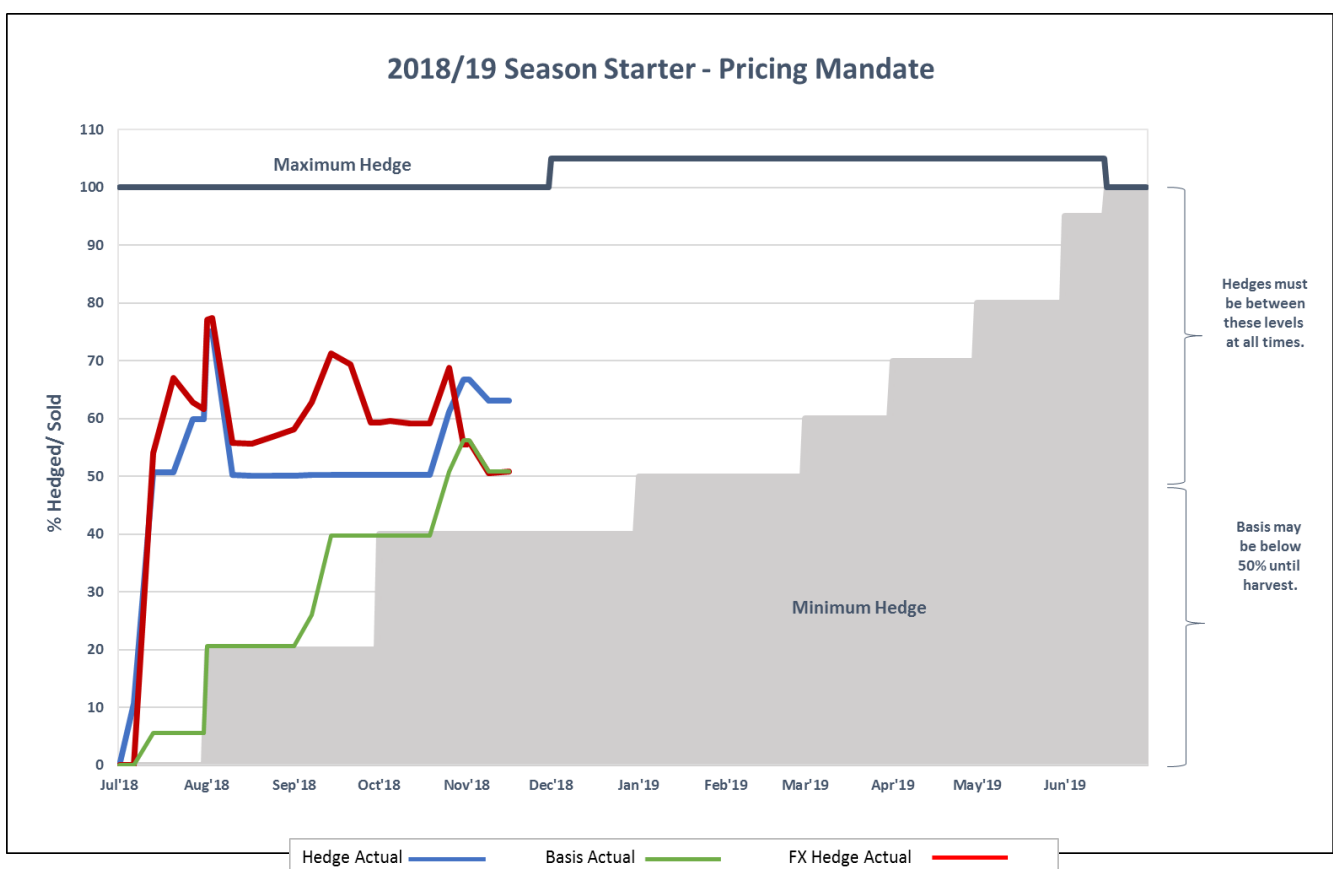
Season Starter



2018/19 AWB Season Starter Pricing Mandate

PROGRAM SUMMARY: Season Starter is an actively managed 12 month program designed for growers who want to begin to market their grain early in the season and who would like a program that is finalised within 6 months of harvest.

AWB Season Starter pricing mandate update - November



Current Pricing Mandate insights:

- Our basis hedge remains unchanged at 50%. Due to harvest price pressure, we will continue to limit sales during the harvest period to a few grades and zones that show relative value, and look to participate again post-harvest; hopefully when the bulk-selling dissipates.
- With AUD/USD also moving higher as expected, we have also reduced our FX hedge by 20%, to the minimum 50%.
- We expected a volatile harvest market and the Season Starter program is designed to spread the sales out across pre and post-harvest markets. The cheaper Australian wheat gets at harvest, the more homes it will find internationally and the tighter domestic stocks will get towards the back end of next year. The risk to global prices is a big Northern Hemisphere crop, but that is a possibility that is a long way down the track.