



Company announcement

GrainCorp Limited ABN 60 057 186 035

Date: 18 May 2009
To: The Manager
Announcements
Company announcements office

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ANNOUNCEMENT

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GRAINCORP ANNOUNCES CAPITAL RAISING

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Media Release

FINAL

Monday, 18 May 2009

GRAINCORP ANNOUNCES CAPITAL RAISING

GrainCorp today released details of a capital raising, involving a Share Placement and Share Purchase Plan, aimed at improving the strength of the company's balance sheet and positioning the company for growth and income diversification opportunities.

- The placement involves the issue of up to 9.65 million GrainCorp shares with existing and new shareholders,
- The share purchase plan (SPP) will enable current GrainCorp shareholders to subscribe for up to \$15,000 worth of GrainCorp shares (subject to ASIC relief / ASX waiver).

GrainCorp Managing Director, Mr Mark Irwin said, "We are undertaking the capital raising to strengthen the balance sheet of the company as we recover from two consecutive drought affected years. The equity raising will increase our financial flexibility and will reduce the gearing of the company."

Mr Irwin stated that the equity raising will also position GrainCorp for growth. "GrainCorp will be better positioned to take advantage of growth opportunities in existing businesses, via target projects and capital investment, and to take advantage of income diversification opportunities as they arise."

Share Placement Overview

- \$60m underwritten institutional placement, or 15% of issued share capital
- Fixed offer price of \$6.25 per share
 - 14.3% discount to GrainCorp's 5-day VWAP to 15 May 2009
- Book opens Monday 18 May 2009 at 10.00am (Sydney time) and closes on 18 May 2009 at 5.00pm (Sydney time) for Australia / Asia Pacific and 7.00pm (Sydney time) for UK / Europe
- The new shares will be fully paid and will rank equally with the Company's existing issued shares
- Underwritten by Credit Suisse (Australia) Limited and ABN AMRO Morgans Corporate Limited

Share Purchase Plan Overview

- SPP Offer price is the lower of:
 - The placement offer price, being \$6.25 per share; or
 - 7.5% discount to GrainCorp's VWAP over the SPP pricing period, being 23 June – 29 June 2009
- SPP Offer opens on 1 June 2009 and closes at 5.00pm (Sydney time) on 29 June 2009
- Subscriptions will be for up to \$15,000 worth of GrainCorp shares
- No brokerage or transaction costs

For further details please visit www.graincorp.com.au

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GrainCorp's vision is to be Australasia's leading handler and supplier of agriproducts and bulk products.

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