

2009 Grain Co-Production Project

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Once launched the 2009 Grain Co-Production Project (Project) will enable investors to invest in the production of wheat, barley and canola crops on various properties located across the Australian Grain-belt. The Australian Grain-belt includes regions within Western Australia (WA), New South Wales (NSW), South Australia (SA), Victoria (VIC) and Queensland (QLD) (see map below).



The Project will operate for three seasons with each season commencing from planting in approximately April/May of each year and finishing at harvest, typically in November/December of the same year. Investors will plant a crop for each of the 2009, 2010 and 2011 seasons.

Professional farmers will provide the land, equipment, inputs and expertise in order to plant, manage and harvest the investors' crops. The farmers benefit from the access to additional cash-flow and the sharing of risk with investors. In addition, the farmers will share in any upside returns from the investors' crops – an extension to the Australian ethos of share farming.

The grain produced from each property will be pooled from across various production zones to form the Project Pool. The Project Pool is a key component to managing the investors' production and price risk.

The wheat, barley and canola in the Project Pool will be managed and sold to various established buyers for on-sale to domestic and international markets.

Investors are expected to receive annual returns from the sale of the grain in the Project commencing in Year 1, with the majority of their investment capital and returns received at the completion of the 2011 season.

The aim of the Project is to achieve consistent and attractive annual returns to investors from the sale of the harvested crops each year.

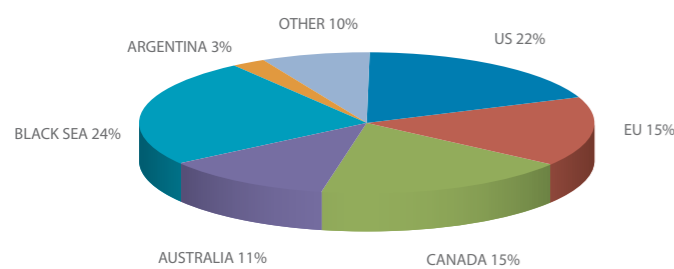
Domestic and International Markets

WHEAT

Wheat is grown and traded globally with the "Big 5" (the US, Australia, Canada, Argentina and the EU) normally accounting for approximately 80% of internationally traded wheat each year. Australia is a key player in the international wheat market, accounting for approximately 11-16% of internationally traded wheat each year.

The Australian wheat market operates with a highly competitive and deregulated domestic and export market with producers having access to well established systems in which to sell their grain.

Fig 1. Forecast World Wheat Trade 2008/09



BARLEY

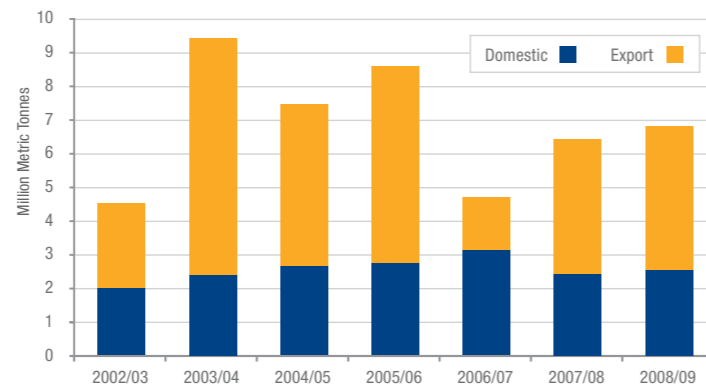
Australian barley has two main uses:

- Feed for livestock, such as cattle
- Malting for brewing.

The Australian barley market is effectively deregulated with producers able to sell barley to any buyer on the domestic market or to any licensed exporter for the international market.

The majority of Australia's barley crop is exported each year, with Australia being one of the largest exporters of barley in the world. Australian barley accounts for approximately 32% of internationally traded malt barley and 20% of internationally traded feed barley annually.

Fig 2. Australian Barley Exports vs Domestic Consumption



CANOLA

Canola is the main oilseed crop produced in Australia with an average production of 1.3 to 1.5 million tonnes per annum and is grown across WA, VIC, NSW and SA. Oilseeds are a significant component of the food industry and their products are major ingredients in global food and feed value chains where they are part of a very large global business.

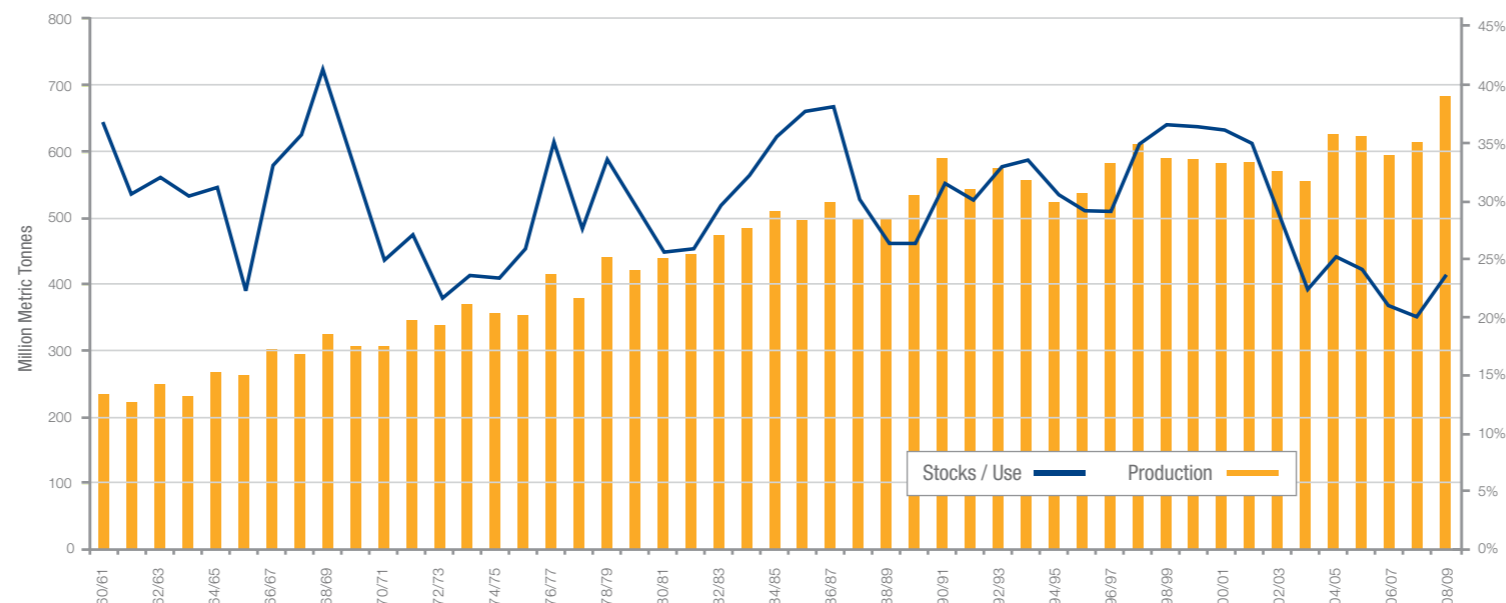
In Australia, canola is grown to produce seed, oil and meal. Canola oil is the main product of the seed and the by-product of this oil extraction is canola meal which is supplied to the stock feed industry.

Canola is a crop with strong demand and established markets both domestically and internationally. It is Australia's largest oilseed export with an average of 1 million tonnes exported each year to Japan, China, Pakistan and Bangladesh. By international standards Australia is a relatively small producer of oilseeds however, because of its generally high quality it has developed important sales markets.

Demand for Australian Grain

Wheat, barley and canola are Australia's most significant grain crops with Australian producers growing approximately AUD \$5 billion worth of wheat, AUD \$2 billion worth of barley and AUD \$1 billion of canola each year.

Fig 3. World Wheat Production Stocks to Use Ratio



Australia has a reputation of producing high quality grain with a high proportion of Australia's wheat, barley and canola sold and exported to Asian and Middle Eastern buyers. Australia's proximity to Asia gives growers an advantage to capitalise on established markets such as Japan and South Korea as well as the ever expanding markets of Indonesia, China and India.

Recent high grain prices have been the result of tighter world supplies with the medium term outlook for international grain prices remaining strong and the consumption forecast to remain steady.

Experienced Managers

MACRO FUNDS AND AACL

Macro is authorised by ASIC to act as the Responsible Entity for the Project and is a related party to the Project Manager - AACL. Macro is a funds management business with extensive experience in investment management, financial compliance and investor services and reporting. For further information on Macro, please visit their website at macrofunds.com.au.

AACL is the developer of Grain Co-Production and will manage the day to day operations of the Project under contract from Macro. AACL will source suitable farmers and land for the Project as well as monitor and report on the progress of investors' crops during the season.

CONTRACT FARMERS

Experienced professional farmers are sourced to provide the land, equipment, inputs and expertise to produce the crops in the Project. The Contract Farmers share in the upside returns of the crops with investors.

EXPERT ADVISERS

Expert agricultural consultants will provide ongoing crop inspections, reports and advice to AACL in relation to the crops in the Project each season. AACL has an established grain marketing team which will provide expert price risk management advice in regards to the protection and enhancement of the value of the grain in the Project Pool each season.

2009 GCP Project Features

ACCESS TO A MAJOR AUSTRALIAN INDUSTRY

Investors have largely been unable to directly invest in the Australian grain industry due to the capital requirements and a lack of opportunity. The Project will provide investors with direct access to one of Australia's most established industries.

DIVERSIFIED CROPS AND LOCATIONS

Each season the Project will provide investors with a diversification of crops (i.e. wheat, barley and canola) and a diversification of growing regions and farmers.

NO INCREASE IN SUPPLY OR MARKET DISTORTIONS

The Australian Grain-belt is restricted to rainfall zones and as such the majority of available land to produce grain is currently being utilised. The Project will only grow wheat, barley and canola on established properties and is not expected to grow any more grain than is already currently grown.

NON-IRRIGATED PRODUCTION

The majority of wheat, barley and canola crops in Australia are grown on non-irrigated land. It is expected that nearly all of the crops in the Project will also be grown on non-irrigated land and as such will not have any reliance on water allocations or access to water entitlements.

SHORT TERM INVESTMENT TIMEFRAME

The Project is different to almost every other agribusiness investment opportunity in that it aims to provide investors with an annual return commencing Year 1, whilst their investment period is for three seasons only.

DOMESTIC AND EXPORT MARKETS

Mature and established domestic and international markets exist within the grain industry in order to sell wheat, barley and canola giving investors a degree of certainty in regards to sale and payment for their produce.

TAX DEDUCTIBILITY

An application has been submitted to the Australian Taxation Office for a Product Ruling for the Project. The ruling is expected to confirm that all fees incurred by Growers, including the initial investment, will be 100% deductible in the year in which they are incurred.

IMPORTANT: Macro intends to release the 2009 Grain Co-Production Project (Project) in March 2009. No offer for investment in the Project is being made under this publication. The Project has been registered with ASIC and the ARSN is 132 571 245. A product disclosure statement (PDS) for the Project will be made available when the Project is released. The PDS will be available on Macro's website www.macrofunds.com.au or from Macro directly at the address noted over the page. The information contained in this publication is a summary only, is general in nature and does not take into account any particular individual's financial situation, objectives or needs. Prior to acquiring an interest in the Project, prospective investors should seek independent financial and legal advice and should consider the PDS in deciding whether an investment in the Project is appropriate for their needs. Applications will only be able to be made on an application form attached to the PDS for the Project once released. Macro anticipates the Australian Tax Office (ATO) will provide a product ruling for the Project (Product Ruling). If issued the Product Ruling will not expressly or impliedly be a guarantee or endorsement of the commercial viability or investment soundness of the Project nor of the reasonableness or commerciality of fees to be charged. The Product Ruling will only be binding on the ATO if the Project is implemented in the specific manner provided in the Product Ruling.



Investment Summary

Unit of Investment	A Co-Production Unit or CPU.	A CPU is an area of land expected to produce the wheat, barley and canola each season.
Investment per CPU	\$4,400 inc GST.	Covers the costs to plant the 2009 season crop.
Minimum Investment	6 CPU's or \$26,400 inc GST.	Additional investment in the Project must be in multiples of 6 CPUs.
Term	3 growing season - 2009, 2010, 2011.	A wheat, barley or canola crop will be planted each season with the investor's commitment ending after the harvest and sale of the 2011 season's crop.
Ongoing Costs	There are various ongoing costs including the planting of the 2010 and 2011 season crops.	The ongoing costs, including the 2010 and 2011 planting costs are expected to be funded from the proceeds of the sale of the wheat, barley and canola in the Project (full details relating to ongoing cost will be set out in the Product Disclosure Statement for the Project once issued).
Taxation	Investment in the Project is anticipated to be 100% tax deductible.**	** A Product Ruling has been applied for but the ATO is still assessing the application at the time of print.

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