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Company Strategy Presentation

Preparing for Expansion

June 2010

About FarmWorks

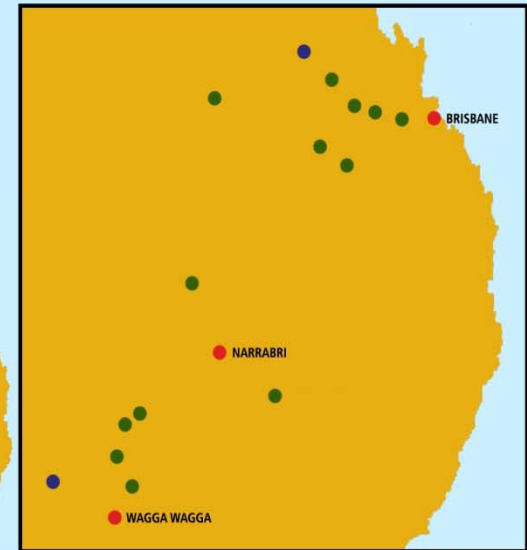
- Specialist provider of rural services
- Listed on ASX 22 March 2010 (ASX:FWA)
- Peers includes Elders, RuralCo and Landmark
- Strong growth since inception in 2001
- Started as Ag chemical manufacturer and supplier
- Developed into full service network to include:
 - Rural merchandise; livestock; finance and property
- Sustainable competitive advantage
- 1500 shareholders and 4700 growers
- Strengthened senior management team
- *Preparing for Expansion*



KEY

- FARMWORKS BRANCHES
- FARMWORKS AGENTS
- WHOLESALERS

	Total Revenue '000s	Normalised EBIT '000s
30 June 07	63,038	714
30 June 08	91,082	1,459
30 June 09	92,287	2,530



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Industry and Market Overview

- Increasing world population & demand for clean food
 - Australia is the “food bowl” for APAC
 - Changes in the fundamentals for global food supply
- Agribusiness Market
 - Diverse
 - Different geographies
 - Various markets and products
- Producers spend in excess of \$30b per annum, \$16b in '93
- Of the \$30b spend, crop chemical accounts for approx. \$1.5b
 - Includes all crops, not just broadacre
 - FarmWorks - \$55M

Sustainable Competitive Advantage

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Culture



Customer focused
Innovative
Flexible
Nimble

Market



Conquest Agrochemicals
Vertically integrated
Guaranteed quality
Independent Agronomy
services

Structure



Low corporate o/heads
Cost effective
Flat management
Structure
Nil legacy issues



5 Key Strategies



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Optimisation of Operational Performance

Maximise the efficiency of the current business



Drive operational improvements across the existing business

Conduct Branch and Agency review in line with benchmarks

Lower the, *cost to serve*

Sell more services to the existing client base

Introduction of a 'Lead and Referral' incentive programme

Review and streamline the Administration, Reporting and IT processes

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Supply Chain Efficiency

*Develop business model to access key markets
and leading producers*



Extract procurement efficiency through the better use of capital

Review and develop the optimal channels to market

Expansion of the Agency model

Strategic relationship with distributor

Internet sales model

New Business Growth

Broaden the footprint



- Expand target market and product base
- Expansion into key geographic locations
- Strategic acquisition of appropriate targets
- Increase the Ag Chemical product portfolio
- Expand the Livestock model into WA, Qld and NT
- Expansion of the Wool alliance model
- Implementation of an expanded Finance and Insurance white label products
- Implementation of FarmWorks Asset Management division
- Research of Grain Accumulation model and Horticulture products

Corporate Governance, People and Performance

Cultivating a culture of core values, innovation, customer focus and operational excellence



Implementation of corporate governance policy and procedures

Employee Incentive programme

Agency integration plan

Training, development and succession plan

Acquisition benchmark and due diligence plan

Stakeholders communications plan

Management of Risk

Minimise the exposure to key risks



Rainfall

- Improve the geographic spread of the business
- Increase the market exposure – Horticulture, Grain Accumulation
- Manage the *cost to serve*
- Development of new product offerings

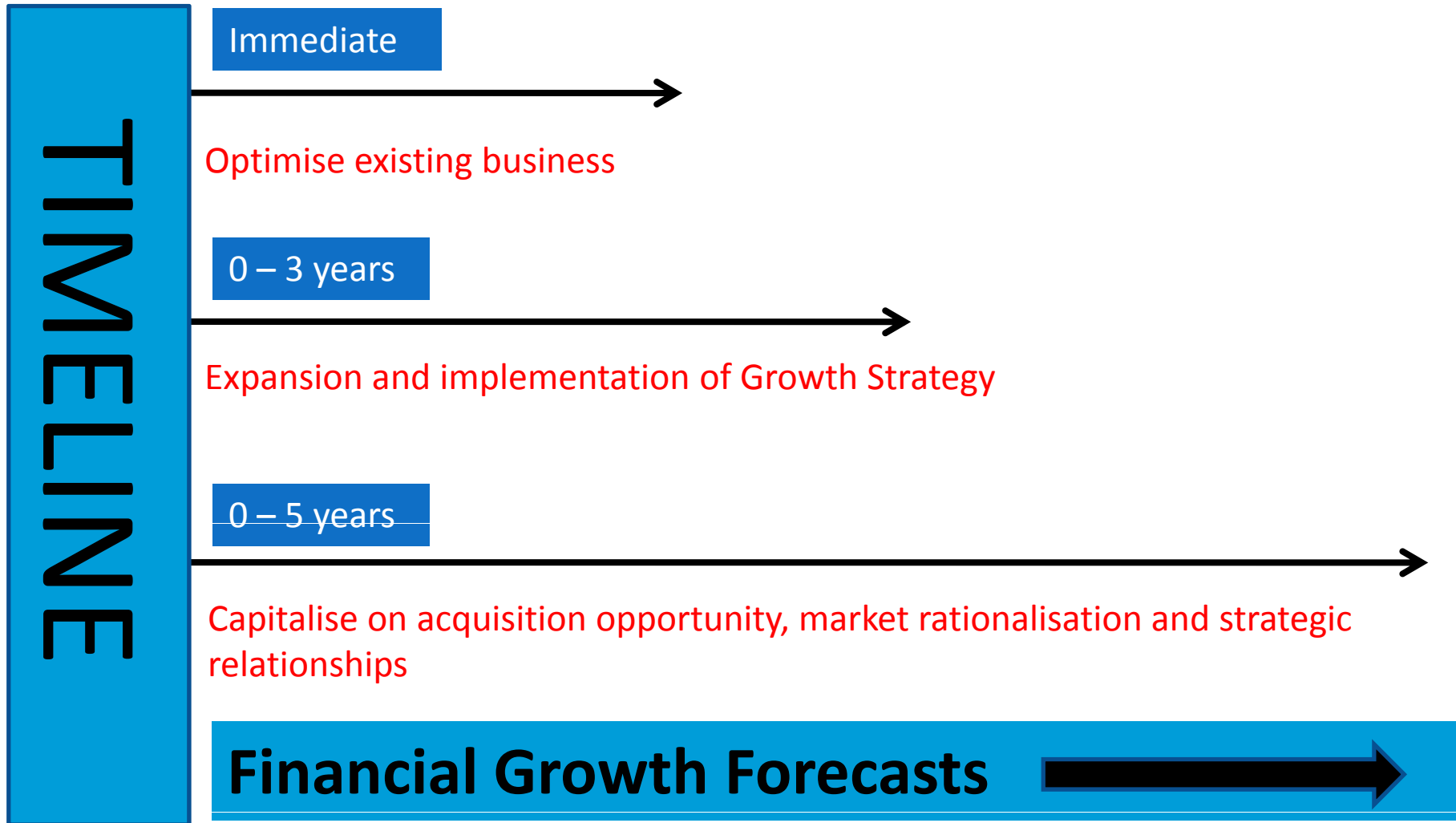


Currency

- Rolled over finance facility
- Funding model to provide the required access to finance for growth
- Development of a Forex management model

Strategic Horizons

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Summary

Preparing for Expansion

- Clear strategic direction
- Implementation of growth strategies
- Successfully renewed GE Finance facility
- Overall market indicators improving
- Growth in demand for food globally
- Positive rainfall conditions
- Higher commodity prices on the back of lower \$A





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