



15 June 2011

## **Market Update**

- **Rainfall in Western Australia a timely boost to FarmWorks' strategic focus**
  - **New structure to concentrate on farm chemicals and rural merchandise as the engine for growth**
  - **Successful divestment of livestock business**
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FarmWorks Australia Limited (ASX:FWA), a specialist provider of rural products and services to a broad range of agricultural producers throughout Australia today updated the market, following the update provided in February at its AGM.

### **Recent rainfall in Western Australia follows record rainfall across the country**

Recent healthy rainfall across most cropping areas in Western Australia is good news for the agribusiness sector with record plantings expected for 2011 winter crops.

FarmWorks Australia CEO Rick Moody said that the recent rainfall will result in a boost in demand for farm inputs as well as improved grower confidence.

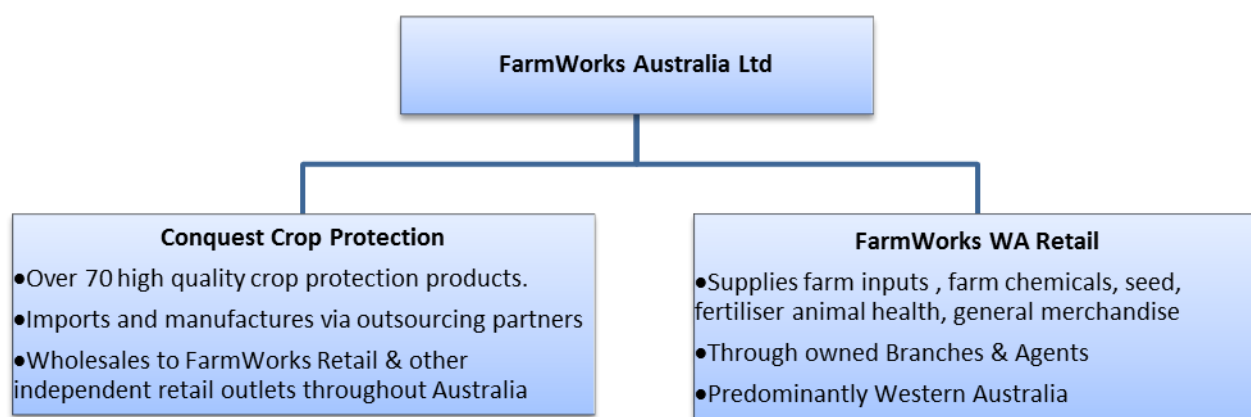
“With a high percentage of the crop dry sown prior to recent rain, we can expect the increased rainfall will enable growers to capitalise on the current high international grain prices. Most seasonal forecasts for the WA wheat-belt point towards near average rain this winter, so a huge improvement on last year is expected.”

Outside WA, higher than average rainfall over the 2010/2011 summer season has been a welcome change to the Australian agribusiness sector, creating an optimum sowing window for this year's cereal program and sowing now in full-swing. Recent rainfall in WA is now bringing the state into line with the improved agribusiness environment across the country.

## FarmWorks WA Retail and Conquest Crop Protection

As announced at its AGM in February, FarmWorks has successfully divested its livestock business in WA and SA in order to concentrate its resources on developing and growing its core farm “inputs” businesses, FarmWorks WA Retail and Conquest Crop Protection.

Following a strategic review of the business the new structure of FarmWorks is as follows:



FarmWorks Australia CEO Rick Moody said: “The growth prospects for the rural merchandise sector in Australia are real and meaningful.”

“Global demand for clean food is increasing, a trend that will continue. The agricultural producers that we supply in Australia will be at the forefront of this demand, which will drive growth for farm inputs including Conquest Crop Protection products. Farm inputs is the sector in which we have a competitive advantage and can best drive profit margins and shareholder returns.”

In light of the new structure FarmWorks Australia has launched a new website for all stakeholders – [www.fwaus.com](http://www.fwaus.com)

### For more information, contact:

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**About FarmWorks**

FarmWorks Australia Limited (ASX:FWA) is a specialist provider of rural products and services to a broad range of agricultural producers throughout Australia and dedicates its resources to developing and growing FarmWorks WA Retail and Conquest Crop Protection businesses. More information on the business can be found at the company's new website at [www.fwaus.com](http://www.fwaus.com)

**FarmWorks WA Retail**

FarmWorks WA Retail business trades as FarmWorks Merchandise Services Pty Ltd and is primarily focused on the provision of keys inputs direct to farmers, predominantly in WA.

The focus of the FarmWorks WA Retail business is to develop a network of branches and agents selling these input requirements to clients in the local branch or agent area. The key inputs cover areas such as:

- Crop chemicals
- Fertiliser
- Crop nutrition
- Animal health
- Animal nutrition
- Fencing
- Water equipment
- General merchandise

FarmWorks WA Retail business is aligned with key industry suppliers and distributors to ensure it is able to supply a complete package of products.

[www.farmworksretail.com.au](http://www.farmworksretail.com.au)

**Conquest Crop Protection**

Conquest Crop Protection supplies over 70 high quality crop protection products to FarmWorks Australia's retail distribution outlets and other markets nationally. Conquest currently wholesales its products to independent retail outlets in all states of Australia.

[www.conquestag.com.au](http://www.conquestag.com.au)