



Company announcement

GrainCorp Limited ABN 60 057 186 035

Date: Wednesday, 26 November 2008
To: The Manager
Announcements
Company announcements office

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PUBLIC ANNOUNCEMENT

Contents for immediate release:

Media release relating to the commissioning of Allied Mills Picton flour and maize mill.

Betty Ivanoff
Company Secretary





Media Release

IMMEDIATE RELEASE

Wednesday, 26 November 2008

NEW ERA IN AUSTRALIAN FLOUR MILLING

A new era in Australian flour milling has commenced with the first commercial quantity of flour produced from the recently commissioned \$97 million Allied Mills flour and maize mill at Picton (NSW).

The Picton mill complex has the capacity to process over 200,000 tonnes of maize, and hard and soft wheat per annum, using the most technically advanced milling equipment in the Southern Hemisphere.

GrainCorp is a 60% joint venture partner in Allied Mills with Cargill Australia.

GrainCorp Managing Director Mark Irwin said, "Commissioning of this new mill is very exciting for us and our joint venture partners, Cargill Australia. GrainCorp and Cargill Australia purchased Allied Mills from Goodman Fielder in 2002. Since that time the business has undergone significant change and focused on cost reduction."

"The commissioning of this new flour and maize mill starts the next phase in our quest to maximise Allied Mills efficiency and customer service. The operating costs at Picton will be significantly lower than at Summer Hill and Albury, the two sites we will be decommissioning."

"Construction of the new milling complex started in 2006. The project has benefited significantly from having Cargill as a joint venture partner. Cargill is the world's largest flour miller and their mill building and commissioning expertise has been invaluable," Mr Irwin said.

Allied Mills Managing Director Joe Di Leo said, "Locating the new mill at Picton will provide Allied Mills with a number of product distribution and raw material receipt advantages. Allied Mills will be working closely with GrainCorp for accumulation of wheat and the provision of rail transport to the mill."

"We will also be able to provide more efficient service to our flour and maize product customers. Unlike our old flour mill at Summer Hill, we will be able to operate road deliveries to customers around the clock from Picton."

"The mill building and wheat silos were constructed using an innovative 'slip form' continuous concrete pour technique. This is the first time this technique has been used in Australia to build a flour mill. Using the 'slip form' method creates an interior structure that minimises voids and ledges, which means improved plant hygiene. Allied Mills is a standard setter in food safety, and the construction of the new mill will allow us to enhance that reputation," Mr Di Leo said.

The Allied Mills Picton complex will be officially opened in the first quarter of 2009.

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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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