

27 August 2009

Mr Darren Collins
Senior Adviser
ASX Limited

Dear Darren,

Nufarm Limited - price query

We refer to your letter of 27 August, 2009 and respond to your queries as follows:

1. *Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?*

In our announcement on 24 July, we confirmed that Nufarm Limited had been approached by Sinochem Corporation in relation to the potential acquisition of Nufarm. Detailed discussions with Sinochem are continuing. No agreement has been reached and there can be no assurance that any agreement will be reached. A further announcement will be made in the event of any material developments.

2. *If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?*

Not applicable.

3. *Is there any reason to think that there may be a change in the net operating profit guidance for the year ending 31 July 2009 announced by the Company on 16 June 2009 in the announcement titled 'Nufarm adjusts earnings guidance' of more than 10-15%?*

On July 24, the company indicated that its operating profit might be more than 10-15% below the adjusted guidance provided to the market on June 16. Nufarm is yet to finalise its 2009 full year results. Subject to further management review and external audit, the company currently estimates that it will report a net operating result, excluding material items, of approximately \$135 million - \$145 million.

The deterioration in Nufarm's operating profit is principally attributable to a substantial reduction in the selling price of glyphosate in the US market in the months of June and July, together with lower than forecast volume sales of glyphosate. Nufarm believes that all major glyphosate suppliers have been affected by these impacts.

4. *Is there any reason to think that the Company may record any material abnormal or extraordinary items for the financial year ending 31 July 2009?*

The company is completing an assessment of market inventory levels of glyphosate and projected selling prices for the 2010 season. Material items that will be reported in the 2009 accounts are expected to total approximately \$50-55 million and will include a writedown on the value of glyphosate inventory in the order of \$35 million to \$40 million. This writedown is expected to position Nufarm to rebuild the profitability of its glyphosate business in the 2010 financial year. A review is currently underway to determine if other profit impacts associated with the deterioration in glyphosate selling prices will be classified as material items.

The balance of material items relates to impacts referred to in the July 24 announcement (and previously disclosed in the company's half year accounts). These include the restructuring of manufacturing operations in Europe; and regulatory inquiries relating to the AH Marks acquisition.

As stated in Nufarm's July 24 announcement, the company expects to have a higher accounts receivables balance and a higher net debt balance than previously indicated, both of which it expects to revert to more normal levels in the near term.

5. *Is there any other explanation that the Company may have for the price change in the securities of the Company?*

No.

6. *Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.*

Yes.

Yours sincerely,



Rodney Heath
Company Secretary



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27 August 2009

Mr Rodney Heath
Company Secretary
Nufarm Limited
103-105 Pipe Road
LAVERTON NORTH VIC 3026

By e-mail only

Dear Rodney

Nufarm Limited - Price Query

We have noted a change in the price of the Company's securities from \$11.36 at close of trading on 26 August 2009 to a high of \$12.35 at time of writing today.

In light of the price change, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any reason to think that there may be a change in the net operating profit guidance for the year ending 31 July 2009 announced by the Company on 16 June 2009 in the announcement titled "Nufarm Adjusts Earnings Guidance" of more than 10-15%? If so, please provide details as to the extent of the likely variation.

4. Is there any reason to think that the Company may record any material abnormal or extraordinary items for the financial year ending 31 July 2009? If so, please provide details.

5. Is there any other explanation that the Company may have for the price change in the securities of the Company?

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6. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by e-mail at darren.collins@asx.com.au or by facsimile on facsimile number 9614 0303. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than 4.00 p.m. EST) on Thursday, 27 August 2009.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts, we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

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Yours sincerely,



Darren Collins

Senior Adviser, Issuers and Accounting Policy

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