MEDIA RELEASE

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ASX to list Western Australia Wheat Futures and Options

The Australian Securities Exchange (ASX) will list Western Australia Wheat (WAW) futures on Monday 14 September 2009. Options on these futures contracts will be available to trade from Tuesday 15 September. The first contract maturity to be listed will be January 2010.

The listing of the WAW contract follows a record level of grain market activity for the month of August, when more than 600,000 tonnes of Australian grain and oilseed futures contracts traded on ASX.

Since the liberalisation of Australian wheat exports from 1 July 2008, all participants within the wheat supply chain have sought an improved method to facilitate price discovery and manage price risk. The WAW futures contract, which is based on the Kwinana track market, will service the risk management and price discovery needs of all industry participants involved in the export of Australian milling wheat.

The proximity of Kwinana Port to major consumers of Australian Premium White wheat (APW) (10% protein) throughout Asia together with ASX's extensive delivery framework, will facilitate convergence between the futures market and the underlying physical marketplace to provide the price benchmark for milling wheat traded in this region.

Delivery of WAW futures contracts will be facilitated through the CBH Group grain storage and handling network, which is an Australian Clearing House (ACH) approved bulk handler.

The WAW contract is a natural extension of the existing ASX Grain Futures and Options contract suite which services the grain and oilseed markets in Australia's Eastern States. The existing Australian Milling Wheat (AWM) futures contract will continue to provide Australia's domestic market with a facility to manage market risk especially in times of drought or reduced supply.

It is anticipated that a diverse range of market participants will be interested in trading ASX's East Coast/ West Coast wheat spread. To facilitate this activity the WAW contract specification mirrors the existing AWM futures contract which is based on delivery within the Newcastle or Port Kembla port zones on Australia's East Coast.

ASX Grain Futures and Options – Background Information

For the past two years, the ASX Grain Futures and Options market has traded in excess of four million tonnes each year. Since the liberalisation of the wheat bulk export market, nine of the past 12 months have established record traded volume.

- Since inception, ASX has traded in excess of 14 million tonnes.
- Average daily volume for FY2009 -10 has been 1,277 contracts = 25,540 tonnes.
- Open Interest as at the end of August exceeded 950,000 tonnes.

Western Australia Wheat Futures and Options Contract Specification
http://www.asx.com.au/products/pdf/grain_contract_specification_waw.pdf

ASX Grain Futures Market Statistics
http://www.asx.com.au/products/pdf/asx_grain_statistics_aug_09.pdf

ASX Grain Futures and Options Information Brochure
http://www.asx.com.au/products/pdf/asx_grain_futures_brochure.pdf

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