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## **AWB and Gavilon sign Memorandum of Understanding regarding Commodities Management**

AWB Limited and Gavilon LLC today announced they have signed a non-binding Memorandum of Understanding (MoU) regarding the sale of AWB Geneva and the formation of a 50:50 joint venture of the AWB Australian Commodity Management business. The MoU is subject to a number of conditions including completion of due diligence and negotiation of all transaction documentation.

AWB Managing Director Gordon Davis said the signing of the MoU paves the way for the transaction to be completed by June 2010, and AWB has agreed to work exclusively with Gavilon during that period.

“The consideration for the transaction will be formulated on the basis of book value plus a premium and is expected to release significant capital for AWB,” Mr Davis said.

“By partnering with a significant global commodities company in Gavilon, the proposed transaction will improve the value proposition to Australian producers and our domestic and international customers as well as enhance the competitive position of AWB’s Commodities Management activity.

“The Australian commodities partnership will provide a platform for further growth and ensures the AWB brand remains as it continues to have a strong relationship with Australian producers and our customers,” Mr Davis said.

Gavilon’s President and Chief Executive Officer, Greg Heckman said the proposed joint venture provides an excellent opportunity for Gavilon to expand its global footprint in a meaningful way with a well-established Australian agribusiness.

“The proposed purchase of AWB Geneva along with the joint venture in Australia, will strengthen our destination marketing capability and expand our grain origination network to include Australia,” Mr Heckman said. “We are pleased to be partnering with AWB and look forward to making further investments in infrastructure to enhance and complement this business.”

AWB Managing Director Gordon Davis said the proposed transaction aligns with our strategy to create a simpler lower risk Australian based regional agribusiness with significant scale, scope and more sustainable earnings. Mr Davis said that key commercial terms, including price, will be disclosed upon the signing of final transaction documentation.

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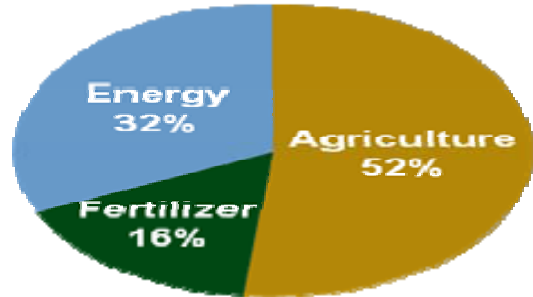


Gavilon is a premier global commodity management firm connecting producers and consumers of commodities through our worldwide supply chain network.

**Key Facts:**

- **Business Segments:** Agriculture, Fertilizer and Energy
- **President and Chief Executive Officer:** Greg Heckman
- **Headquarters:** Omaha, Nebraska
- **Employees:** 950+
- **Global reach:** Business operations on six continents

**Business Mix – 3-Year Historic EBITDA**



**Company Overview:**

The Gavilon Group, LLC provides distribution, merchandising, trading and risk management services for agricultural, fertilizer and energy products worldwide. Our expertise in sourcing, storage, transportation and risk management, coupled with proprietary information, provides a critical link in the global supply chain.

**Agriculture** – Gavilon operates the fifth largest grain merchandising operation and leading feed ingredient platform in the United States. The company’s grain operations include sourcing, storage, handling and distribution of corn, wheat, soybeans and specialty grains to food manufacturers, livestock producers, poultry processors, soybean processors and ethanol producers. Gavilon also sources and distributes grain, oilseed and animal by-products. Gavilon utilizes its logistical expertise in truck, rail, container, barge and vessel shipments to serve a geographically diverse customer base in North America, Central America, South America and Asia. The company’s physical footprint includes 71 grain facilities with approximately 130 million bushels of licensed storage capacity. Gavilon distributed approximately 12 million metric tons of grain and six million metric tons of ingredients in 2009.

**Fertilizer** – Gavilon operates the second largest fertilizer distribution network in the U.S. Its fertilizer operations include sourcing and distribution of nitrogen, phosphate and potash fertilizer products to distributors and retailers. The company leverages access to offshore suppliers and an efficiently managed global logistics system to provide customers competitively priced fertilizer. Gavilon’s physical assets include 22 owned and 40 leased storage and handling facilities with firm storage capacity of more than one million metric tons in North America. The company distributed an average of nearly six million metric tons of fertilizer over the past three years.

**Energy** – Gavilon’s energy segment operates a physical storage and transportation network, purchasing crude oil, natural gas, natural gas liquids and renewable fuels from producers and gatherers to store and ultimately distribute to end users. Gavilon utilizes the futures market to efficiently manage price risk associated with inventory positions and forward contracts. The company manages storage capacity of more than 4 million barrels of crude oil and nearly 14 Bcf of natural gas. In addition, Gavilon markets approximately 600 million gallons of ethanol per year.

**Company History:**

On June 23, 2008, ConAgra Foods, Inc. divested ConAgra Trade Group, enabling the newly formed company to focus on its core commodity business and build out its own strategy to create value for its stakeholders. Essentially all business activities and key leadership continued on as part of The Gavilon Group, LLC. The company is privately held by Ospraie Special Opportunities Fund, General Atlantic, Soros Fund Management and Gavilon management.

Gavilon’s history dates back to 1874, when the first grain elevator was built by Peavey Company, which was acquired by ConAgra in 1982.

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