

Executive Officer's Offerings

May I say how pleased I am with the manner in which I have been received at Southern Agventure. I have been made to feel most welcome and with the Board I believe we have very quickly established an effective team for the future.

I have certainly enjoyed the information meetings and getting direct insight into the issues farmers are facing. There is no doubt agriculture remains THE industry for Australia – we just need to re-arrange the wealth generation to more adequately reflect those who put most into it: the farmers.

Over the coming weeks I will be spending the vast majority of my time preparing the new Prospectus and associated documentation. Having been through the IPO process at Rex (and it also involved listing on the ASX) I have been blooded in the process. While there is a significant amount of work involved I believe the Southern Agventure team will handle it well and cost effectively.

I would also like to introduce our shareholders and stakeholders to the process of providing us with information. Of course, information and data is vital to our investigations and assessments of opportunities. Being at the front line, you are the

best sources of information and interest. Set out below there is a small survey form concerning prime lamb production and Hindmarsh Barley. Please take the time to consider, complete and return the information to me via email or fax.

I've had the pleasure of meeting many of you at Henty and at the meetings. I hope to meet more along the way and particularly, if you're visiting Wagga, you're more than welcome to pop into the office I share with Southern Ag Grain at Level 1, 17 Gurwood Street and have a chat.

Kind Regards,
Geoff Breust

SURVEY

HELP US LEARN MORE ABOUT WHAT YOU DO COMPLETE THE DETAILS BELOW IF YOU ARE INVOLVED IN THESE ACTIVITIES. PLEASE SCAN AND EMAIL TO gbreust@southernagventure.com.au, FAX TO (02) 6921 8404 OR POST TO GEOFF BREUST, EXECUTIVE OFFICER, SOUTHERN AGVENTURE, PO BOX 5180 BC, WAGGA WAGGA NSW 2650, BY 24 DECEMBER 2010

Name..... Phone.....
Address Email

How much Hindmarsh Barley did you sow this season (hectares) and what tonnage do you expect to harvest?
.....HectaresTonnes

I am currently or I am potentially a Prime Lamb grower and I am interested in:

- Prime lamb production on my farm as part of a Production and Marketing Program
- Special feedlot for prime lamb production
- Other prime lamb initiatives – please specify



NEWSLETTER
DECEMBER 2010

A note from the Chairman



Greetings.
“ We've had quite a busy few months at Southern Agventure. The highlights were the meetings we had with farmers across the region in October and our Annual General Meeting on 3 November.

footprint, expanded farmer shareholder base and capital raisings.

It was unfortunate the floods forced us to postpone the meetings at Walbundrie and Jerilderie, but we will catch up with those folk in the New Year. Meetings were held at Coolamon, Ardlethan, Grong Grong, Stockinbingal, Illabo, Harden, Temora, Barmedman, West Wyalong, Grenfell, Cowra and Buraja.

The clash with the Field Day at Rankin Springs also required us to postpone the planned meetings at Merriwagga and Rankin Springs, but we did catch up with a large number of farmers at the Field Day.

Overall, the response from those who attended the meetings was very positive and has confirmed the potential of the Board's plan to extend Southern Agventure's shareholder coverage to an area of approximately 250 km radius of Wagga Wagga and the number of shareholders to around 400. More information about this will be issued after Christmas.

Our Annual Report 2010 was distributed to all shareholders in October in time for our first Annual General Meeting held in Lockhart on 3 November. The AGM was well attended and the activities of the Company well supported.

At this time, work has commenced preparing a new Prospectus for the new share offer. More recent advice on the merits of a Prospectus over an Information Memorandum clearly favours us going down the Prospectus path. It is now

planned to make the offer during January 2011. It will also include arrangements for Options for our initial investors.

On behalf of the Southern Agventure Team may I wish you every success for harvest and that you and your families also have a happy and safe Christmas and New Year.

Best regards,

Dick Thompson
Chairman



ANNUAL REPORT 2010
A PRINTED COPY OF THE ANNUAL REPORT 2010 WAS DISTRIBUTED TO ALL SHAREHOLDERS IN OCTOBER. IT CAN ALSO BE DOWNLOADED FROM THE WEB SITE – www.southernagventure.com.au.

**SOUTHERN AG GRAIN:
NEW PRODUCT OFFERING**



Southern Ag Grain, your local grain marketer, has just released an innovative NewGen Floored Average contract for this harvest.

Under the NewGen Floored Average contract, growers can market a portion of their wheat or canola during harvest without the worry of big price drops or market fluctuations, whilst also establishing a futures floor pricing component.

An equal portion of the contracted tonnage is priced each day over the pricing period, with growers having the comfort that the Floored Average price will not fall below the floor price.

Call your Southern Ag Grain Wagga Wagga team - Simon, Mel, Amy and Peter – on 1300 880 432 to learn more about this exciting, new Floored Average product or visit us at Suite 2, 17 Gurwood Street, Wagga Wagga.

(Southern Ag Grain is a joint venture between Southern Agventure and the Emerald Group).

Rodney's Transport Service WAGGA WAGGA - STORAGE AND TRANSPORT

Southern Agventure recently inspected RTS's facilities and discussed potential synergies to assist our grain grower shareholders. While discussions about more sophisticated opportunities are planned for the coming months, to help our grower shareholders for this harvest, RTS is offering warehousing storage at their Bomen site as an alternative to other sites in the region.

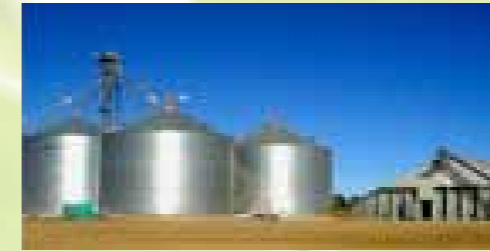
RTS has 18,800 tonnes of storage available in a 9,000 tonne storage shed segregated into two compartments plus a further 9,800 tonnes in six upright, fully aerated and integrated steel Cyclone silos. There is a fully automated B Double weighbridge, testing services and flexibility in outturn and receipt.

RTS can also provide grain transport with late model B Double and truck and dog combinations.

While not a delivery option for growers who contract with Southern Ag Grain for this harvest, Southern Ag Grain will price on grower arranged warehoused grain at the RTS facility or delivered to another destination ex that facility, on a "free on truck" basis.

Telephone (02) 6937 9100 or
contact@rodneystransport.com.au.
www.rodneystransport.com.au.

Amy, Peter and Simon at Southern Ag Grain can assist with the purchase of your grain stored at Rodney's. Call (02) 6932 4400 or 1300 880 432.



SILO BAGS

Enclosed with the Notice of the AGM distributed in early October was a Survey seeking Expressions of Interest by 22 October from shareholders in a SAV initiative to negotiate a special deal for the supply of silo bags and access to silo bagging machinery.

No such expressions were received by the due date and as a consequence no further action has been taken.

NEW PROSPECTUS

Following the successful farmer meetings confirming that there is considerable interest from potential new shareholders in the region and based on further advice from our legal counsel and auditors, the Southern Agventure Board has decided to proceed with the preparation of a Prospectus for the new offer rather than an Information Memorandum.

Issuing a Prospectus also enables us to extend Options to existing shareholders as planned. While it does involve marginally greater work to complete, the Board considers it worthwhile. For this reason we plan to release the Prospectus and offer the third week of January 2011.

We'll keep you posted on developments and the offer.

			
	DESCRIPTION	COMMODITY	FEE
COUNTRY EX FARM RECEIVAL FEE	Wheat	All Grades	\$ 8.00
	Barley	All Grades	\$ 8.00
	Corn	All Grades	\$ 8.00
	Triticale	All Grades	\$ 8.00
COUNTRY OUT LOADING FEE		Road	\$ 5.00
COUNTRY BOXING FEE (ALL GRADES)			\$ 3.50
COUNTRY STORAGE FEE – WHEAT / BARLEY			
	1st Feb - 1st October, 2011	Cereals per month	\$ 1.25
	1st November 2011 until outturn	Cereals per month	\$ 2.00
COUNTRY STORAGE FEE – CORN			
	1st July – 1st October, 2011	per month	\$ 1.25
	1st November 2011 until outturn	per month	\$ 2.00

The 2009/10 fees will apply to Grain received from the 2010/11 Season. All Grain from previous seasons will be subject to the Country Out loading Fee only.

enhanced farm profitability leading to highly sustainable regional communities

FARMER MEETINGS

Some snaps of meetings...

