



*First Dividend Cheque to First Shareholders:
L-R Geoff Breust, Mark Thomas, Leanne Thomas, David Hodge and Simon Wishart*

The Cheque Is In The Mail....

Cheques are in the mail to 165 Southern Agventure shareholders in payment for the 10 cents per share Interim Dividend for 2010/2011.

The cheques represent concrete evidence that a group of farmers can get together, invest in a Company to provide competition in the market with their interests at heart and provide a return...almost immediately!

“Our ability to return a dividend in just our second year of operation has come about because of the success of our 50 / 50 joint venture, Southern Ag Grain. Its profit return to Southern Agventure is a direct result of its substantial increase in accumulated grain tonnages from the major harvest last year,” Southern Agventure Chairman, Dick Thompson said.

The remaining profit contribution from Southern Ag Grain is being used to seek out other opportunities in the agriculture supply chain in line with Southern Agventure’s plans.

Pictured are Southern Agventure’s first shareholders, Mark and Leanne Thomas of The Rock being presented with a symbolic Interim Dividend cheque by Southern Agventure’s Geoff Breust with Southern Ag Grain’s, General Manager, Simon Wishart, looking on.

The Thomas’s were very pleased with the size and timing of the return on their investment.

“We did not expect a dividend for a few years while the Company became established. To receive a 10 cents fully franked dividend, which is better than a 10% return in just the second year, is fantastic,” Leanne Thomas said.

Geoff Breust Appointed Managing Director

Geoff Breust, who has been providing executive services to Southern Agventure under contract for the last twelve months, was appointed Managing Director at the Board Meeting on 11 July.



Chairman, Dick Thompson and Managing Director, Geoff Breust

“With the successful completion of the share offer and the need now for Southern Agventure to proceed with its plans to examine and take up opportunities in the agriculture supply chain, it was appropriate for the Board to appoint a full time MD/CEO to provide day to day direction and management of the Company. Having the incumbent also as a Board Member further enhances his input to the strategic direction of the Company.

The Board is very pleased Geoff agreed to accept the role and we look forward to his contribution to the Company. He brings a wealth of experience and capability to the position,” Chairman, Dick Thompson said.

Geoff Breust said he has always been very passionate about regional Australia and the potential for its development.

“While I grew up on a mixed farm just west of Temora but not worked directly in a farm business, I have had success in other significant business activities in regional Australia. I am convinced our future lies with agriculture and regional and local communities, not with heavy industry and sprawling urban cities. As a Company owned and operated by regional people with regional Australia as its focus, Southern Agventure has a great future and I’m pleased to have the opportunity to postpone retirement and be involved.”

Geoff Breust was previously CEO/MD of Kendell Airlines and Regional Express (Rex) and MD of Sureway Employment and Training and has lived in Wagga Wagga since 1988.

Provide Us With Your Bank Deposit Details

Being sent out by post along with your Interim Dividend cheque and / or Shares / Options Certificates is a form requesting your bank deposit details so that in the future we can direct deposit your dividend payments.

We considered it a very good gesture to send individual

cheques by mail for our first dividend payment. However, it is a costly and labour intensive exercise. Making the dividend payment electronically is a far more efficient method, although, we agree, not as personal.

Please fill out the form and send it back by mail, fax or email.

Shares and Options Allotted

The Southern Agventure Board considered the applications for shares and options at its July meeting and resolved to accept all applications received.

A total of 67 new shareholders applied for the offered parcels of 5,000 A Class Shares at \$1.10 each. A number of those applicants also applied for additional B Class Shares and these have been allotted also. This brings the total number of individual Shareholders to 232.

New (A and B Class) Shares allotted under the Offer total 367,000 with a value of \$401,800 with the total Shares Issued in the Company increasing to 1,239,000 and the share value to \$1,273,800.

Sixty One Shareholders applied for 292,000 Options to acquire Shares at the discounted price of \$1.00. Applicants for 19,000 Options paid for their Options to be converted immediately and these were converted to B Class shares (these numbers are included in the total above).

Share Certificates and Options Certificates are being printed and distributed currently.

Directors Seek Facts.....

Southern Agventure Chairman, Dick Thompson, Deputy Chairman Andrew Bouffler, Director/Secretary Brent Alexander, Director Richard Carn and Geoff Breust undertook a fact finding trip in early July.

The purpose was to visit grain storage and transport facilities of co-operative and private operators to see first hand possible options for Southern Agventure to facilitate grain storage activities in appropriate strategic locations in the region.

The two day trip included visits to Moulamein Co-Op at Moulamein and Swan Hill, Moama Grains, Ross Hehir's facilities at Rand and Walbundrie and also Kotzur's silo manufacturing plant at Walla Walla.

The information gained from the visits and discussions with the parties involved has been invaluable for our consideration of what Southern Agventure can do in regional / local community grain storage facilities and on-farm storage. As a result, the Board is refining its approach to what it sees as possible opportunities to develop. Included in those considerations are strategies which may also involve Southern Agventure's joint venture partner in Southern Ag Grain: the Emerald Group.

The Board is currently working through possible options.



Moulamein Grains Grain Storage Facility



Inspection and discussions at Ross Hehir Site, Rand



NEWSLETTER JULY/AUGUST 2011

Shareholders Cover a Much Wider Geographic Area

Southern Agventure's new shareholders are spread widely across the region of southern New South Wales.

One of the primary goals of the Share Offer was to increase the footprint of Southern Agventure via its shareholder base to an area roughly 250 kms radius of Wagga Wagga. This goal has been achieved.

New shareholders are now found around Junee, Illabo, Cootamundra, Temora, Barmedman, Harden, Grenfell, Cowra, Oberon, West Wyalong, Ariah Park, Beckom, Girral, Goolgowi, Griffith, Coleambally and also along the Murray River including Corowa, Balldale, Moama and north west to Deniliquin and Urana.

This much greater spread adds to the geographic diversity of our shareholder network along with adding to the strength of our voice as representing the industry.



Moama Grains upright silos

Coming Soon...

3 WINDOWS CONTRACT

- Spread your production risk over two seasons.
- Lock in prices now, choose when to deliver later.
- Offer only open for limited time so call your local SAG team ASAP.

Ph (02) 6932 4400
www.southernaggrain.com.au

