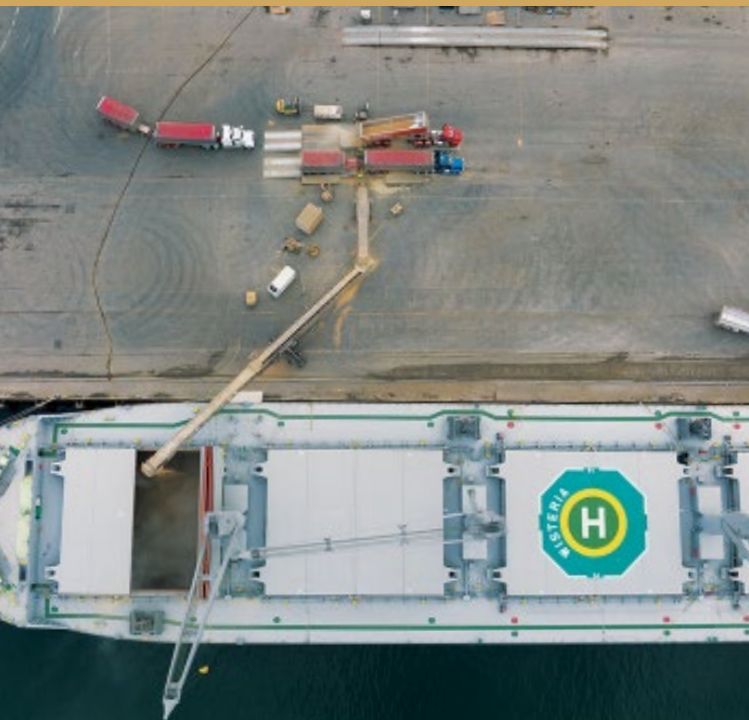


# ALL FOR THE GROWER

## WHEAT & BARLEY

Flexi Grain's management approach utilises tailored strategies and risk management tools relevant to each market to minimise risk and maximise grower returns.



# STRATEGIES AND MANAGEMENT TOOLS

## HECTARE AND TONNAGE BASED CONTRACTS

### Low risk pre harvest management

- Put Options to manage price risk on wheat and barley
- Call Options to protect against a strengthening Australian dollar
- Option structures to reduce costs and cap protection

### Export Grower Grain

- Accumulate and consolidate growers grain
- Secure elevation capacity in desirable shipping slots
- Sell directly into the export market
- Capture the elevation margin to maximise grower returns

### Trade domestically

- Accumulate and consolidate growers grain
- Sell into domestic opportunities
- Domestic consumers
- Trade shorts

### Stock swaps

- Accumulate and consolidate growers grain
- Sell grain to the trade and simultaneously buy the grain at a deferred date with a predetermined value (Reduce carry cost)

### Port zone swaps and reposition stock

- Accumulate and consolidate growers grain
- Sell grain and buy it back in a more attractive port zone to maximise returns (Alternative Ports can provide one or more of the following benefits)
  - Lower carry cost
  - Better purchase price
  - More elevation capacity
  - Cheaper Port to export from
  - Lower FOB costs
  - Lower shipping / freight costs



## **Post harvest use of derivatives (Options and futures)**

- Purchase call Options to provide upside participation whilst selling physical grain
- Selling futures against physical position to provide price protection against a falling market (A strengthening market will create losses with this strategy)

# **BENEFITS**

- ✓ Hectare Contract has no wash out risk, simply deliver the production from the area contracted to a pre-approved grain receival site.
- ✓ Take the stress and time out of your Grain Marketing and Risk Management.
- ✓ Benefit from derivatives without needing your own trading facility.
- ✓ Pre-harvest market participation.
- ✓ Tier two grain sales are insured with a global credit insurance company, Tier three grain sales are pre paid.
- ✓ Access to the export market and global buyers.
- ✓ Receive comprehensive unbiased market updates to assist you identify fair value for your uncontracted grain.
- ✓ Harvest cash flow with post harvest participation.
- ✓ Flexible payment options.
- ✓ Complete transparency.

# CASH FLOW

## Default

- ✓ 60% of the grains value, based on prevailing cash prices, advanced 5 days end of week of delivery.
- ✓ Distribution of 80% estimated grower equity, paid in June or July.
- ✓ Distribution of 100% final grower equity, paid September 25th.

## Deferred

- ✓ Distribution of 80% of estimated grower equity, paid in July.
- ✓ Distribution of 100% of final grower equity, paid September 25th.

## FEES

A Management Fee of \$10/metric tonne (ex GST) on all grain contributed by the Grower from a Hectare Contracted or \$10/metric tonne (ex GST) from Tonnage Contract is applicable.

An additional fee of \$2.50/metric tonne (ex GST) may be applicable for specialty crops such as Durum, Noodle and Biscuit Wheat, as additional marketing and or ISCC accreditation may be required.

# HOW TO CONTRACT



Growers wanting to contact Hectares can simply contact the regional manager or submit their interest using the QR code.



[flexigrain.com.au](http://flexigrain.com.au)