

10 May 2011

PGG WRIGHTSON CONTINUES EXPANSION IN AUSTRALIA

PGG Wrightson Seeds Australia Pty Ltd, a subsidiary of New Zealand-listed PGG Wrightson Ltd, has purchased the assets of Southedge Seeds Pty Ltd ("Southedge Seeds"), effective 9 May 2011.

Steven Carden, General Manager of PGG Wrightson Seeds Australia ("PGWSeeds Australia") said the purchase would extend the growth of the company's operations in Australia, where PGG Wrightson Seeds have been established for almost 75 years. "It will expand our presence in northern Australia and provide production, processing and export capabilities across a wide range of tropical species."

Southedge Seeds is located in the town of Mareeba, on the Atherton Tablelands of northern Queensland, Australia's primary tropical pasture seed production area.

The acquisition of Southedge Seeds provides a range of strategic assets for PGG Wrightson Seeds Australia:

- Tropical pasture seed production capability in the Atherton Tablelands
- Seed processing and coating facilities, plus cold storage
- Patented de-hulling and coating technology, branded "Envirogro"
- A number of PBR tropical cultivars
- Export and domestic sales capability and expertise in tropical species.

The acquisition by PGWSeeds Australia is the latest chapter in the life of Southedge Seeds, thirty years after it began. Owner and founder John Rains said in Mareeba today "Of all of the fully operational seed companies today, PGG Wrightson Seeds is one of the best placed to take Southedge Seeds to its next stage of development and I am excited about that process. Existing staff will be retained and the operation will continue from the Tinaroo Creek Rd facility with business as usual."

The focus of Southedge Seeds on the quality and integrity of its products, its unique Envirogro process, and the calibre of key staff were all factors that were appealing to PGWSeeds Australia. "We could see many similarities in how Southedge Seeds approached the tropical market to how we operate in the temperate market", Carden said. "We hope to add our distribution and marketing capability to what is a very attractive set of products offered by Southedge Seeds."

The acquisition follows the recent acquisition of South Australian business Keith Seeds by PGWSeeds Australia. Both acquisitions strengthen the company's footprint in Australia and diversify the company's product offering. While PGWSeeds Australia is the market leader in temperate pasture seeds in Australia, this acquisition provides the platform for growth into the tropical market segment.

PGG Wrightson Seeds Australia will seek immediate opportunities to expand its domestic sales throughout Queensland and New South Wales via PGG Wrightson Seeds' domestic distribution brands.

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