



24th July, 2012

The Manager
Company Announcements
Australian Securities Exchange – ASX Limited
Exchange Centre
Level 6, 20 Bridge Street
Sydney NSW 2000

Via E-Lodgement

Dear Sir / Madam,

PrimeAg Australia Limited (ASX: PAG)

Attached for the market's information is an announcement regarding operating profit guidance for the period ending 30 June 2012.

Samantha Macansh
Company Secretary



PrimeAg Australia Limited ('PrimeAg' or 'the Company') (ASX: PAG)

Operating profit guidance for the period ending 30 June 2012

PrimeAg today announced a revised operating profit guidance (before tax) in the range of \$5m to \$6.5m plus net returns of \$4.9M from capital allocated to the PrimeAg Agricultural Fund.

PrimeAg's Managing Director and CEO, Mr Peter Corish said, "While it was pleasing that cotton production was close to forecast, the A\$ price of cotton has deteriorated further since our February guidance of a price range of \$470/bale to \$540/bale. The remaining unsold portion of the company's cotton stocks has been taken to account as at balance date at the prevailing cash price of \$394/ bale.

While the FY13 cotton price remains below the long term average, grain prices, including wheat, have improved substantially on the back of a northern hemisphere drought and forecasts of reduced grain stocks. The Company has completed planting 5750 ha of wheat and 400ha of chickpeas for FY13 and with the recent post planting rainfall has ensured excellent establishment of these crops.

Both headwater and on farm water storage levels and soil moisture profiles remain at levels that will ensure a full planting of summer crops including 7400ha of irrigated cotton, up to 4500ha of dryland cotton and 700ha of sorghum " Mr Corish concluded.

Contact –

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