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FREE Eyre counts its future options

PRIMARY PRODUCER and COMMUNITY driven group FREE Eyre Limited is counting down the days to the close of its prospectus on Wednesday 27 May 2009. After that day FREE Eyre will no longer be able to welcome any additional shareholders to its group.

This is the last chance to invest in FREE Eyre and be part of an independent locally owned business which takes control and adds value.

FREE Eyre's Chairman Mr. Michael Tilley said that the company is at a stage where they have carried out the research and development in the areas raised about 2 years ago at its initial public meetings.

"We have explored value adding e.g. pasta production, meat branding, access to markets for primary produce, alternative grain storage and logistics opportunities. We have made decisions as a board to:

- commercialise the business opportunities which would benefit the region's primary producers
- reject some business due to lack of financial benefit or sustainability, and
- defer some opportunities until further funding could be raised."

Further funding is required to advance these opportunities; the criteria for these opportunities were set by the initial FREE Eyre community steering group which was made up of key community drivers around the Eyre Peninsula" he said.

"FREE Eyre was never set up to be a charity" said Managing Director, Ms. Susi Tegen. "We aimed to develop and commercialise business opportunities which give investors a return on their money, are relatively low risk, allow for sustainable growth of FREE Eyre's and primary producers' business, as a result grow the Eyre Peninsula economy and above all give control to the farmer by partial ownership."

"The support from shareholders and the greater community has been fantastic and this support has allowed for the EP Grain joint venture to be set up." She said. EP Grain has turned over more than \$60 million due to the amount of grain signed up and is due to pay a healthy dividend to FREE Eyre by the end of 2009.

Ms Tegen said that FREE Eyre had reinforced its support for the local community by ensuring its \$1 million investment into EP Grain sits in the Cummins District Community Bank Branch of Bendigo Bank.

The FREE Eyre Board has also met to refine the future options for its business.

Chairman, Michael Tilley said FREE Eyre Directors identified the need for the injection of further capital in order to establish the sheep meat project and others that are in the pipeline. Like EP Grain, these opportunities are very promising and will add value to FREE Eyre shareholders.

27 May 2009 is the closing date of the FREE Eyre prospectus that allows us to raise the \$1 million to commercialise these opportunities and we are not planning to release another prospectus, said Mr Tilley.

If we do not raise this amount, the Directors propose to cease the development of the new potentially profitable businesses and restrict activities to EP Grain. This will mean that all future dividends from EP Grain will be distributed only to the shareholders registered at 27 May 2009.

All stakeholders, being the farmers, the community, FREE Eyre shareholders and Eyre Peninsula businesses, will miss out on the benefits, profits and dividends from all other identified projects.

“If the new capital is not raised, the outcome is a tragedy for Eyre Peninsula and a great opportunity wasted” said Mr Tilley

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