ASX & MEDIA RELEASE **17 FEBRUARY 2004**

CLOVER SHAREHOLDERS APPROVE NEW SOY BUSINESS

Shareholders in Australian food ingredients company, Clover Corporation Limited ("Clover"), today approved the initiation of a new business area involving technology to make soy a natural food additive.

Clover already has technology which converts fish oil into a powder rich in omega-3 DHA, with sales to food companies as an additive for bread, eggs, yoghurt and infant formula in Australia and other world markets.

The advantage for Clover of the soy technology is that it will provide another natural food additive, with the flavour of the base product masked, and targeted at the same food company markets.

The structure of the deal approved today by shareholders involves:

- a joint venture, intended to be on a 50/50 basis, between Clover and a company trading as Austgrains International, to conduct the soy business;

- licencing for 10 years by this joint venture of technology which converts soy beans to a stable food additive without any bean or bitter flavour;

- contribution by Clover and Austgrains of $2.5 million each to the joint venture, with Clover having the potential to increase its venture ownership if equity contributions are not equal over time;

- Clover making available to the venture an additional interest bearing shareholder loan of $3.5 million which will convert to equity when the manufacturing facility is operating; and

- employment of Clover's 70 per cent owned subsidiary, Nu-Mega Ingredients, to initiate sales to food companies worldwide on a commission basis.

Austgrains role in the venture additionally will be to contract soybean growing over central Queensland and the Murrumbidgee Irrigation Area in southern New South Wales and manage its ultimate conversion into the end food additive.

Conversion of soy beans into the food additive will utilise technology known as processed soy matrix technology, which has been developed and patented by an Australian company, Byron Australia, which is licencing the technology to the venture.

A special purpose soy milling and storage facility is to be built on a 20 hectare site next to the main rail line in Moree (northern NSW) at a cost of $8.0 million and is expected to be commissioned during September 2004.

According to Clover chairman, Mr Peter Robinson, the joint venture gave Clover an opportunity to increase its market standing as a supplier of natural food additives internationally.

"There is a good fit in terms of product marketing for our omega-3 DHA and soy natural food additives," Mr Robinson said.

"They also capitalise on health trends worldwide towards consumers wanting to add healthy components to their diets in a natural way while consuming basic foods," Mr Robinson added.

The soy food additive to be produced by Clover's venture will be certified to be from non-genetically modified crops.

The processed soy matrix technology is able to produce a whole soybean product with all the nutraceutical benefits of soy at a low cost and with a long shelf life.

Initial markets to be target by Clover's soy venture are bakery and baked foods, soy milk and dairy replacement, breakfast foods and snack foods.

Clover also considers its technology can offer consumer, food service and industrial markets a soy flour which exhibits all the nutraceutical benefits of soy without the beany bitter taste.

The estimated value of the world soy flour market is US$23 billion, with sales of soy based products in the US valued at US$2.5 billion a year and in Europe, US$1.5 billion a year.

The Australian soy flour market is estimated at $70 million a year, growing at 3 per cent a year.

Among Clover's more prominent successes of its omega-3 DHA powder as a food additive is its inclusion in George Weston's Tip Top Up bread which has become Australia's second highest selling bread since launch in 2002.

George Weston has since expanded the range to include brown bread and muffins.

Clover's strategy is to continue to expand use of its natural food additives in markets world wide.

Clover, which is listed on the Australian Stock Exchange and AIM in London, is 28.5 per cent owned by one of Australia's oldest companies, Washington H Soul Pattinson & Company Limited.

ISSUED FOR	:	**CLOVER CORPORATION LIMITED (ASX CODE: CLV, www.clovercorp.com.au)**
FOR FURTHER INFORMATION	:	**MR PETER ROBINSON, CHAIRMAN, CLOVER CORPORATION LIMITED, TEL (02) 9232 7166**
ISSUED BY	:	WESTBROOK COMMUNICATIONS, CONTACT IAN WESTBROOK, TEL (02) 9231 0922 MOBILE 0407 958 137