6 July 2011

Update on Indonesian Livestock Suspension Impact

- **Preliminary June quarter account preparation informing current and projected impact of Indonesian suspension**
- **Major impact through Network results affected by lower livestock prices**

Elders (ASX:ELD) advises that ongoing preparation of June month end accounts has enabled a more informed view of the impact of the suspension of livestock export to Indonesia on the Company's earnings.

Preliminary accounts for the month of June 2011 show a direct impact of approximately $(1.0) million through loss of earnings by Elders' live export and Indonesian operations. Total impact however is more significant, with network earnings for the month calculated to be reduced by a further $(2.2) million through flow on effects on northern Australian trading and the impact of lower prices on earnings from livestock across Australia.

Further impacts are expected in coming months, the extent of which will be subject to a number of indeterminate variables including the duration of the suspension, the timing and escalation of trade resumption and livestock prices. Depending on what assumptions are made on these matters, Elders anticipates the impact over the three months to financial year end to be a further $(1.2) million - $(4.1) million. This figure includes anticipated network flow on impacts of an estimated $(0.5) million to $(3.0) million; with the principal contributor being lower livestock earnings. Other non-network costs are projected to include shipping, legal and other costs brought by the suspension. Some items are anticipated to be categorised as non-recurring.

In total, and based on assumptions yet to be tested and verified, the impact of the suspension is now projected to be approximately $(4.4) million - $(7.3) million.

Elders will continue to monitor this situation and its anticipated impact and will update the market in keeping with its continuous disclosure requirements.

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