

Rewards

AUTUMN 2010

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Rewards take a slice of the GRAPEFRUIT MARKET

Delicious red-flesh grapefruit from the Rewards' orchards in Kununurra, Western Australia are now being sold throughout Australia.

FRUIT QUALITY

Due to the ideal fruit growing conditions in Kununurra, the quality of Rewards' red-flesh grapefruit is second to none. Kununurra receives 5,300 accumulated heat units per annum in comparison to South Africa and Florida which receive just 3,500. The intense heat provided by these heat units reduces the time between flowerings and harvesting. The intense heat gives the grapefruit its deep red colour and subsequently improves the quality of the fruit.

The intense heat also increases the sugar content and reduces the acid levels of the fruit. The red-flesh grapefruit grown in Kununurra has a sugar to acid ratio of at least 8 to 1, making the sweetness of the fruit comparable to that of an orange.

REWARDS' RED-FLESH AMBITION

Red-flesh grapefruit has boundless export potential with a distinct market window set to open for the fruit between the end of the US season and the opening of the South African season. Rewards commenced harvesting of the red-flesh grapefruit orchards in March 2010.

The orchards, which produce both the Flame and Rio Red grapefruit varieties, will reach full maturity by 2014. In 2014, the orchards are expected to produce 10,000 tonnes of red-flesh grapefruit. Rewards expect 60% of the fruit to be exported, with the balance being absorbed by the domestic market.

Through the collaboration between Rewards and the WA Department of Agriculture and Food (WADAF), red-flesh grapefruit exports have risen dramatically in both new and existing markets such as Singapore, Hong Kong, the European Union and Russia.

Global Rewards experienced solid growth in export trade during the 2009 red-flesh grapefruit season.

The red-flesh grapefruit was introduced to consumers in Singapore, Hong Kong, Taiwan, the European Union and Russia. Market access to China and Taiwan was granted in June 2009, following the shipment of 20 tonnes of red-flesh grapefruit in April 2009 and the acceptance of a cold disinfestation protocol for fruit flies.

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COLD DISINFESTATION PROTOCOL

Rewards and WADAF have been working in conjunction with Horticulture Australia Limited (HAL) in order to develop new export supply chain protocols to not only ensure that the red-flesh grapefruit is delivered in excellent condition, but to simultaneously meet the quarantine requirements of Rewards' export partners.

New protocols have since been developed to increase the export capabilities of the red-flesh grapefruit in key markets. WADAF and HAL developed the new cold disinfestation protocol to ensure that the red-flesh grapefruit is free of fruit fly without the quality of the fruit being damaged in the process. In light of the protocol's recent success, additional funding has been supplied by HAL to further develop the export supply chain in overseas markets.

The next step for Rewards' red-flesh grapefruit exports is gaining access to more key markets around the world. With a distinct market window set to open between the end of the US season and the opening of the South African season, Rewards is poised to reap the benefits that will no doubt come from satisfying the global demand for grapefruit.

For more information on the 2010 red-flesh grapefruit harvest at Kununurra, please visit our website, <http://www.rewardsgroup.com.au/>

Agribusiness ends 2009 ON A HIGH NOTE

Despite 2009 being a tumultuous year for agribusiness, the sector ended the year in a strong position. According to the Commonwealth Bank, agribusiness posted positive returns in December and outperformed the broader market. The Commonwealth Bank Agri Index restored a positive 2.5 per cent growth for agribusiness in December.

Solid performances from several companies on the Agri Index in December results briefings contributed to the improved standing of Agribusiness. The sector's strength was made clear in December, said Commonwealth Bank Regional and Agribusiness Banking head, Brendan White. "Two of the largest companies that make up the Agri index, Incitec Pivot Limited and Nufarm Limited have performed exceptionally well and this is testament to the sector's health," said Mr White.

And the positive results are expected to continue into 2010 as the consensus forecast return continues to increase with a number of companies on the Agri Index having revised their forecasts to trend upwards with the beginning of the new financial year, according to the Commonwealth Bank. "For the year to December 2010, the forecast return for the sector is 16.4 per cent, which is up 7.4 percent from December 2009," said Mr White.

Mixed results were experienced across different regions due to adverse weather conditions during the winter 2009 harvest. While some harvests performed above expectation in Western Australia thanks to its favourable weather conditions, unseasonal rainfall in Victoria slowed the progress of several harvests, resulting in the production of lower quality fruit.

In 2009, global equity markets, global energy markets and the US dollar witnessed a small recovery. These key factors helped foster a recovery in international commodity markets. "While we have experienced highly volatile events in the financial markets worldwide, the strong and resilient fundamentals of Agribusiness will continue to see positive performances in 2010," said Mr White.

Source: Commonwealth Bank- Agribusiness- December 2009
<http://www.commbank.com.au>



Domaines & Vineyards uncork two new wines

Domaines & Vineyards is pleased to bring you this update on the 2009 Pemberley range. Many of you received pre-Christmas orders of the 2009 Sauvignon Blanc and 2004 Shiraz. So you would be pleased to know that there is still a small reserve of these wines available through our mailing list.

Following the exceptional debut of the Pemberley Sauvignon Blanc, which culminated in the wine being awarded the top Gold Award at the 2009 Qantas Wine Show of Western Australia, Domaines & Vineyards expects the Sauvignon Blanc to be fully allocated before the September release of the 2010 vintage.

Domaines & Vineyards is delighted to announce the release of the 2009 Pemberley Chardonnay and 2009 Pemberley Pinot Noir. Rob Bowen uncorks his secrets on the making of these two unique wines.

Preceding the release of the 2009 Pemberley Chardonnay, the 2008 Pemberley Chardonnay was awarded the RSM Bird Cameron Timber Towns Regional Wine Show Gold Medal for

Best Chardonnay. The 2009 Pemberley Chardonnay displays even better characters than the 2008 Pemberley Chardonnay.

"The Chardonnay is looking very smart and displays white peach, melon and subtle French Oak characters. It also has a touch of complexity from natural fermentation. This is a fine Pemberley Chardonnay with complexity and lots of depth."

"The Pinot Noir is a fine example of Pemberley Pinot Noir, possessing elegant strawberry and forest floor characters on the nose and a soft drinking palate."

Domaines & Vineyards is offering a pre-sale discount of 10% on the Chardonnay and Pinot Noir wines exclusively through the mailing list. To secure your bottles of 2009 Pemberley Chardonnay and 2009 Pemberley Pinot Noir, please complete the order form included in this newsletter.

For more information on these two magnificent Pemberley wines, please refer to the tasting notes included in this newsletter.



Harvest Updates

KUNUNURRA MANGOES (Tropical Fruits Projects 2003/2004/2005)

Harvesting of the mango orchards at Kununurra, Western Australia has now been completed. The mangoes were sold to Coles, Woolworths and independent greengrocers by Global Rewards Pty Ltd. Distribution proceeds were sent to growers in the 2010 March BAS quarter. Preparations for the 2010 mango season are now underway. Key activities include pruning and fertiliser applications. Kununurra has produced a good wet season, which should replenish the water storage facilities at Kununurra and promote good tree growth on the orchards.

KUNUNURRA RED-FLESH GRAPEFRUIT (Tropical Fruits Projects 2002/2003/2004/2005/2006)

Harvesting of the red-flesh grapefruit orchards at Kununurra, Western Australia commenced in March 2010 and is expected to continue until June 2010. Rewards are expected to gain market access to Japan during the 2010 red-flesh grapefruit season. The red-flesh grapefruit is being sold to Coles, Woolworths and independent greengrocers by Global Rewards Pty Ltd. Distribution proceeds are scheduled to be sent to growers in the September 2010 BAS quarter.

MAREEBA MANGOES (Tropical Fruits Projects 2006/2007/2008)

Harvesting of the mango orchards at Mareeba, Queensland has now been completed. The mangoes were sold to Coles, Woolworths and independent greengrocers by Global Rewards Pty Ltd. Distribution proceeds are scheduled to be sent to growers in the 2010 June BAS quarter.

PEMBERTON WINE GRAPES (Premium Vineyard Projects 1 and 2)

Harvesting of the vineyards at Pemberton, Western Australia commenced in March 2010 and is expected to continue until April 2010. The wine grapes are being sold to Constellation Wines by Global Rewards Pty Ltd. Distribution proceeds are scheduled to be sent to growers in the September 2010 BAS quarter.

YARRA VALLEY STRAWBERRIES (Berry Project 2008)

Harvesting of the strawberry plantations at Woori Yallock in the Yarra Valley, Victoria commenced in October 2009 and is expected to continue until May 2010. The strawberries have been impacted by adverse weather conditions including a series of heat waves in November, January, February and March, where temperatures soared to a maximum of 43.6 degrees celsius. The strawberries are being sold to Coles, Woolworths and independent greengrocers by Global Rewards Pty Ltd. Distribution proceeds are scheduled to be sent to growers in the 2010 June BAS quarter.

2010 Harvest Schedule

PROJECT	PRODUCT	REGION	HARVEST PERIOD
Berry Project 2007	Strawberries	Caboolture, QLD	April-October 2010
Berry Project 2008	Strawberries	Caboolture, QLD	April-October 2010
Berry Project 2008	Strawberries	Woori Yallock, VIC	Oct-May 2010
Brushwood Project 2001 (Release 1)	Brushwood	Culbarting, WA	Ongoing
Sandalwood 2000 Project	Sandalwood	New Norcia, WA	Ongoing
Tropical Fruits Project (2003)	Mangoes	Kununurra, WA	Completed
Tropical Fruits Project 2004	Mangoes	Kununurra, WA	Completed
Tropical Fruits Project 2005	Mangoes	Kununurra, WA	Completed
Tropical Fruits Project 2006	Mangoes	Mareeba, QLD	Completed
Tropical Fruits Project 2007	Mangoes	Mareeba, QLD	Completed
Tropical Fruits Project 2008	Mangoes	Mareeba, QLD	Completed
Tropical Fruits Project (2003)	Red Flesh Grapefruit	Kununurra, WA	Mar-Jun 2010
Tropical Fruits Project 2004	Red Flesh Grapefruit	Kununurra, WA	Mar-Jun 2010
Tropical Fruits Project 2005	Red Flesh Grapefruit	Kununurra, WA	Mar-Jun 2010
Tropical Fruits Project 2006	Stonefruit	Dandaragan, WA	Completed
Tropical Fruits Project 2007	Stonefruit	Dandaragan, WA	Completed
Tropical Fruits Project 2007	Stonefruit	Childers, QLD	Completed
Tropical Fruits Project 2008	Stonefruit	Kumbia, QLD	Completed
Vineyard Project 1	Wine Grapes	Pemberton, WA	Feb-Apr 2010
Vineyard Project 2	Wine Grapes	Pemberton, WA	Feb-Apr 2010

Note: The harvest dates shown in the above schedule are subject to change. The actual timing of these harvests could vary due to weather, market conditions and the availability of contractors. Estimates of distribution dates and proceeds cannot be made with any certainty until harvesting has been completed. Specific details relating to the harvest and estimated grower proceeds will be communicated to Growers in the Post-Harvest Report.

Rewards' Strategy Generator is now available

Rewards have remodelled the investment cash flow calculator into the aptly named Strategy Generator. This powerful tool harnesses the most current numerical data in order to enhance the advisory capability of Financial Planners. The Strategy Generator not only contains increased functionality but also has simple-to-use investment strategy tools.

Advisers can apply commonly used agribusiness investment strategies to improve their client's financial position and subsequently present the results to their clients in a clear and concise manner through personalised case studies.

The Strategy Generator has been uploaded to the Rewards website at www.rewardsgroup.com.au and can be accessed via the Adviser Secure Section.

Please enter your user name and password to access the Adviser Secure Section. Once the 'Advisers Homepage' has been loaded, click the 'Strategy Generator' tab (on the left hand side of the screen) to begin using this powerful tool.

Should you require further details on the Strategy Generator or if you have forgotten your password, please contact your State Manager for assistance.

Sumac Lamb & Red-Flesh Grapefruit Salad

INGREDIENTS

2 x 480 gram lamb eye of loin (backstraps)

2 teaspoons of sumac

1 tablespoon of olive oil

4 peeled red-flesh grapefruits with the pith removed

2 tablespoons of extra virgin olive oil

1/4 teaspoon of raw sugar

1 bunch of watercress with the sprigs picked,
washed and dried

1 halved, peeled and thinly sliced avocado with the
stone removed

1/2 a small red onion, cut into thin wedges

55 grams of coarsely chopped pistachio kernels

DIRECTIONS

Sprinkle both sides of the lamb with sumac. Heat the olive oil in a large frying pan over medium to high heat. Add the lamb and cook for 4-5 minutes each side until the lamb is cooked to your liking. Transfer the lamb to a plate. Set the plate aside to rest.

Meanwhile, holding one grapefruit over a bowl to catch any juice, use a sharp knife to cut along either side of the white membrane to remove the segments. Transfer to a large bowl. Use your hands to squeeze any excess juice from the membrane into a small bowl.

Discard the membrane. Repeat with the remaining grapefruit. Reserve 80 millilitres of grapefruit juice.

Whisk the extra virgin olive oil, sugar and reserved grapefruit juice in a small bowl. Taste and season with salt and pepper.

Thinly slice the lamb across the grain. Add the lamb, watercress, avocado and onion to the grapefruit segments and toss to combine. Divide the lamb mixture among serving bowls and pour over the dressing. Sprinkle with pistachio. Serve immediately.

Will the CPRS rise from the dead?

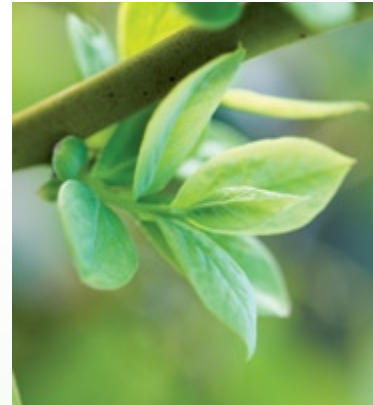
Despite the delay of the Carbon Pollution Reduction Scheme (CPRS) in 2009, Rewards expects the debate to resurface during the upcoming election. The soonest possible date for the election would be September 2010. Since the closure of parliament over the Christmas and New Year period, several whispers have been doing the rounds regarding a revised CPRS.

Opposition Leader, Tony Abbott may be no closer to signing on the dotted line, but the Greens seem to have got the CPRS ball rolling, so to speak, with an interim solution being put forward by Greens leader, Senator Bob Brown. The Greens proposal of a two year fixed price scheme, with no trading, offsets or banking is based on the suggestions of Professor Ross Garnaut. The Greens scheme would set a carbon price fixed at \$23 per tonne of greenhouse gas emissions for two years. The Greens intend to push the scheme for a 1st July start date.

But that's not the only strategy floating around at the moment. Abbott plans to use regulation in order to match the Government's commitment to slash greenhouse gas emissions by 5 per cent. The regulatory approach could be made possible through the use of untested carbon capture and storage methods, the regulation of industry emissions and better land management.

From the options proposed by Abbott, land management is perhaps the timeliest, with the Victorian Government recently completing a study which revealed that crown-land forest holds 750 million tonnes of carbon, most of which is surprisingly not included in the National Greenhouse Gas Inventory. But which strategy will Prime Minister, Kevin Rudd decide to go with? Rudd is considering the Greens proposal for a partial CPRS to commence in July. While Rudd may side with the Greens to rush the CPRS through parliament, he is more likely to wait until he can strike a deal with the Opposition, so he can secure the support of a parliamentary majority.

Government action on climate change can no longer be delayed. But will the CPRS get through parliament in 2010? Despite the Government's seemingly congenial approach to the Greens, it's doubtful that the Government will adopt their stance. The Government is tipped to broker a deal with the Opposition instead. But whatever the outcome may be, the CPRS is unlikely to make a comeback until the dust has settled on the upcoming election.



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Rewards Projects Ltd has issued a Product Disclosure Statement for the Rewards Group Premium Timber Project 2010 which details the terms of the offer.

Anyone wishing to invest should consider the contents of the relevant PDS and complete the application form in the PDS. For a copy of a PDS, please contact Rewards Projects Ltd at:

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You should read the PDS or other offer documents which relate to the project before making any decision about whether to invest.

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