



Suite G.08 Toorak Offices, 762 Toorak Road, Glen Iris VIC 3146, Australia
PO Box 3092, Cotham PO, Kew VIC 3101, Australia
Telephone: 61(03) 9822 1321 Fax: 61(03) 9817 7845 Mobile: 61(0)411 227 338
E-mail : wardell@bigpond.net.au





3. Continuous Disclosure

As a former non-executive director of two Australian companies listed on the ASX and chairman of a UK company listed on the LSE, I had an obligation to be familiar with the concept of "continuous disclosure". The author of the Nufarm letter is obviously ignorant of the concept. Continuous disclosure requires the listed entity to continually and promptly disclose to the market all information that is price sensitive. Nufarm failed to disclose the fact that there was to be an investigation into the continuation of an ADD on 2,4-D in the first place and this was the first breach. This information is price sensitive because the outcome will probably result in a price movement due to the importance of 2,4-D in the Nufarm product portfolio. The statement that "Nufarm acknowledged that its positive *overall* profit performance in the last 12-24 months, however, current trade data shows that the favourable profit environment is under threat due to an observed decline in import prices" is clearly price sensitive and should have been disclosed to the ASX on 5th December 2012. If it cannot be disclosed to the ASX then it cannot be true. It is a red herring to suggest that the statement has no connection with the statement made by the Managing Director of Nufarm on 6th December 2012 because:

- Nufarm is an Australian company having commenced operations in Fawkner (a Melbourne suburb) in the mid-1950s.
- 2,4-D is a major component (phenoxy herbicides represent 23% of sales) of the Nufarm product portfolio.
- Australia is a major component of the Nufarm Group (34% of revenue and the single largest component).
- Nufarm is listed on the ASX and therefore everything that occurs in Australia is highly influential to the group as a whole.
- The majority of shareholders in Nufarm are Australian legal persons.
- Australian-produced 2,4-D is sold in the important US market (23% of revenue).

Perhaps the author would like to inform us how the words, "a favourable profit environment is under threat" cannot be price sensitive. Would not the ordinary investor, upon reading this statement, sell his/her shares in Nufarm? The author needs only to consult with Nufarm's board members and the ASX to determine if this statement should be published on the ASX website.

4. Knowledge of Nufarm

We have extensive knowledge of Nufarm operations. 



 specific knowledge of Nufarm's 2,4-D manufacture and know
 that Chinese 2,4-D acid producers do not have to dump their product in Australia to

7. Conclusion

The duplicity under-pinning the Nufarm submissions is perhaps best illustrated in Nufarm's "Results Briefing" released to and published the ASX website in September 2012. In this presentation, Mr. Brian Benson, General Manager Agriculture, stated there is a, "strong demand and positive pricing environment for phenoxy herbicides." Mr. Benson is not just stating that prices are positive, but the "environment" (meaning demand and competition factors) is positive. Nufarm has not submitted any evidence, except for one xenophobic statement about the "300", that this environment will change.

We look forward to your response.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Myles Stewart-Hesketh'.

Myles Stewart-Hesketh
Director