

HALL FARMS PTY LTD



10th June 2008

Senator the Hon. Bill Heffernan,
Liberal Party of Australia,
Suite 703, Westfield Towers,
100 William Street,
Sydney NSW 2011

Dear Senator Heffernan,

Re: Senate Enquiry into Fertilizer Price Movements

Please find enclosed copy correspondence received from Summit Fertilizers, from whom we have been purchasing our fertilizer from this year. You will note the fertilizer price movements.

Last night I was collecting seed wheat from a farmer at Varley in WA. I commented that the price I was paying yesterday for Urea was \$918.50 per tonne. In my presence, he telephoned his Summit representative to check the price of Urea and was guaranteed that he could buy the following day for cash Urea for just over \$700 per tonne with all his discounts. The Summit rep went on to state that this farmer could pick up Urea in November if he paid the amount of just over \$700 per tonne with all his discounts.

This morning I telephoned Summit Fertilizers, Kwinana Beach, WA to see if I could speak with the CEO Peter McEwen. He was not available and I spoke with the deputy CEO Murray Brown. I discussed with him these events. In the course of the conversation Murray Brown stated that if I purchased over 300 t Urea I could buy urea for \$767.

I would welcome the opportunity to discuss this further with you.

Yours faithfully,

JOHN H. HALL

SUMMIT RURAL (WA) PTY LTD trading as SUMMIT FERTILIZERS ABN 49 058 794 737



29 Ocean Street, Kwinana Beach, Western Australia 6167
Phone: (08) 9439 8999 Sales: 1800 198 224 Fax: (08) 9439 1878

22 May 2008

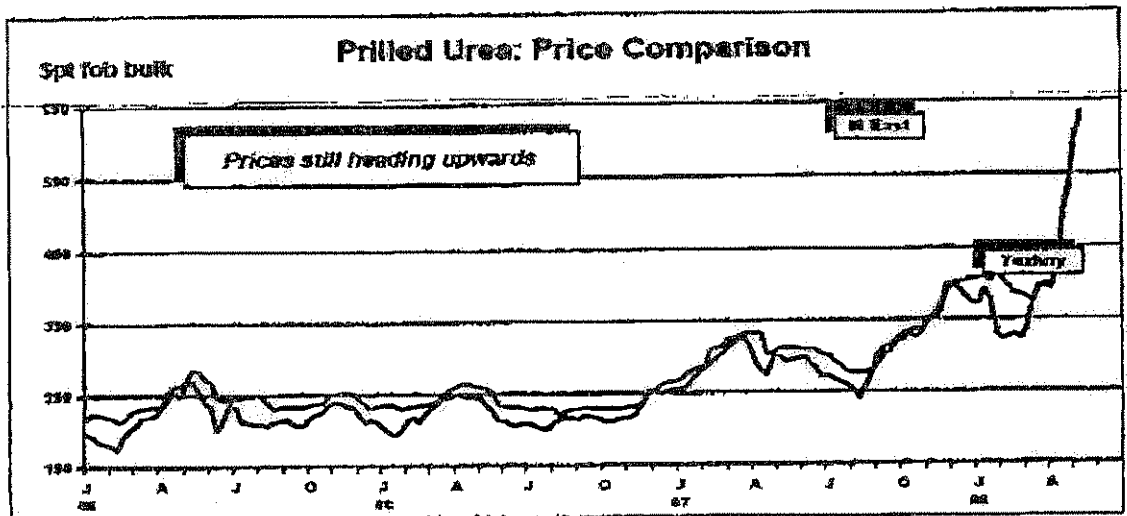
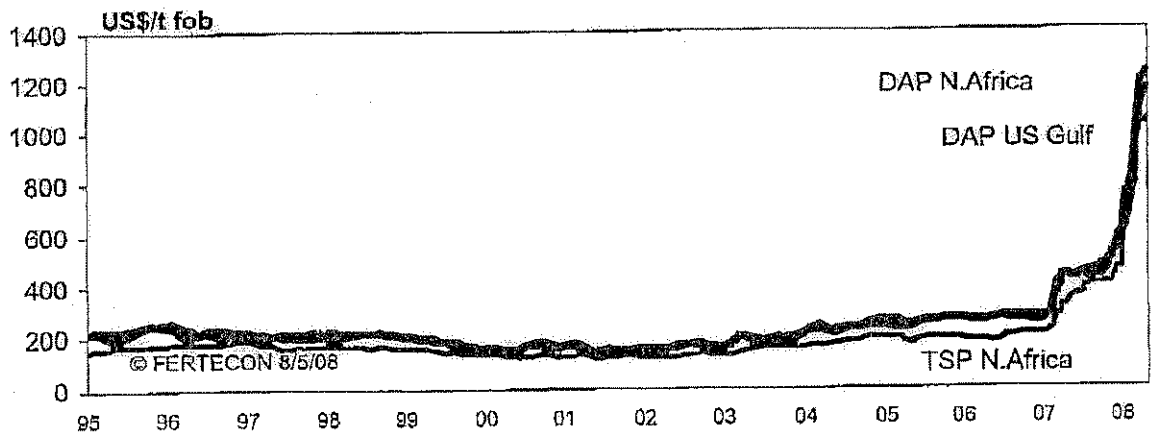
414631
Hall Farms
PO Box 18
NAREMBEEN 6369

Dear Customer,

FERTILIZER PRICE MOVEMENTS

International Fertilizers prices have continued their amazing record run on the back of extremely tight supply. The following graphs show the extraordinary increases:

DAP/TSP PRICES



(Please see over)

SUMMIT RURAL (WA) PTY LTD trading as SUMMIT FERTILIZERS ABN 49 088 794 787



29 Ocean Street, Kwinana Beach, Western Australia 6167
 Phone: (08) 9439 8999 Sales; 1800 198 224 Fax: (08) 9439 1878

STATEMENT

Page 1

Hall Farms
 PO Box 18
 NAREMBEEN, WA 6369

Date 5. May 2008

Customer No. 414631

OUTSTANDING ORDERS

Nominated Month	REF	PRODUCT	Quantity	Ship	Coat	Payment Code	Depot	Price/Tonne (excl GST)	Total (Incl GST)
May08	SORD-006758	MAP	312.00			PA	KW	1,342.00	460,574.40
May08	SORD-006758	Sulphate of Ammo	353.00			PA	KW	256.00	99,404.80
May08	SORD-006758	MAP	91.00			PA	KW	1,342.00	134,334.20
May08	SORD-006758	Sulphate of Ammo	120.00			PA	KW	256.00	33,792.00



SUMMIT RURAL (WA) PTY LTD trading as SUMMIT FERTILIZERS ABN 49 058 794 737



A Quality Choice

29 Ocean Street, Kwinana Beach, Western Australia 6167
 Phone: (08) 9439 8999 Sales: 1800 198 224 Fax: (08) 9439 1876

23 April 2008

414631
 Hall Farms
 PO Box 18
 NAREMBEEN 6369

Dear Customer,

FERTILIZER PRICE MOVEMENTS

The international fertilizer market has continued its record run due to the impact of record high grain prices, extremely tight supply and the recent announcement by the Chinese Government of a 100% rise in fertilizer export tax, which has exacerbated the supply situation.

In the past month DAP has risen by 147 USD per tonne (+14%), Urea by 113 USD per tonne (+30%), TSP by 370 USD (+47%) and MOP has risen by 75 USD (+14%).

We very much regret being forced to reflect the impact of the international market with a further price increase effective 1st May 2008.

Examples of some of the changes to take effect on 1 May 2008 are:

Product	New list price (\$/t) ex Kwinana Depot	Change (%)
DAPSZC	1430	8.7
MAPSZC	1589	8.4
Gusto	1313	8.6
Legume Special	1036	5.5
Urea -	729	13.8
SOA - <i>NON GIE</i>	292	14.1
Pasture	949	2.2
Muriate of Potash	764	4.6
Dairy	874	7.5

Super Phosphate

482

Orders with fixed pricing within the contract will not incur these list price increases, although the price payable may change if the payment method is changed and will change if the collection month is changed. Orders with 50% price protection will incur only 50% of the list price changes.

We are unable to bring forward any orders for collection before 1 May, but customers who have paid prior to 22 April for later collection will have until 23 May to collect at the pre-price change level.

Yours sincerely,

Peter McEwen
 Chief Executive Officer
 Summit Fertilizers

SUMMIT RURAL (WA) PTY LTD trading as SUMMIT FERTILIZERS ABN 49 058 794 737



29 Ocean Street, Kwinana Beach, Western Australia 6167
Phone: (08) 9439 8999 Sales: 1800 198 224 Fax: (08) 9439 1878

STATEMENT

Page 1

Hall Farms
PO Box 18
NAREMBEEN, WA 6369

Date 8. April 2008

Customer No. 414631

OUTSTANDING ORDERS

Nominated Month	REF	PRODUCT	Quantity	Ship	Coat	Payment Code	Depot	Price/Tonne (excl GST)	Total (Incl GST)
Apr08	SORD-006758	MAP	312.00			PA	KW	1,238.00	424,195.20
Apr08	SORD-006758	Sulphate of Ammo	353.00			PA	KW	211.00	81,931.30
Apr08	SORD-006758	MAP	91.00			PA	KW	1,236.00	123,723.60
Apr08	SORD-006758	Sulphate of Ammo	120.00			PA	KW	211.00	27,852.00

SUMMIT RURAL (WA) PTY LTD trading as SUMMIT FERTILIZERS ABN 40 058 794 737



29 Ocean Street, Kwinana Beach, Western Australia 6167
Phone: (08) 9439 8999 Sales: 1800 198 224 Fax: (08) 9439 1878

STATEMENT

Page 1

Hall Farms
PO Box 18
NAREMBEEN, WA 6369

Date: 12. March 2008

Customer No. 414631

OUTSTANDING ORDERS

Nominated Month	REF	PRODUCT	Quantity	Ship	Coat	Payment Code	Depot	Price/Tonne (excl GST)	Total (incl GST)
Mar08	SORD-006758	MAP	312.00	+ 20.		PA	KW	1,126.00	386,443.20
Mar08	SORD-006758	Sulphate of Ammo	353.00	+ 32.		PA	KW	202.00	78,436.60
Mar08	SORD-006758	MAP	91.00			PA	KW	1,126.00	112,712.60
Mar08	SORD-006758	Sulphate of Ammo	120.00			PA	KW	202.00	26,664.00

332 @ \$1126. \$373832
385 @ \$202 \$ 77110



SUMMIT RURAL (WA) PTY LTD trading as SUMMIT FERTILIZERS ABN 49 058 794 707



29 Ocean Street, Kwinana Beach, Western Australia 6167
Phone: (08) 9439 8999 Sales: 1800 198 224 Fax: (08) 9439 1878

28 February 2008

414631

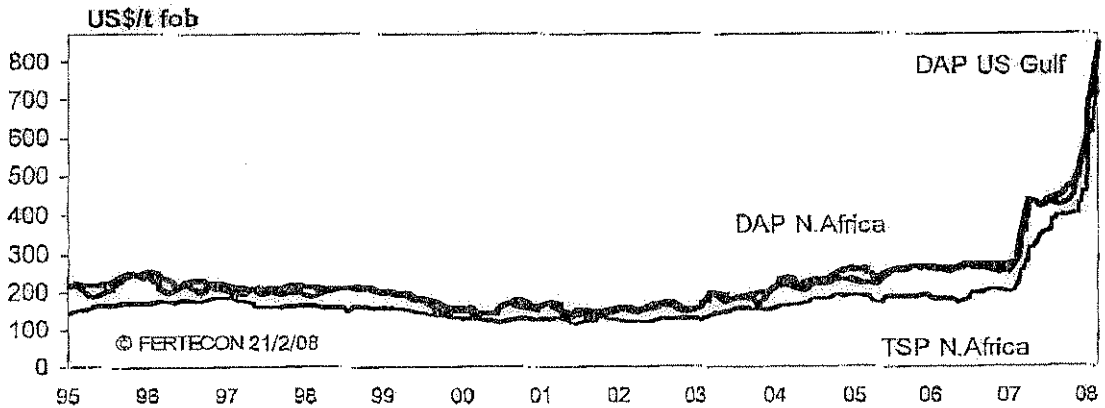
Hall Farms
PO Box 18
0 NAREMBEEN 6369

Dear Customer,

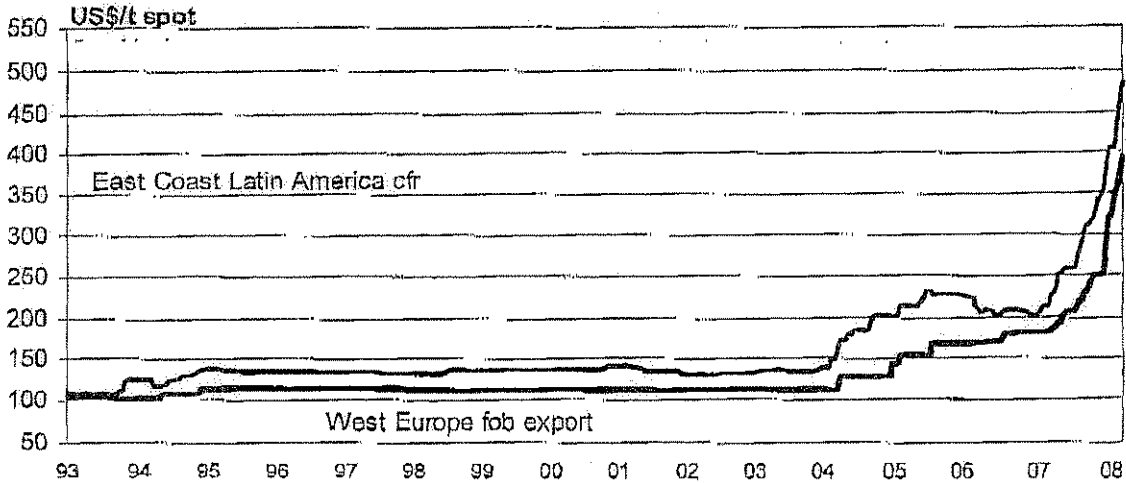
FERTILIZER PRICE MOVEMENTS

International Fertilizers prices have continued their amazing record run on the back of record high grain prices and extremely tight supply. The following graphs show the extraordinary increases.

DAP/TSP PRICES



GRANULAR KCI



SUMMIT RURAL (WA) PTY LTD trading as SUMMIT FERTILIZERS ABN 49 058 794 737



29 Ocean Street, Kwinana Beach, Western Australia 6167
Phone: (08) 9439 8999 Sales: 1800 198 224 Fax: (08) 9439 1870

STATEMENT

Page 1

Hall Farms
PO Box 18
NAREMBEEN, WA 6369

Date 8. February 2008

Customer No. 414631

OUTSTANDING ORDERS

Nominated Month	REF	PRODUCT	Quantity	Ship	Coat	Payment Code	Depot	Price/Tonne (excl GST)	Total (incl GST)
Mar08	SORD-006758	MAP	312.00			PA	KW	967.00	331,874.40
Mar08	SORD-006758	Sulphate of Ammo	353.00			PA	KW	208.00	80,766.40
Mar08	SORD-006758	MAP	91.00			PA	KW	967.00	96,796.70
Mar08	SORD-006758	Sulphate of Ammo	120.00			PA	KW	208.00	27,456.00



SUMMIT RURAL (WA) PTY LTD trading as SUMMIT FERTILIZERS ABN 46 058 794 737

**SUMMIT
FERTILIZERS**

A Quality Choice

29 Ocean Street, Kwinana Beach, Western Australia 6167
Phone: (08) 9439 8999 Sales: 1800 198 224 Fax: (08) 9439 1878

23 January, 2008

Hall Farms
PO Box 18

NAREMBEEN WA 6369

Dear Customer,

MORE AMAZING INTERNATIONAL PRICE MOVEMENTS

International Fertilizer prices have continued their amazing record run on the back of record high grain prices and tight supply. The following table shows the extraordinary increases.

Product	Source	10 Jan 2008	3 Months Ago	1 Year Ago
DAP	FOB US Gulf	US\$ 680	US\$ 445	US\$ 260
Increase from 1 year ago (%)		161.5	71.2	Base
TSP	FOB Nth Africa	US \$ 638	US\$ 407	US\$ 209
Increase from 1 year ago (%)		205.3	94.7	Base
Urea	FOB Arab Gulf	US\$ 413	US\$ 330	US\$ 285
Increase from 1 year ago (%)		44.9	15.8	Base
MOP	CFR SE Asia	US\$463	US\$ 345	US\$ 215
Increase from 1 year ago (%)		115.3	60.5	Base

Local prices have continued to lag behind the international market.

Following is a comparable history of local prices (AUD) which includes a further increase effective 1st February 2008.

Product	1 Feb 2008	10 Jan 2008	3 Months Ago	1 Year Ago
DAP	\$984	\$866	\$743	\$569
Increase from 1 year ago (%)	72.9	52.2	30.6	Base
TSP	\$858	\$717	\$636	\$448
Increase from 1 year ago (%)	91.5	60.0	42.0	Base
Urea	\$640	\$606	\$543	\$446
Increase from 1 year ago (%)	43.4	35.9	21.7	Base
MOP	\$649	\$581	\$491	\$447
Increase from 1 year ago (%)	45.2	30.0	9.8	Base

SUMMIT RURAL (WA) PTY LTD trading as SUMMIT FERTILIZERS ABN 49 056 784 737



29 Ocean Street, Kwinana Beach, Western Australia 6167
Phone: (08) 9439 8999 Sales: 1800 198 224 Fax: (08) 9439 1878

In the last 12 months international DAP price has increased by a staggering 162% compared to a local increase of 73% (including 1 Feb change), international TSP by 205% compared to a local increase of 92%, international Urea by 45% compared to a local increase of 43% and international MOP by 215% compared to a local increase of 45%.

We very much understand the situation of many of our customers and regret being forced to reflect the impact of the international market with a further price increase effective 1st February 2008.

Examples of some of the changes to take effect on 1 February 2008 are:

Product	New list price (\$/t) ex Kwinana Depot	Change (%)
MAPSZC	1127	16.5
MAPSZC Lite	1029	15.7
Cereal	1002	14.2
MAXamStar	874	15.8
K-Star	993	19.4
Legume Special	844	18.5
UreaPlus	546	4.9
SOA	262	2.5
Pasture	805	16.5
Pasture Potash 31	744	13.1
Dairy	689	12.0
Sulphate of Potash	823	6.4
UAN	565	6.8
Manganese Sulphate	916	6.9

Orders with fixed pricing within the contract will not incur these list price increases, although the price payable may change if the payment method is changed and will change if the collection month is changed. Orders with 50 % price protection will incur only 50% of the list price changes.

Your order situation relative to the new list prices, for collection of product after 1 February-2008, is shown on the last page of this letter.

We are unable to bring forward any orders for collection before 1 February, but customers who have paid prior to 22 January for later collection will have until 15 February to collect at the pre-price rise level.

Yours sincerely,

Peter McEwen
Chief Executive Officer
Summit Fertilizers

SUMMIT RURAL (WA) PTY LTD trading as SUMMIT FERTILIZERS ABN 49 068 798 757



29 Ocean Street, Kwinana Beach, Western Australia 6167
Phone: (08) 9439 8999 Sales: 1800 198 224 Fax: (08) 9439 1878

Trading Name: Hall Farms

Account Number: 414631

Prod	Month	Qty	Payment Type	List Price \$/t - inc GST	Price Payable \$/t - inc GST
MAP	01-Mar-08	91	PA	\$1,123.10	\$1,063.70
Sulphate of Ammonia	01-Mar-08	120	PA	\$288.20	\$228.80
MAP	01-Mar-08	312	PA	\$1,123.10	\$1,063.70
Sulphate of Ammonia	01-Mar-08	353	PA	\$288.20	\$228.80

SUMMIT RURAL (WA) PTY LTD trading as SUMMIT FERTILIZERS ABN 49 058 794 787



29 Ocean Street, Kwinana Beach, Western Australia 6167
Phone: (08) 9439 8999 Sales: 1800 198 224 Fax: (08) 9439 1878

STATEMENT

Page 1

Hall Farms
PO Box 18
NAREMBEEN, WA 6389

Date 9. January 2008

Customer No. 414631

OUTSTANDING ORDERS

Nominated Month	REF	PRODUCT	Quantity	Ship	Coat	Payment Code	Depot	Price/Tonne (excl GST)	Total (incl GST)
ar08	SORD-006758	MAP	312.00			PA	KW	843.00	289,317.60
Mar08	SORD-006758	Sulphate of Ammo	353.00			PA	KW	202.00	78,436.60
Mar08	SORD-006758	MAP	91.00			PA	KW	843.00	84,384.30
Mar08	SORD-006758	Sulphate of Ammo	120.00			PA	KW	202.00	26,664.00

SUMMIT RURAL (WA) PTY LTD trading as **SUMMIT FERTILIZERS** ABN 49 068 794 787



29 Ocean Street, Kwinana Beach, Western Australia 6167
Phone: (08) 9439 8999 Sales: 1800 198 224 Fax: (08) 9439 1878

18 December 2007

Hall Farms
PO Box 18
NAREMBEEN 6369

Dear Customer,

AMAZING INTERNATIONAL PRICE MOVEMENTS

International Fertilizers prices have continued their amazing record run, increasing almost daily, on the back of record demand and tight supply. The following table shows the extraordinary increases.

Product	Source	13 Dec 2007	3 Months Ago	1 Year Ago
DAP	FOB US Gulf	US\$ 590-597	US\$ 430	US\$ 255-267
Increase (%)		+38	+67	Base
TSP	FOB North Africa	US \$ 450	US\$ 395-400	US\$ 195-210
Increase (%)		+13	+96	Base
Urea	FOB Arab Gulf	US\$ 400-415	US\$ 280-305	US\$ 252-255
Increase (%)		+39	+15	Base
MOP	CFR SE Asia	US\$435	US\$ 325	US\$ 325
Increase (%)		+34	Nil	Base

At the same time local prices have lagged the international market.

Following is a comparable history of local prices (AUD) which includes a further increase effective 1st January 2008.

Product ex Kwinana	1 Jan 2008	29 Nov 2007	3 Months Ago	1 year Ago
DAP	\$866	\$743	\$683	\$569
Increase (%)	+16	+9	+20	Base
TSP	\$717	\$636	\$603	\$448
Increase (%)	+13	+5	+34	Base
Urea	\$606	\$543	\$520	\$446
Increase (%)	+12	+4	+17	Base
MOP	\$581	\$491	\$478	\$447
Increase (%)	+18	+3	+7	Base

(Please see over)

SUMMIT RURAL (WA) PTY LTD trading as SUMMIT FERTILIZERS ABN 49 066 704 737

29 Ocean Street, Kwinana Beach, Western Australia 6167
Phone: (08) 9439 8999 Sales: 1800 198 224 Fax: (08) 9439 1878



STATEMENT

Page 1

Hall Farms
PO Box 18
NAREMBEEN, WA 6369

Date 7. December 2007

Customer No. 414631

OUTSTANDING ORDERS

Nominated Month	REF	PRODUCT	Quantity	Ship	Coat	Payment Code	Depot	Price/Tonne (excl GST)	Total (incl GST)
Mar08	SORD-006758	MAP	312.00			PA	KW	774.00	265,636.80
Mar08	SORD-006758	Sulphate of Ammo	353.00			PA	KW	202.00	78,436.60
Mar08	SORD-006758	MAP	91.00			PA	KW	774.00	77,477.40
Mar08	SORD-006758	Sulphate of Ammo	120.00			PA	KW	202.00	26,664.00

SUMMIT RURAL (WA) PTY LTD trading as SUMMIT FERTILIZERS ABN 49 058 704 737



29 Ocean Street, Kwinana Beach, Western Australia 6167
Phone: (08) 9439 8999 Sales: 1800 198 224 Fax: (08) 9439 1878

STATEMENT

Page 1

Hall Farms
PO Box 18
NAREMBEEN, WA 6369

Date 23. November 2007

Customer No. 414631

OUTSTANDING ORDERS

Nominated Month	REF	PRODUCT	Quantity	Ship	Coat	Payment Code	Depot	Price/Tonne (excl GST)	Total (incl GST)
Mar08	SORD-006758	MAP	312.00			PA	KW	774.00	265,636.80
Mar08	SORD-006758	Sulphate of Ammo	353.00			PA	KW	202.00	78,436.80
Mar08	SORD-006758	MAP	91.00			PA	KW	774.00	77,477.40
Mar08	SORD-006758	Sulphate of Ammo	120.00			PA	KW	202.00	26,664.00

Date 23. November 2007

Enquiries 1800198224

Hall Farms
PO Box 18
NAREMBEEN, WA 6369

Summit Fertilizers
29 Ocean Street
KWINANA BEACH, WA 6167

Banking Details for Direct Deposit

Account Name: SUMMIT RURAL (WA) PTY LTD

Bank: Westpac Banking Corporation

BSB: 036-000

Account No.: 885108

Please use Customer No. or Trading Name when
processing Direct Deposit

Customer No. 414631

Prices may change if variation is made to contract as stated.

SUMMIT RURAL (WA) PTY LTD trading as SUMMIT FERTILIZERS ABN 49 068 794 737



29 Ocean Street, Kwinana Beach, Western Australia 6167
 Phone: (08) 9439 8999 Sales: 1800 198 224 Fax: (08) 9439 1878

23 November 2007

Dear Customer

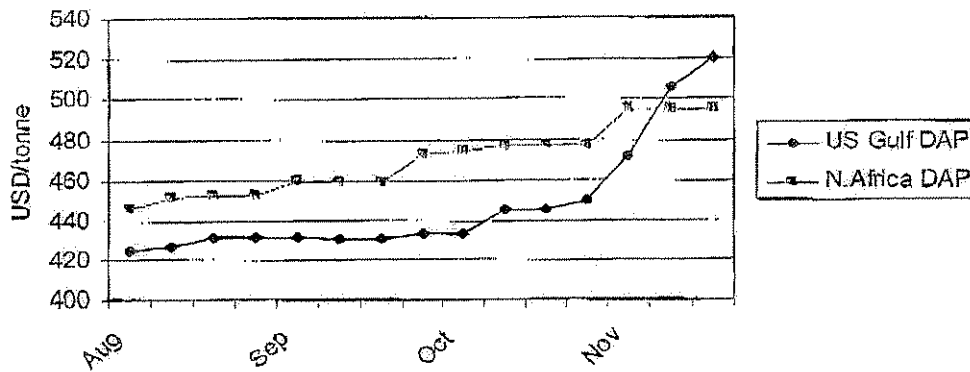
Fertilizer Price Movements

Continued high international demand for fertilizer and constrained international supply have resulted in a need to reflect higher import costs in the List Price of Summit Fertilizer's product range.

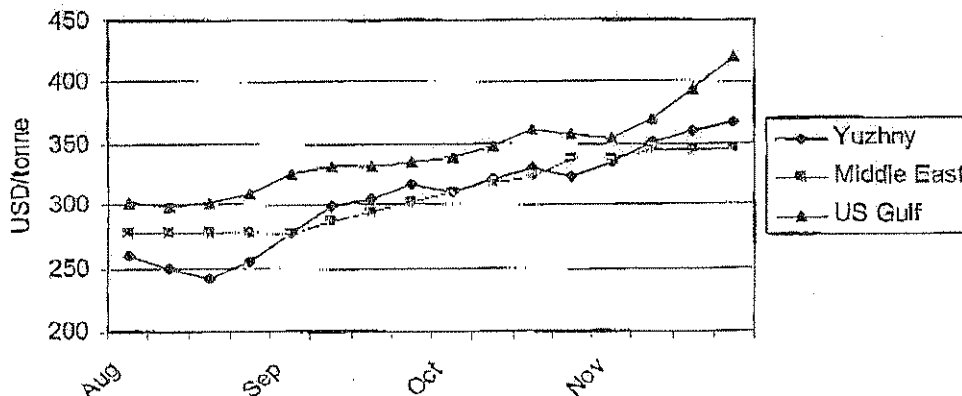
Local fertilizer prices are influenced by international prices, ocean freight rates and the AUD/USD exchange rate.

International fertilizer prices have increased rapidly recently, especially for ammonium phosphate and urea fertilizer (see charts below).

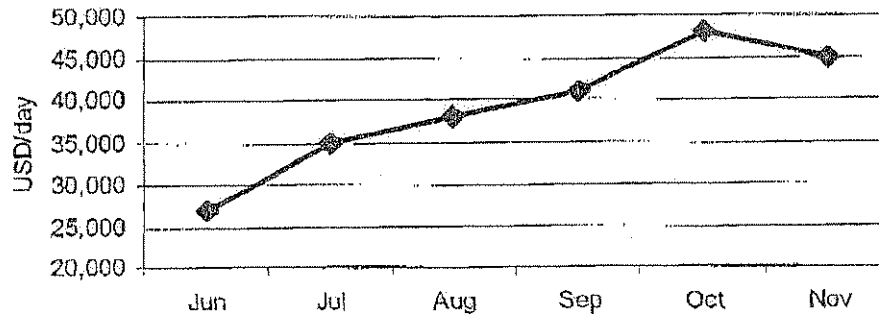
DAP prices



Urea prices



Ocean freight rates have also increased sharply from 3 months ago (see chart below). However, the Australian Dollar, although volatile, has generally gained in strength and this has lessened the impact of international prices rises.

Ocean freight

Regrettably, the combined impact of international price movements has meant an increase in the cost of fertilizer landed in WA and these increases will be reflected in Summit Fertilizer list prices effective 1 December 2007.

Price changes for selected products are shown in the table below.

Product	Change (\$/t)	Product	Change (\$/t)
DAPSZC	27	K-Rich	63
MAPSZC	36	K-Gold	66
Vigour	63	K-Star	66
AllStar	48	Gusto	42
ZincStar	45	TSP	33
DAPSZC lite	30	MAXamFLO	12
MAPSZC lite	48	UAN	18
Cereal	55	Urea	27
Cereal-N	45	UreaPlus	12
MAXamGold	33	Amsul	0
MAXamStar	30	MAXam	0
DAP	54	Sulphate of Ammonia	0
Cropyield	42	Pasture	48
MAP	54	SuperBoost	42
MAP TE	48	Pasture CZM	36

Fertilizer ordered before 22 November for November collection and collected before 14 December 2007 will not incur these price increases.

For orders where full payment has been made by 22 November, fertilizer can be collected up to 31 December without incurring any price increase.

Product contracted with 100% price protection will not incur these increases and product contracted with 50% price protection will only incur half of the published increase.

A copy of your latest statement incorporating any price changes is attached. Please phone our free call number (1800 198 224) should you require clarification.

Regards

Murray Browne
MARKETING & SALES MANAGER

SUMMIT RURAL (WA) PTY LTD trading as SUMMIT FERTILIZERS ABN 49 058 794 737



29 Ocean Street, Kwinana Beach, Western Australia 6167
Phone: (08) 9439 8999 Sales: 1800 198 224 Fax: (08) 9439 1078

STATEMENT

Page 1

Hall Farms
PO Box 18
NAREMBEEN, WA 6369

Date 1. November 2007

Customer No. 414631

CLOSING BALANCE AUD 0.00

OUTSTANDING ORDERS

Nominated Month	REF	PRODUCT	Quantity	Ship	Coat	Payment Code	Depot	Price/Tonne (excl GST)	Total (incl GST)
Mar08	SORD-006758	MAP	312.00			PA	KW	720.00	247,104.00
Mar08	SORD-006758	Sulphate of Ammo	353.00			PA	KW	202.00	78,436.60
Mar08	SORD-006758	MAP	91.00			PA	KW	720.00	72,072.00
Mar08	SORD-006758	Sulphate of Ammo	120.00			PA	KW	202.00	26,664.00

