



BOUNDARY BEND

LIMITED

Australia's premier olive company

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Dear Shareholders

USA Expansion and Equity Placement

I am writing to share some exciting news about our plans to expand our “new world” olive model to California USA, and to inform you of an issue of new shares at \$3.80 per share.

USA EXPANSION

For a number of years we have had aspirations to leverage our Australian expertise, systems and know-how into the US market due principally to the size of the market and the many production and consumption similarities with Australia.

The USA is the fourth largest market for olive oil consumption globally. Since 1984/85, the consumption of olive oil in the USA has grown from 45 million litres pa to over 340 million litres pa. However, current consumption of US-grown olive oil equates to only 3.8% of total consumption, compared to Australian consumption of locally produced oil at 30%. Consumption of US-produced oil is growing but is limited by supply. In fact, last harvest Boundary Bend’s Australian groves produced more olive oil than the entire US production of olive oil.

We believe we can replicate, in the USA, the success of our Australian integrated business, but we will be taking a conservative, long-term approach to our business strategy.

Initially we will be investing in a centrally located commercial site and commissioning an olive oil testing laboratory and processing facility with bulk storage. This will be followed by the purchase of suitable land to introduce our successful olive production model and olive varieties to the USA to complement California’s super high-density production model. The counter-seasonal production of olives in the USA will enable Boundary Bend Limited to make better use of its technical, growing and processing expertise throughout the year.

We are also pleased to announce the appointment of Mr Adam Englehardt to lead our US expansion. Adam is a Californian resident who is a highly respected olive production specialist. Prior to joining BBL he has led the development of some of the leading US olive groves and will hold the role of CEO of Boundary Bend’s US operations.

The USA business will be 100% owned by Boundary Bend Limited.

EQUITY PLACEMENT

We are pleased to announce that as part of our US expansion strategy we have a commitment for a material private placement in Boundary Bend Limited at \$3.80 per share. Unfortunately we are unable to disclose further details at this stage; however we will be in a position to do so in the next few weeks.

Kindest regards

Rob McGavin