

**GRAIN TRADE AUSTRALIA LIMITED
ACN 097 228 656****Explanatory Memorandum
Annual General Meeting 2019****1. Introduction**

This Explanatory Memorandum is provided to members of Grain Trade Australia Limited ACN 097 228 656 ("**Company**" or "**GTA**") to explain the resolutions to be put to members at the Annual General Meeting ("**AGM**") to be held at the **Karstens**, located at **Level 1, 111 Harrington Street, Sydney, New South Wales**, on **Tuesday 29 October 2019 at 9.00am**.

The Directors recommend members read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the resolutions.

The Board recommends you vote in favour of all resolutions.

The Chairman of the meeting intends to vote all undirected proxies in favour of all resolutions.

It is important that members cast their own votes.

2. Consider the Company's Annual Report

The Corporations Act requires the financial report, the directors' report and the auditor's report to be laid before the AGM. There is no requirement either in the Corporations Act or in the Constitution of the Company for members to approve the financial report, the directors' report or the auditor's report. The Company's financial reports are to be placed before the members. Members will have a reasonable opportunity at the meeting to ask questions and make comments on these reports and on the business, operations and management of the Company. No voting is required for this item.

The financial report, the directors' report and the auditor's report are available on the GTA website.

3. Resolution 1 - Election of Mr Ole Houe as a Director (nominated by an Ordinary Level B Member)

Ordinary Resolution 1 seeks member approval for the election of Mr Ole Houe as a Director of the Company. Mr Ole Houe has been nominated by Agfarm Pty Ltd, an Ordinary Level B Member. It is proposed that Mr Ole Houe be appointed to the Board as one of the five directors who can be nominated by an Ordinary Member in accordance with Rule 3.3(a)(i) of the constitution.

Mr Ole Houe, being eligible, offers himself for election as a Director.

The Board recommends you vote in favour of resolution number 1.

Set out below are details supplied by the candidate in relation to their current positions, former positions and education.

Ole Houe was appointed to the Board in October 2016 as an Ordinary Level B Director. He is a member of the GTA Trade & Market Access Committee.

Ole is currently the Director of Advisory Services at IKON Commodities Pty Ltd.

Ole Houe has been involved in International Trading for more than 20 years in a number of different roles in Grain, Sugar and Steel.

Ole has been a member of the GTA commerce committee, a GTA arbitrator and a director of Barley Australia. He is also a member of the Australian Institute of Company Directors (MAICD).

BA in Economics from Denmark, a BA in International Business from London, a Master of Applied Finance from Kaplan and an MBA from the Australian Graduate School of Management, Sydney.

4. Resolution 2 – Election of Mr Daniel Marsh as a Director (nominated by a Merchant Association Member)

Ordinary Resolution 2 seeks member approval for the election of Mr Daniel Marsh as a Director of the Company. Mr Daniel Marsh has been nominated by the Grains NSW, a Merchant Association Member. It is proposed that Daniel Marsh be appointed to the Board as one of the three directors who can be nominated by Merchant Association Members in accordance with Rule 3.3(a)(ii) of the constitution.

The Board recommends you vote in favour of resolution number 2.

Set out below are details supplied by the candidate in relation to their current positions, former positions and education.

Daniel Marsh is currently head of Agricultural Commodities with the Global Markets division of the Commonwealth Bank of Australia. He leads a team that provides financing and risk management solutions to the Agricultural sector.

Dan held the role of Group Treasurer at George Weston Foods from 2009-2017 and had a primary focus on Grain Risk Management. He has authored two hedge accounting methodologies which were endorsed by global accounting firms and has been involved in innovative developments such as the ICAP basis contract and CBA's Grains and Oilseeds inventory financing product.

He worked for JPMorgan for nine years and held roles in Equity, Credit and Commodity derivatives.

BSc Biotechnology (Hons) from The University of Reading.