

ANNOUNCEMENT

23 February, 2004

**Nufarm to distribute BASF
crop protection products in Australia**

Nufarm Limited announced today that it has entered into an agreement with BASF (Aktiengesellschaft, Ludwigshafen, Germany) to distribute BASF crop protection products in Australia. BASF's seed treatment and pest control activities in Australia are not subject of the contract.

Under the agreement, Nufarm will have exclusive distribution rights to the current BASF product range and will have access to any new products which emerge from the BASF global pipeline and have application in Australia. Nufarm will also formulate a number of BASF products at existing Nufarm production facilities.

BASF products have a strong presence in the Australian market, where the company has been active in crop protection for some 40 years. Australian sales in 2003 were approximately AUD 40 million.

Nufarm's Managing Director, Doug Rathbone, said the BASF product range is highly complementary to Nufarm's position in the crop protection market.

"The product range includes a number of fungicides and insecticides which have strong positions in certain market segments, such as horticulture, where existing Nufarm products are not well represented.

"Our leadership position in the Australian market gives us the opportunity to grow sales of those products, while providing a more complete range of crop protection solutions to growers.

Mr Rathbone said Nufarm will provide the infrastructure needed to support the BASF business.

"Our comprehensive sales coverage, production and warehousing facilities, and technical and regulatory support will facilitate greater efficiencies and an improved level of customer service.

Mr Rathbone said the opportunity to access BASF's global research and development pipeline will result in several new products being introduced to the Australian market within the next few years.

Nufarm will employ a number of BASF product specialists, who are expected to transfer to Nufarm and ensure a continuity of service/support for the BASF portfolio.

The agreement will become effective March 1, 2004.

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