

INTERGRAIN PTY LTD — MONSANTO INVESTMENT

**915. Hon RICK MAZZA to the parliamentary secretary representing the Minister for Agriculture and Food:**

I refer to the state government's purchase of Monsanto's shares in InterGrain.

- (1) Considering it was disclosed that the total purchase price paid by Monsanto for the two parcels of shares it acquired in InterGrain was \$14.5 million, why is the price paid by the state government for half of those shares commercial-in-confidence?
- (2) Were any other commercial entities interested in purchasing Monsanto's stake in InterGrain? If so, who were they?
- (3) What was the process used in negotiating the purchase, particularly if there were competing interests?
- (4) The minister has stated that Monsanto's stake represented "good value to the state". If so, how does it represent good value and what is the rationale for not disclosing the details of the purchase?
- (5) What steps are being taken for research and development to ensure that InterGrain will have the necessary technology once its access to Monsanto's molecular marker platform is lost?

**Hon JIM CHOWN replied:**

I thank the honourable member for some notice of the question.

- (1) Confidentiality of the share price paid is required under the terms of the share sales agreement between the parties.
- (2) Under the terms of the third shareholders agreement, the opportunity to purchase Monsanto's shares was offered to the other shareholders, the Western Australian Agriculture Authority and the Grains Research and Development Corporation.
- (3) Negotiations were conducted directly between the shareholders.
- (4) As a founding shareholder in InterGrain, the Western Australian government is aware of the value and long-term prospects of the company.
- (5) InterGrain will continue to utilise Monsanto technology to complete its 2016 program. InterGrain is exploring access to new technology, including the introduction of genomic selection technology such as fingerprinting.