

COLDSTREAM DAIRY FARM LIMITED

2017/2018 Fourth Quarter - Autumn Report

Hello,

It has been a tough final quarter at Coldstream. Our heifers out grazing have been caught up in the Mycoplasma Bovis scare, which has been stressful for all those involved. These animals have subsequently been cleared and are allowed back onto the Coldstream milking platform.

Summer saw some early dry conditions for the district with grass growth well behind normal. During autumn Peter continued to keep the cows in good condition despite the dry weather and slower growth.

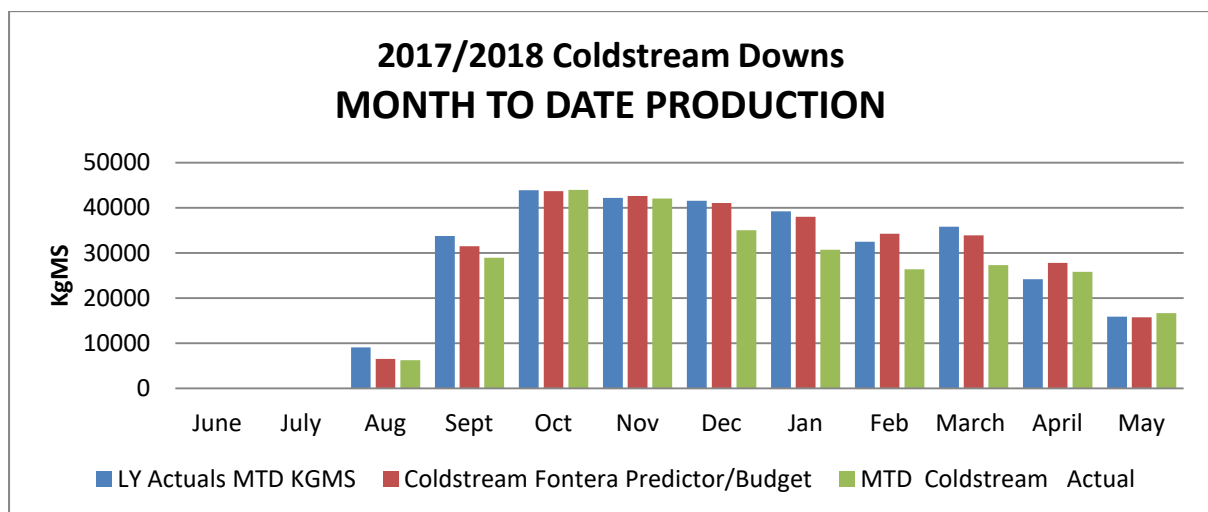
Final production for Coldstream for the 2017/2018 season was 283,033kgMS, 10% behind our target of 315,000kgMS. Whilst this is a disappointing result, it is comparable to other farms that felt the pinch of the longer dry period. The production graph below shows the effect of this through December, January and February where you can see production drop off more than usual.

Overall the farm peak milked 750 cows on 309 hectares of land giving production comparisons of 377kgMS/cow and 916kgMS/ha. Somatic cell count (a measurement of bacteria in the milk) was 138,000 which is very good.

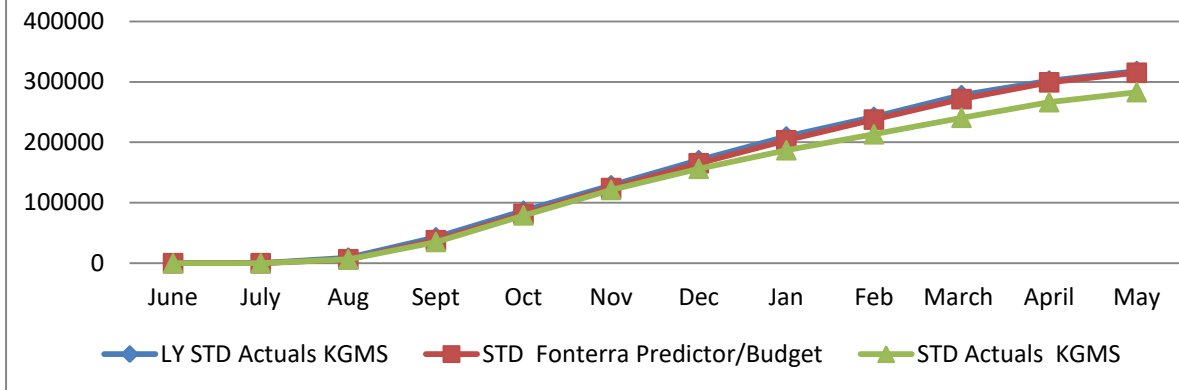
The closing forecast pay-out for the 2017/2018 season for Fonterra is \$6.70.

The end of the season saw Peter leave Coldstream and we wish him all the best for his new ventures. We are happy to announce the employment of David & Erin Bradley as the new Variable Order Sharemilker for Coldstream.

A full season report will be circulated with the financial information shortly.



2017/2018 Coldstream Downs SEASON TO DATE PRODUCTION



2017/2018 ANNUAL GENERAL MEETING

The date for the Annual General Meeting has been set for Friday 9th November 2018. The AGM is to be held in Wellington at the Miramar Golf Club, Bunker Lounge, which is located across the car park from the Wellington Airport. Further details of the AGM will follow with the Annual Report.

www.miramargolfclub.co.nz

SHARES FOR SALE

There are a number of shares available for Coldstream, Eastbourne and Murray Creek Dairy Farm Limited. If you are interested in purchasing additional shares please contact Grant Morris (06) 346 5329 or email grant@rogerdickie.co.nz

Kind Regards

Roger Dickie
Director



ROGER DICKIE
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COLDSTREAM END OF SEASON SHAREMILKERS REPORT 2017/2018

The 2017/2018 season has been a tough one for Coldstream. The empty rate came back higher than we expected at 13% which was disappointing. These cows were culled due to them being empty and also the lack of feed on the farm as a result of a dry summer and autumn. Once the rain came, the grass grew well and we managed to milk up until the end of May. The cows continued to be in good condition.

My team and I have been working hard to maintain the weeds on the farm. We are mainly focusing on the ragwort and spraying the edges of the races. We are starting to see progress.

During the autumn a water pipe burst in the shed. The damage from this was covered by insurance. Other general breakdowns have occurred at the shed during this time and will be fixed whilst the cows are dried off. The contractors are locked in for these repairs and the shed will be up and running for the beginning of the new season, including a fireplace for the main house.

As you all know we discovered that all young stock at the graziers had come under the cloud of Mycoplasma Bovis and the property had to be put under movement control. All stock on this farm had to be tested for the disease, including ours. When writing this report the results of the 3rd tests have not been received.

Unfortunately I will be moving on at the end of the season. I would like to thank the directors and the shareholders for the opportunity for working for you at Coldstream. It has been a difficult and challenging year for our family at the farm and we would thank to thank you for your financial and emotional support during this time. We wish your new sharemilkers well for the coming season.

Peter Perkin



Photos from Will and Dots visit to the farm 06/12/2017



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