

MURRAY CREEK DAIRY FARM LIMITED

2017/2018 Fourth Quarter – Autumn Report

Hello,

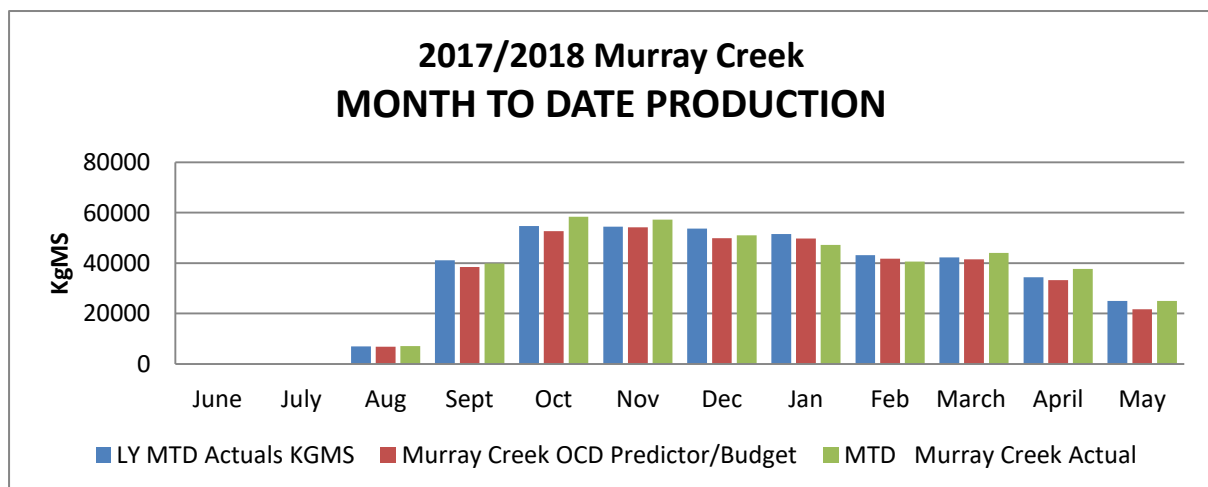
Production at Murray Creek tracked well despite the dry conditions in summer. Overall season production ended up with a new record high, just ahead of the previous season. Congratulations to Jason and Sandy for the great effort.

Total KgMS was 408,259 which is a great result since predicted milk production was 5.1% behind for January, 2.7% behind in February, before coming right and tracking 6% ahead in March, 13% in April and 15.7% ahead in May. This means the farm finished 4.7% ahead of budget. This was helped with some additional supplement being fed during the dry spell, and the full utilisation of the irrigation system.

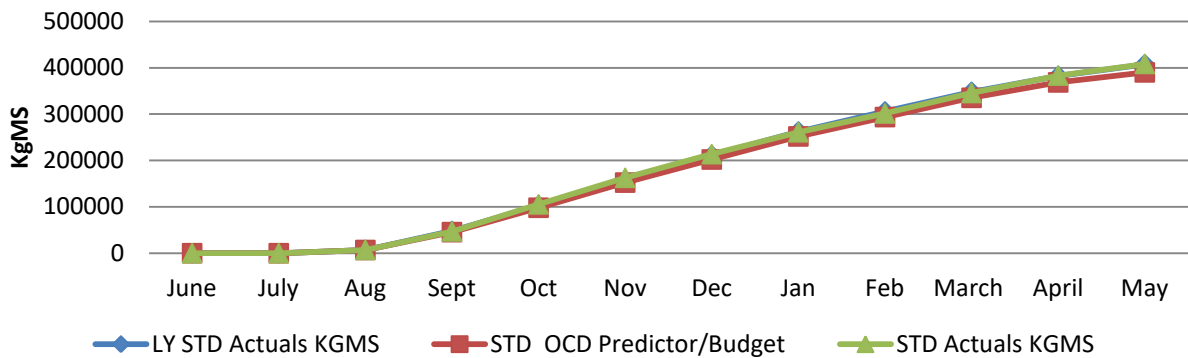
Somatic cell count averaged 116,000 which is below the Open Country Dairy target of 150,000 (lower being good). This meant that the farm received the full 8 cent premium for this milk. Closing forecast for the 2017/2018 average milk price including all incentives and settlement payments but before the Dairy NZ Levy is \$6.71.

As discussed at the AGM, some renovations are planned for the main house; fireplaces have been installed in the two workers dwellings.

We're very pleased that Jason and Sandy will be with us for the 2018/2019 season. A full season report will be provided shortly with the financial information.



2017/2018 Murray Creek 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
NEW ZEALAND

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MURRAY CREEK END OF SEASON SHAREMILKERS REPORT 2017/2018

It is with great pleasure that we will stay on at Murray Creek for another season as we believe the farm has a lot more potential in it yet.

This season has been a very different one with extreme weather conditions being really dry for 6 months. The end of the season has been the complete opposite being really wet from March till the end of May.

This season's production was well up early on, but when the drought set in and almost half the farm growing nothing, production fell off a bit more than we would have liked. Rain came in February/March and the farm recovered quickly to set a new production record, beating last year's production of 407,361 milk solids with 408,259 milk solids 899 kg ahead of last season

Our end result of mating was quite disappointing but not disastrous with 11.5% empties in the cows and 4.5% in the rising two year old (R2) heifers.

This season, due to the weather conditions, we have used more supplement than normal, using 540 Kgs DM (dry matter) per cow of supplement which is more than last year's 380 Kgs DM per cow.

Our staffing situation still remains very sound with all staff remaining with us for next season. This helps us with stability to be able to concentrate in further development to increase production and profitability.

The main talking point of recent times is the M-Bovis epidemic which has and will affect us into the following season and more seasons to come. We are not infected and are currently M-Bovis free and we will continue to keep the farm and animals protected from the disease.

We have bio security measures and have strict protocols in place so we can continue to keep this disease from coming onto our farm. Although we have these protocols in place it has made things a lot harder at the end of the season with sending cows out to winter grazing and transporting the stock.

All cows this year are wintered off, so we could have more ground in pasture to increase the pasture harvested to aid in extra milk production.

We do assure all shareholders we are doing everything to ensure your investment is protected. With the payout looking positive for next season our goal for next year is to increase production, maximising profitability.

You are welcome anytime for a coffee and chat just give us notice and we will be more than happy to accommodate you.

Jason & Sandy Herrick



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



In the photo above you can see the difference in grass colour where the irrigator has been.



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