

EASTBOURNE DAIRY FARM LTD

MINUTES OF ANNUAL GENERAL MEETING HELD AT MIRIMAR GOLF LINKS, WELLINGTON ON 9TH NOVEMBER 2018

MEETING OPENED: 10.20 AM

PRESENT:

Alan Graham and Joyanne Elizabeth Stevens, Cunninghame Mathews Trust, David James and Anne Cotton, Geoffrey William Osborne and Hilary Monica Tomkins, John William Dalmer, Lorraine Elizabeth Upham, Omar Investments, Roger Dickie Holdings Limited, Russell Ballard and Phillipa Anne Ballard, The Blackmore Family trust, The JG Harrison Family Trust, The Mason Family Trust, Ulla-Karin Margareta Hogg

ATTENDING: J Whitlock (Director, Accountant), Roger Dickie (Director) D McDermott & G Morris (Roger Dickie NZ Ltd)

APOLOGIES AND PROXIES:

Andrew David Webster, Ariane Stienemeier-Gelsen, Melanie Wendering-Gelsen and Martin Gelsen, Copybara Trust, Catherine Alison Freestone, Cheryl Diane Hull, Claridge Superannuation Fund, David Day, David Stewart Gault, Dean Scott Trust, G & P L Beach Partnership, Gordon John and Elizabeth Fiona Wright, Jack Thomas Faulkner, John Cole Tuten II, John Leslie Black, Keat Cairns Investments Limited, Longacre Trust, Mark Allan Perkins and Mary Frances Hill, Mark James Ascroft, Martin George Braun, Maximilian Joannes Steinhauser, Michael Ross King, North Harbour Superannuation Investments Limited, OB Group Investments Limited, Oniram Investments Limited, Pamela Northern Steel, Pamela Ruth Simmons, Paul Andrew & Deirdre Cyprianna Watson, Peter Austin Hayes, Peter William & Susan Mary Taylor, Pradeep Mathew, Richard Lance Hartung, Samuel Benjamin Hull, Sheffield Management Limited, Tassilo Metternich - Sándor, The Bentley Family Trust, The Cape Pioneer Trust, The Fallow Family Trust, The Helabelu Family Trust, the Hillbillydazza Trust, The Joe Hicks Family Trust, The RK & HI Leonard Family Trust, The Ross Family Trust, The Walter Loveday Trust, Troika Family Trust Nominees Ltd, Vicki Anne Martin, W Uebelhoer as Authorised Agent for Phileas Florentin Uebelhoer

It was MOVED by John Harrison and SECONDED by Russell Ballard THAT apologies and proxies be accepted.

CARRIED

MINUTES OF THE PREVIOUS MEETING:

It was MOVED by Ulla Hogg and SECONDED by Owen Roberts THAT the minutes of the previous meeting be accepted.

CARRIED

ANNUAL REPORT:

It was MOVED by John Clearwater and SECONDED by Russell Ballard THAT the Annual Report be accepted.

CARRIED

AUDITED FINANCIAL ACCOUNTS:

John Clearwater asked company policy for dividends and Jeff Whitlock replied that this is reviewed year to year. Dividend set this year \$220,000 to be paid December, 2018.

It was MOVED by Geoff Tomkins and SECONDED by John Harrison THAT the Audited Financial Accounts be accepted.

CARRIED

APPOINTMENT OF AUDITOR:

Appointment of Auditor. That Silks Audit Chartered Accountants Ltd of Wanganui be appointed.

It was MOVED by Roger Dickie and SECONDED by Jeff Whitlock THAT the appointment of auditor be accepted. All agreed.

CARRIED

APPOINTMENT OF DIRECTOR:

Appointment of Director. Jeff Whitlock retires as Director and is available for re-election. That Jeff Whitlock be re-appointed Director.

It was MOVED by Russell Ballard and SECONDED by Anne Cunningham THAT the appointment of director be accepted.

CARRIED

GENERAL BUSINESS:

Matters discussed from Rogers Annual report:

Roger Dickie discussed how Ben is still producing very well, we have had discussions with Jack and Ben and are taking steps to reduced expenditure on the farm. The increase in shareholder share value from auditors from last season was noted.

John Clearwater mentioned concerns regarding the decrease in farm prices and Roger Dickie explained that a significant part of the reduction in interest was related to the discovery of M Bovis and this was bringing about less interest in dairy farm sales throughout the whole country not just Southland.

Ulla Hogg mentioned how the government did not want foreign investment and this was bad for farm sales. Roger Dickie replied that it was not a good time to sell and discussed the slump in dairy prices.

John Clearwater asked if we were converting to A2 Milk and Roger Dickie advised that all semen (Bulls) used on all farms was A2 and that we would consider moving further on this when and if a premium was paid for A2 milk.

Russell Ballard asked if we were reducing nitrate inputs on the dairy farms and requested figures on nitrogen use on the farm (D McDermott to supply) Roger Dickie discussed effluent spreading on the farm. Roger also mentioned that the farm between the runoff and main farm was for sale. General feeling of the meeting was not to purchase any more land. Roger also mentioned flood plans and future of farming, general discussion regarding Federated Farmers and the need for more positive media coverage regarding farming matters.

Russell Ballard is interested in the nitrate information and more farming general information (water ways, plants being used on riparian plantings) being made available to shareholders via our web site.

General discussion re organic farming, Nitrate, water quality, and the long range weather for Southland

John Clearwater interested to know how much Palm Kernel (PKE) was fed last year.

Roger Dickie advised that we were still using Jack Ballam as a farm consultant. The farm value was discussed, no one from this meeting was interested in selling the farm. A discussion was then held re carbon credits.

Russell Ballard then asked if anyone had insight to what might happen to the farms if a capital gains tax was applied, if and when and how would it affect us ?

Shareholders visit to the farm would be in March,2019 date to be decided and would be advised with dividend payment in December.

MEETING CLOSED: 11.10 am



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Chairman
Eastbourne Dairy Farm Ltd 2017