

**WHANGARA FARMS
GENERAL MANAGER'S REPORT
JULY/AUGUST/SEPTEMBER 2010**



RICHARD SCHOLEFIELD

STAFF:

The last few months have been challenging with some difficult weather conditions and new roles for some of the staff. We have also been busy with vaccinating and set stocking ewes and cows, docking early ewes, drenching hogs and R1yr cattle and R&M work. The staff have also taken advantage of fact that it has been a bit quieter and four of them have taken some holidays.

Robbie, John and Simon are really developing in their new roles as unit managers and while it has been a step up for all of them, they are doing a good job and are motivated and positive about the direction of the business.

We are still looking for two shepherd generals, for Tongataha and Rototahi and I am planning to interview some of the graduating Waipaoa cadets with the view to employing a couple of them.

The issue we are facing is that the young shepherds out in the work force now don't want to do any general work, they just want to chase sheep and cattle, and the positions we have involve at least 40% general work.

The cadets come with a good reputation and are very keen to get a job with Whangara Farms which is encouraging and I am confident we will get a couple of good ones.

Generally staff morale is good and everyone seems to be working well together and looking forward to getting busy again.

The main docking will start in the next couple of weeks and we will also begin our cropping programme. From now until Xmas we will be busy mostly with stock work as another season begins.



CLIMATE:

JULY:

Rainfall – B5 158mls, Rototahi 226mls, Puatai 128mls, Pakarae 160mls, Tongataha 261mls

We have been very wet but the temperature has been mild with no real storms.

Pasture covers have fallen again and are sitting around 1350kgDM/ha Whangara and 1700kgDM/ha Tongataha.



AUGUST:

Rainfall – B5 60mls, Rototahi 70mls, Pakarae 65mls, Puatai 90mls, Tongataha 191mls

A much drier month and we have finally been getting some much needed sun. We are slowly drying out and the feed covers are starting to lift especially on the areas that got the Urea.

Pasture covers have moved up slightly on Whangara 1400kgDM/ha, while on Tongataha they have dropped slightly 1650kgDM/ha.



SEPTEMBER:

This month so far has been warm and dry with a lot of sunshine and the feed covers are definitely lifting. Spring is well and truly here at Whangara and the lower country of Tongataha with pasture covers lifting. It has been great weather for lambing/calving and the survival rates are reflecting that.

STOCK ON HAND:

AUGUST 1st '10

	<i>WHANGARA</i>	<i>TONGATAHA</i>	<i>TOTAL</i>
<i>SHEEP</i>	<i>29,392</i>	<i>7,443</i>	<i>36,835</i>
<i>CATTLE</i>	<i>3,743</i>	<i>1,159</i>	<i>4,902</i>

SEPTEMBER 1st '10

	<i>WHANGARA</i>	<i>TONGATAHA</i>	<i>TOTAL</i>
<i>SHEEP</i>	<i>29,243</i>	<i>6,339</i>	<i>35,582</i>
<i>CATTLE</i>	<i>3,732</i>	<i>1,156</i>	<i>4,888</i>

SUMMARY:

Our sheep and cattle numbers are steady with all the ewes and cows set stocked and lambing/calving. There have been no trade cattle purchased yet and just trade lambs and heifers sold from Tongataha.



STOCK TRANSACTIONS: (up to 17th September)

SALES:

Lambs	1462	14.5kgCwt
Ram Hgts	41	20.6kgCwt
MA Ewes	542	23kgCwt
R2yr Heifers	73	190kgCwt

PURCHASES:

MA Ewes (in lamb)	206
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LIVESTOCK:

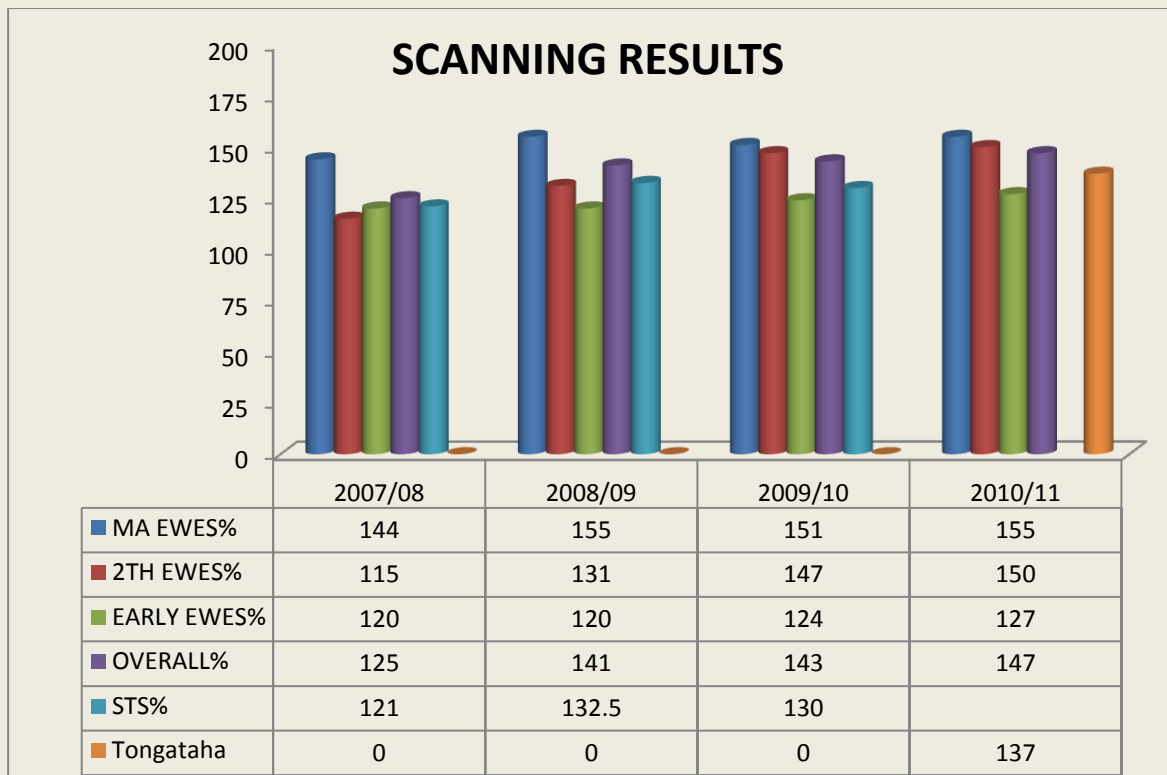
❖ SHEEP

The early ewes have all been docked 5,500 lambs 97% ewes mated /lambs docked which is an average result, but well up on last year's 92%. We had a reasonable run of weather which certainly helped with our survival. The ewes were in average order and we drenched them all, the lambs however are excellent. 290 wet/dry ewes have been sold 23kgs and another 160 will be fattened up and sold later.

The main mobs of Whangara ewes have nearly finished lambing with a great survival. The weather has been wet but warm and we didn't get any major storms throughout lambing. We will look to start docking these at the end of September.

The Tongataha ewes have been scanned 137%, which was right where we thought they would be. We killed 252 dry ewes 23kg and then replaced them with 206 in lamb woolly ewes. The ewes have all vaccinated and set stocked, and have just started lambing. The 2ths and brought in ewes have also been pre lamb shorn

The pasture covers at Tongataha are at a level where we are looking to buy in 300-400 more ewes with lambs at foot. This decision will depend on availability, quality and price.



The ewe hgts at Whangara have suffered a bit through the winter and are lighter than where I would like them, but they are the buffer mob in the system and we have had to spread lambing ewes on some of their country. They have been drenched and will be a priority mob so we can get them back up to speed.

The Tongataha ewe hgts have been scanned, 485 in lamb 27%. It was a disappointing result but considering they have a Corridale base it was expected. The dry hgts have all been sold with mixed results, we killed 1061 at 38kgLwt and they only yielded 14.1kgCwt and sold 401 store this week 34kgs.



❖ CATTLE

The MA cows at Whangara and Tongataha have all been dipped and coppered and set stocked for calving. They have all started calving and have really started to get into it this last week. The cows were a bit light going into their calving paddocks but have really picked up and I am very pleased with their condition.

We had some cow losses at Tongataha on some of the undeveloped country, perhaps pushing them too hard, and will have to adjust that management next winter.

The in calf R2yr heifers have come back from Tongataha and have been dipped and coppered and set stocked for calving. They have also started calving but are a bit slower than the MA and they are in excellent condition.

The R1yr cattle at Whangara have been through a hard winter and are still 25-30kgs behind target weight. They have all been drenched and dipped and drafted into lines and as the feed covers lift it will be a priority to catch them up. The B5 country has been so wet that we have had to set stock and no animals seem to do any good in those conditions.



The R1yr cattle at Tongataha have done really well on the winter crops and are due to come off next week and will be dipped and drenched.

The trade cattle at Puatai have come through the winter well and have been drenched and dipped. We will be looking to weigh up into sale lines as the pasture covers increase over the next month.

DEVELOPMENT:

❖ WATER SYSTEM

The Puatai water system has been completed and we are ready to begin the Rototahi stage in the next few weeks. I am very motivated to carry on this year and finish the B5 stage of the water system as well. The lack of water through the summer is really affecting our production and options. This will depend on the weather and the availability of contractors.



❖ TONGATAHA

We have now been running Tongataha Station for nearly six months now and things have been going well.

Simon and his family have settled in and he is doing a good job managing the block. We are still looking for a shepherd general for up there and in the meantime staff have been travelling up from Whangara as needed.

Tongataha has a lot more potential to increase production and add value to the whole Whangara Farms business than we first thought. We are in the process of investigating those options now and some policies may change. In the short term we will be continuing with a terminal ewe and cow system, finish lambs and 18mth bulls/heifers and provide flexibility through the summer for Whangara stock.

❖ INFRASTRUCTURE:

We have been continuing our ongoing repair and maintenance program across all the blocks, with the focus on fences and yards.

We haven't been able to fence off the Pakarae River as planned due to getting too wet, however as soon as the weather clears this job will be completed.

We are also still planning to subdivide the Puatai block into 1ha cells with single and double wires.

We are looking at purchasing a new seed drill. The one we are looking at is a Duncan Renovator direct drill with two seed boxes, one for seed and the other for fertilizer. This will mean we can spray out a paddock and then just drill straight into it in one pass.

Unfortunately due to the wet weather we are still waiting to trial this drill; hopefully weather permitting we will be able to next week.

The thistles have been bad this year and we have had the helicopter across all the Whangara blocks. We have had to spend more than originally budgeted on thistles as some is catch up from last year, because of the wet weather. We are still budgeting target some of the blackberry on the blocks as well. Tongataha is basically weed free



SUMMARY:

The weather has been quite wet this last period but it has been mild and we haven't had any storms to speak. The survival rate in the ewes and lambs has been great and we are set up for a great lambing %.

The urea applied in August has had a dramatic effect on the feed covers with estimated response rates of 20:1.

The pasture covers have lifted at Whangara to just under 1500kgDM/ha, while on Tongataha the covers have dropped slightly to 1600kgDM/ha.

Livestock are in good order, especially breeding stock. The trade cattle and ewe hghts are behind were I would like them but as feed cover's lift they will become a priority to bring back up to target.

The ewe and hghts scanning at Tongataha was a bit disappointing but was expected with the genetics that we inherited. This will change dramatically as we introduce our genetics and management systems.



The farm has so much potential waiting to be realized and is integrating well into Whangara Farms. The farm is an asset and I am looking forward to developing the systems that will unlock that potential for our business.

The staff have been working well and the new staff members have settled in well. We are still looking for two shepherd generals, for Rototahi and Tongataha, and I am hoping that the Waipaoa cadets will fit the bill. The unit manager's have embraced the reporting process and are I am now getting good feedback as to what is happening out there.

The Farmax annual reports have been delayed and consequently I may not have the report for the next Board meeting. I am trying to utilize Farmax as much as I can when looking at new systems and policies, although I still feel it has its limitations.



The sheep and beef markets are looking positive moving forward with demand for all classes of stock.

Overall it has been a busy and challenging period for everyone on Whangara Farms. The weather has improved and spring is here with plenty of lambs and calves around, signaling the start of another season.