

PAKARAE/WHANGARA B5 PARTNERSHIP PANUI PAREKAREKA

**PARTNERSHIP
FIELD DAY
JANUARY 31**



Season's greetings

To all shareholders,

Thank you to all who attended the recent Pakarae/Whangara B5 Partnership AGM, held on October 3. It is refreshing to see so many new faces and receive such positive feedback on the newsletter and other initiatives from the past year.

I am pleased to announce that both independent board members – James Brownlie and Mike Petersen – were re-appointed for another year and Stan Pardoe, was elected as the third committee member to the board.

The blocks have made history this year with two women in charge of the Whangara B5 and Pakarae management committees, with Matire Kupenga-Wano filling the gap left by the sad loss of her uncle, John McGhee. On behalf of the board, we offer our condolences to the family of this hard working man. His passion for Maori land matters was paramount.

The partnership is looking to grow its asset base and is currently considering different options around how we strategically place ourselves for the future. There are several options – purchasing additional land, leasing additional land or partnering with other landowners. We are at a very early stage of discussing options with different parties, but we will endeavour to keep you posted on any updates.

It has been an interesting few months for the New Zealand sheep and beef markets with the results of a recent forecast study published by the Ministry of Agriculture and Forestry. Overall, the prices for New Zealand beef in international markets have increased above the level set in 2003, and combined with the improving prices for beef in the US and the depreciating New Zealand dollar, schedule prices for manufacturing beef are forecast to increase significantly over the next four years.

The decline in the national sheep flock has been well publicised as has its subsequent effect on lamb production. New Zealand lamb schedule prices, however have been holding steadily above last year's, due to more favourable results in European markets.

Richard and his team have been working extremely hard implementing farm management strategies, lifting stock production to new heights and analysing market pressures accordingly. We thank them for their efforts throughout 2008 and look forward to another year of heightened productivity in 2009.

The field day is being held on January 31, 2009. For shareholders with four-wheel-drive town vehicles, it would be wise to have appropriate training before attempting to manoeuvre these sometimes slippery, narrow tracks. A registration form is attached to this newsletter. Look forward to seeing you all.

Enjoy the festive season and have a Merry Christmas.

Regards Ingrid

Martin Paenga – Puatai unit manager

Martin Paenga is a born and bred Whangara man, who now in his fifties, reflects back on a working life that has taken him on quite a journey.

Traveling out of the district at a young age, he found himself doing a variety of jobs, including a short stint on a dairy farm, before finding his niche at the end of some sharp shears and a mob of woolly sheep.

Before he knew it, some 20 years had flashed by and he found himself back in Whangara, looking at a job “over the fence, that looked pretty good”.

Three years on, and Martin is the “Puatai unit manager”. It's a role that takes him “here, there and everywhere”, as well as finishing the bulls and steers that come his way. He is quick to note that wherever possible, he works with the rest of the staff, enjoying a day with the crew.

He has enjoyed the move from the neighbour's block, and believes that the partnership is heading in the right direction.

OVERALL SNAPSHOT

	November 2008	November 07
Stock numbers		
Sheep	51,580	49,166
Cattle	5,169	4,331
TOTAL	56,749	53,497

- Leased approx 65ha to Cedenco at \$1200/ha for six months
- Cultivated 100ha of sweet corn and have planted Hunter Pasja for a summer lamb crop.
- Capital fencing and water system development on hold until new year.
- Thistle spraying had excellent results and even received a tick from the council!

From the farm

As you are all probably aware, this district is in desperate need of rain. Soaring temperatures, coupled with steady winds, has resulted in the slowing of the good pasture growth we experienced in spring.

According to the National Institute of Water and Atmospheric Sciences (Niwa), August and October saw half the average rainfall, while September had a seventh of its normal rain and November had one-fifth – the third driest November recorded here since 1905.

We are in better shape than most around the district after experiencing a kind spring, but the effects of such dry weather can not be fully countered. The decision to develop a water reticulation program – heading into its third stage – is proving to be the correct one though. Any further developments of the third stage are currently on hold until the new year as it is 'all hands on deck' for this extremely busy time of year.

Sheep

The partnership ended up with a tally of 27,500 tails from docking. A huge effort was required, and that is exactly what we got – a huge thank you to all involved.

27,500 lambs docked equates to about 140% of lambs docked/ewes mated for Pakarae/B5 and 130% across all ewes mated. The lambing survival rate was very good this year and our ewe losses were very low, contributing to the good lambing percentage rate.

Crutching, shearing, drenching lambs, culling ewes, dipping and marketing stock are all on the main agenda for December, giving staff a solid build up to Christmas, so that ham will taste just that much sweeter.

Cattle

The markets are very volatile at the moment, so the decision to kill down to lighter weights and working on a trading margin not only helps with the high amount of stock, but also helps to counter the drought-like conditions.

The cows and heifers have all finished calving and we are in the process of marking the calves. They are all in excellent condition and any cows/R3yr heifers that have lost cows have been taken out and sold.

The R2yr heifers calved well, ending up with 88% of calves marked to heifers in calf. The heifers that lost calves were retained for replacement numbers.

R1yr heifers are averaging around 300kgs and will be mated again this year. They have been drenched and coppered, rotating around the B5 flats and in excellent condition.

The bulls went out with all cows on December 1.

We were pleased that all R1yr cattle, 648 bulls and 484 steers, were purchased within budget - a good effort considering the store market lately.

Crop

We have leased approximately 65ha to Cedenco for \$1200/ha for approximately six months, while Whangara B5 and Pakarae plan to grow sweetcorn on blocks of 34ha and 31ha respectively.

We have also cultivated 100ha of sweetcorn ourselves, and planted Hunter Pasja for a summer lamb crop, spread across Rototahi, Pakarae and Whangara B5.



Staff communication review

A staff communication review took place in the latter part of July, this year.

Communication is one of the basic functions of management in any organisation and its importance can hardly be overemphasised. It is a process of transmitting information, ideas, thoughts, opinions and plans between various parts of an organization.

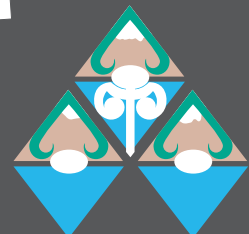
For the partnership, it is imperative that all members of staff have a clear understanding of the strategies put in place by management and why these are being implemented.

The review consisted of two main objectives:

1. To identify how the staff felt about current communication strategies.
2. Identify ways to improve these.

The end result was a positive report outlining the need to increase communication between management and staff, providing a clear understanding of where the partnership is heading, and subsequently increasing the quality of work.

A couple of months down the track, and we are pleased to say that there has been a noticeable improvement in the enthusiasm of staff in and around the farm. Each member of staff has the ability to share their opinions on various farm operations, providing management with the ability to not only determine the level of staff motivation, but the chance to explain why such strategies are in place and if needed, modify these to be more effective.



WHANGARA
INCORPORATED BLOCKS

Comprising

Pakarae/Whangara
B5 Partnership

Proprietors of

Whangara B5
Whangara B20
Pakarae A & other Blocks

Secretaries

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