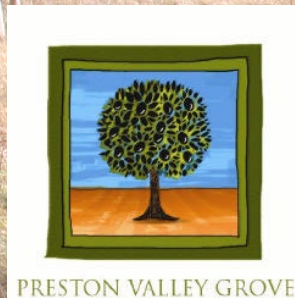


Flexible, Sustainable and Viable: The Preston Valley Grove Business Model





PRESTON VALLEY GROVE

OUR FARM

- **Preston Valley Grove is a mixed farming business on 160 acres:**
 - Producing olive oil and fat lambs (Dorper)
 - Providing contracting services by way of olive pruning, harvesting and oil processing
- **We are a sustainable business with solar power and water supplied from dams and rain harvesting to tanks.**
 - Our tank supply consists of 2 x 100KI and 2 x 250KI
 - Power solar with generator back up. Installed in 2004. Consists of 8kW solar panels, 6kVa inverter and 28kW of usable battery storage. Provides all 240V power to farm, including house.
 - Power for olive processing and irrigation via 3 phase generators, 60kW & 45kW
- **Sheep Operation**
 - Consists of 2 flocks of ~100 Ewes each flock and 6 Rams. Producing ~300 lambs annually on a 3 drop per 2 year cycle
- **Olive Grove**
 - Approx. 2,100 trees (5.7Ha) producing up to 7.5 t/Ha olives.
 - Manage and purchase olives from others providing a production of 15,000 to 20,000 litres of olive oil per annum
 - Typically Process ~100 to 150 t olives /a and Harvest ~6,000 to 10,000 trees /a, including contracts.



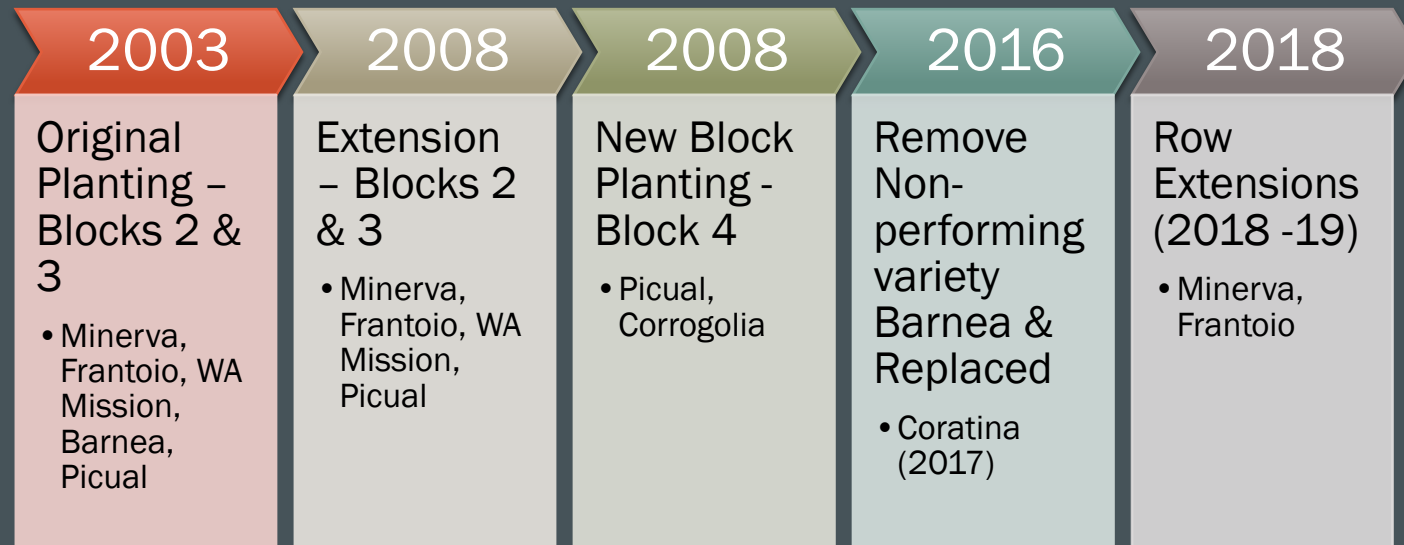
FARM HISTORY

2003	Purchase Property & Plant Olive Trees
2004	Install Process Plant & Contract Processing
2007	First Commercial Olive Crop from Grove.
2009	Contract Harvesting
2010	Start Sheep Grazing



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OLIVE VARIETIES



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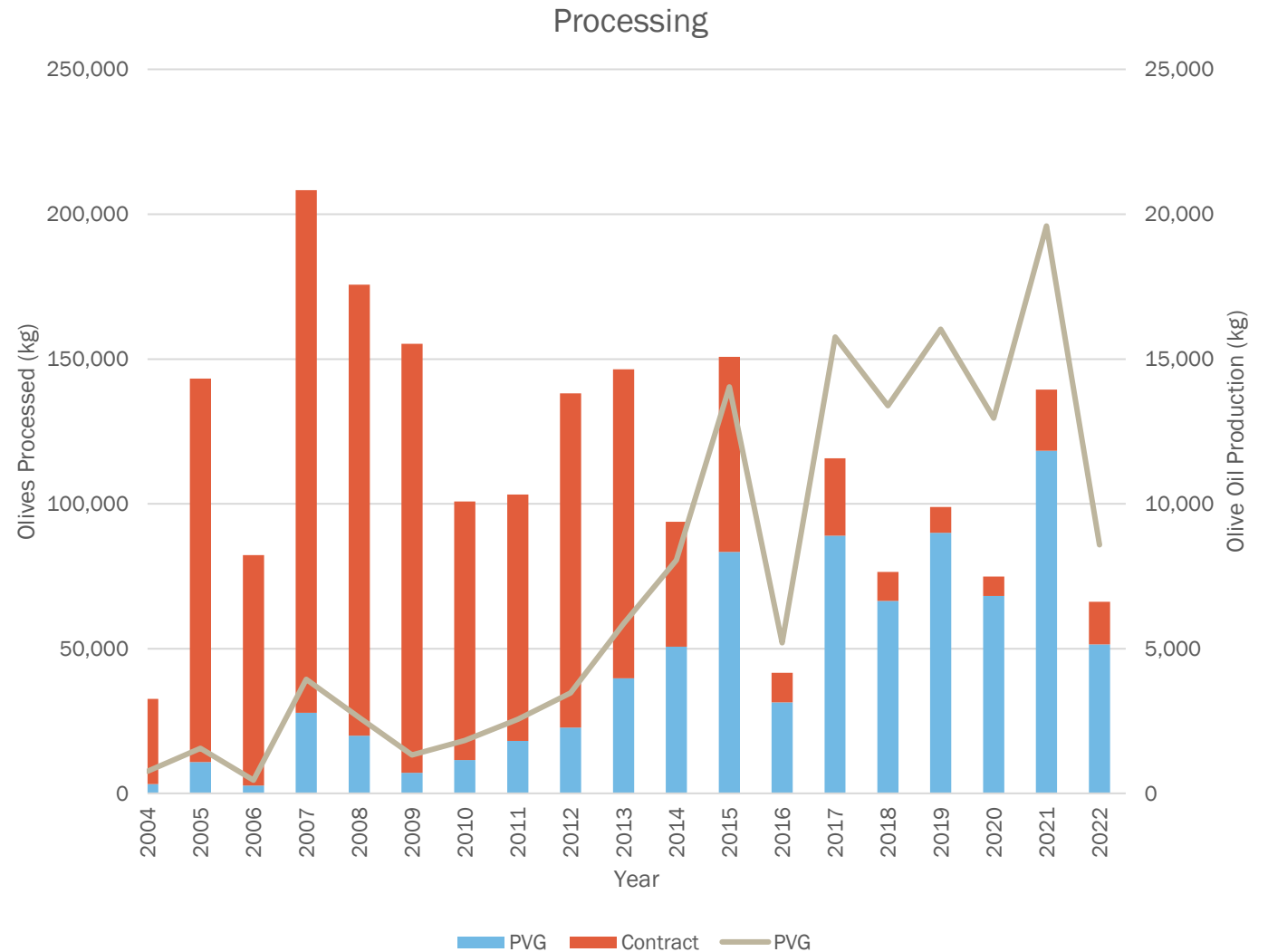


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OPERATIONAL APPROACH

The Overall Approach:

- Have others pay for capital investment by maximising contracting in early years – Processing & Harvesting
- Maximise use of waste products:
 - Compost
 - Waste olive oil – sheep & soap
- Utilise existing olive groves no longer operated – purchase fruit off tree
- Only produce oil that is confirmed to be sold
- Focus on food services
- Minimise inputs



GROVE MANAGEMENT

- Olives are a low margin high volume business requiring minimal cost inputs to be profitable.
- To manage our grove we have adopted the following practices:
 - Minimise input costs, including labour
 - Pruning 30 to 50% of grove annually
 - Minimal use of sprays to control pests and diseases
 - Minimise fertiliser application and maximise compost.
 - Optimise irrigation, only provide what is needed
 - Use of sheep to manage grove understory. We do not slash or spray ground cover in grove.
 - To enable sheep grazing
 - Use rotation grazing of 1 week in / 2 weeks out for each flock
 - Have installed shade cloth tree guards to minimise ring barking but allowing harvesting
 - Stop grazing as soon as first sign of any tree damage (usually mid – late Feb)



PRUNING

- The olive grove is planted at a spacing of 4m between trees in the row and 7m between rows – pruning for cropping and harvesting
- This spacing requires careful pruning to enable machine harvesting to manoeuvre and to operate the catcher
- In 2021 after lesson from Andrew Taylor commenced pruning 30% canopy with single cut – prior to this 30% grove annually with targeted pruning
- Pruning is undertaken in August / September and last 2-3 weeks. One man operation using chainsaw
- Pruning's are now mulched and large wood removed – prior burnt



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COMPOST

- Compost consists of the following placed in layers:
 - Olive waste pulp
 - Olive Leaf & Sticks, and any other organic waste
 - Lime
 - Hay
- Allow Olive pulp to dry out and mix in November
- Turn every ~6 months
- Use after 2 years – typically spread in November each year
- Application rate to grove is 2 tonne compost / 1 tonne olives harvested
- Remaining compost distributed over farm



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GROVE PERFORMANCE

- We monitor the grove production performance by olive variety.
- Key measurements are:
 - Number of trees harvested
 - Fruit harvested and yield – measured as kg oil produced / kg olives processed
 - Outputs are:
 - % trees harvested or total planted
 - kg olives per tree harvested
 - kg oil per tree harvested
 - Overall kg olives per Ha
- Best Year – 2021
 - 35 t olives for 5,149 kg oil @ 14.7%. Production 7.2 t olives / Ha and 1,141 l oil / Ha, with 86% trees (1,752) harvested that were harvestable.

Summary PVG Performance								
	2008	2010	2012	2014	2016	2018	2020	2022
trees	740	1,047	1,371	1,438	874	1,522	1,644	1,645
kg Olives	6,793	11,530	20,306	19,686	7,747	17,466	17,775	25,533
kg oil	930	1,741	3,100	2,304	1,033	3,096	3,196	3,967
Yield %	13.7	15.1	15.3	11.7	13.3	17.7	18	16
kg olives/tree	9.2	11	14.8	13.7	8.9	11.5	10.8	15.52
kg oil/tree	1.26	1.66	2.26	1.6	1.18	2.03	1.94	2.41
L oil / Ha	258	483	620	445	230	690	755	936
t olives / Ha	3.3	3.9	5.3	4.9	3.2	4.1	3.9	5.5
% trees harvest	53	75	68	72	50	87	81	81



SPECIFIC PERFORMANCE – BEST YEAR

	Harvested	4.9 ha	7,146 kg/ha	2021							
		trees	Olives (kg)	oil (kg)	%	kg fruit/tr	kg oil/tr	t fruit/ha	l/ha	Planted	% trees fruit
	PVG	1,752	35,057	5,149	14.7%	20.0	2.94	7.15	1141	2,042	86%
45%	Minerva	464	10,212	1,399	13.7%	22.0	3.01	7.86	1170	470	99%
38%	Frantoio	337	6,981	1,191	17.1%	20.7	3.53	7.40	1371	365	92%
16%	WA Mission	149	3,075	496	16.1%	20.6	3.33	7.37	1292	156	96%
43%	Picual	392	9,346	1,335	14.3%	23.8	3.40	8.51	1322	443	88%
2%	Coratina	197	497	74	14.9%	2.5	0.38	0.90	146	315	63%
21%	Correggiol	213	4,948	655	13.2%	23.2	3.08	8.30	1194	293	73%
	other										
	EVOO		108,581	17,946	16.5%						
	Infused		9,706	1,650	17.0%						
	Other olives	4,408	83,230	14,447	17.4%	18.9	3.28				
	Total	6,160	118,287	19,595	16.6%	19.2	3.18				

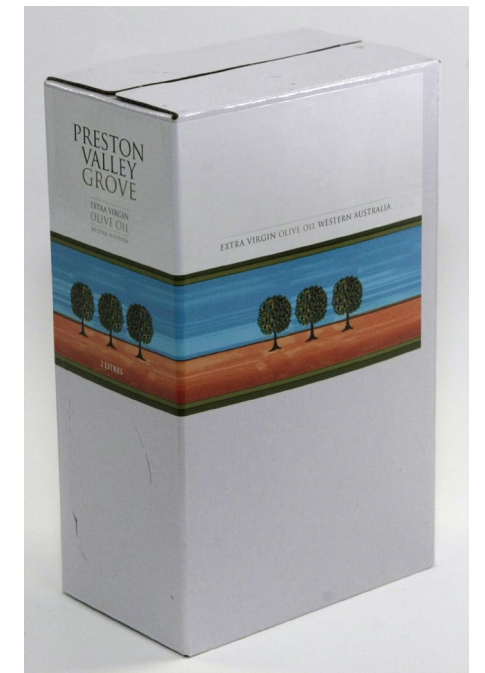
POINT OF DIFFERENCE & MARKETING

Our Point of difference:

- Production of agrumato flavoured oils

Marketing Approach:

- Easy to identify image and label/brand
- Identify a target market – food services
- Understand what that markets wants and provide
- Constancy of supply, quantity and quality (flavour)
- We support any and all events with chefs;
 - Typically pick up ~1 chef from any event
- Provide a service not just a product
- Develop and encourage loyalty in customers





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We have enjoyed the development of the Industry and wish ongoing progress

AFTER 20 YEARS

SOLD

NEW OWNER WILL CONTINUE