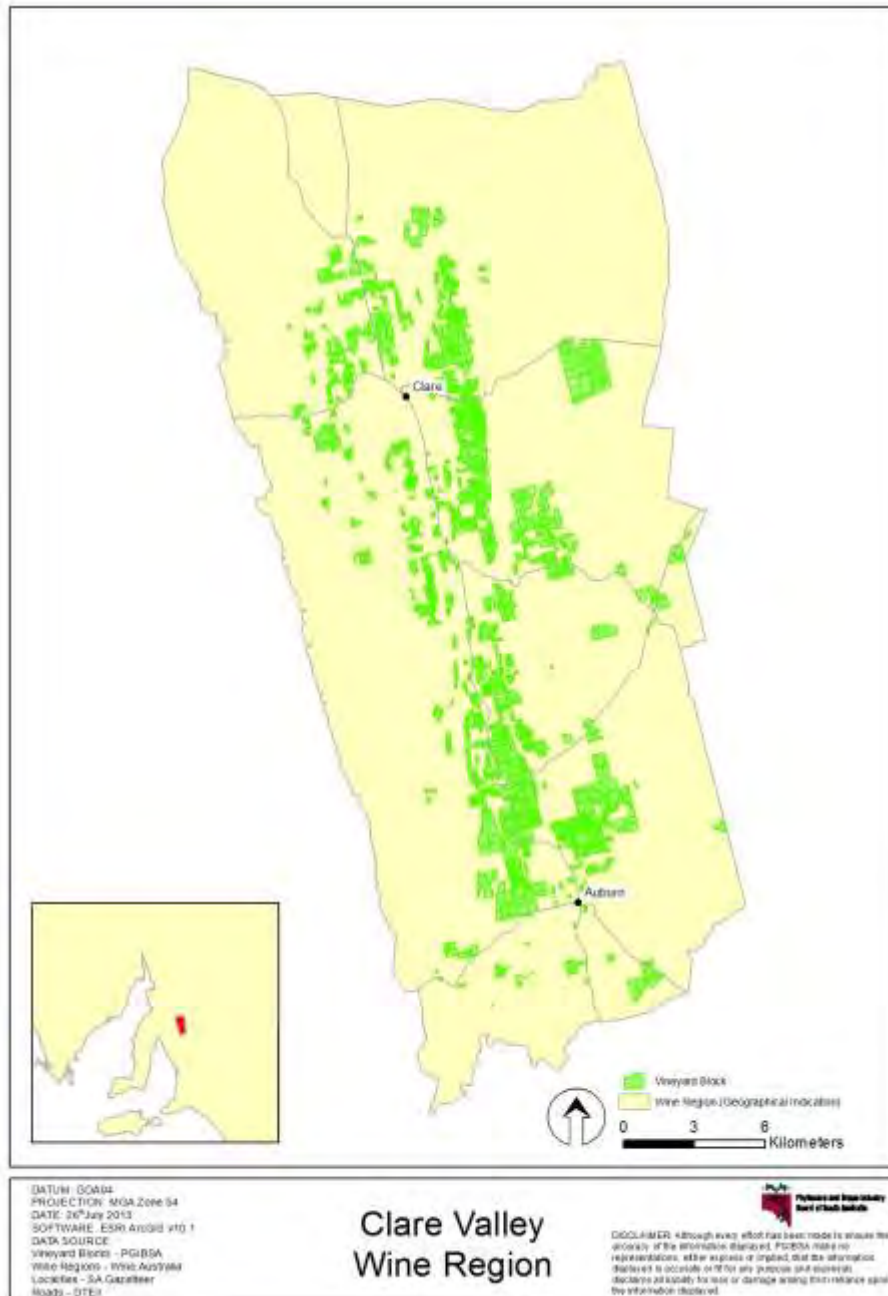


SA Winegrape Crush Survey Regional Summary Report - 2013

Clare Valley Wine Region



Clare Valley

Vintage overview

Vintage report

Climatic conditions during the growing season leading up to vintage 2013 were some of the driest ever seen by local grape growers and as a result favoured smaller, open canopies. These dry conditions during spring and summer and high temperatures in early January led to an untypically early start to vintage with the first table wine grapes being picked in the first week in February. The vintage was compact, with most varieties harvested by late March. Harvest conditions were excellent, with mild temperatures throughout and only 20-25mm of rain in mid-February which, while concerning at the time, caused little damage. Unlike many other grape growing regions in South Australia, Clare received up to 50mm of rain in the first week in December. This rain event certainly had a positive impact on yield. Grape growers also welcomed a decision by SA Water to reduce the price of mains water which applied for a three month period from January to March 2013. This decision had a significant benefit in terms of yield and quality of the vintage overall.

Disease pressure was very low to non-existent this season as a result of the dry conditions. However, there were significant crop losses caused by frost in the northern, eastern and southern parts of the region and also isolated incidences of crop loss caused by hail.

Overall, early estimates indicate that yields are slightly down in comparison to long term averages, but some varieties are exceptions. Riesling, Cabernet Sauvignon and Grenache, in particular seem to have been the most consistent bearers this season, with average yields, and early indications from winemakers of excellent quality, particularly flavour intensity, in the reds.

Early indications also show Riesling performing well. Clare Valley Winemakers Inc reports that the Clare Valley's major variety, Riesling, has produced an above average crop in 2013 and there is a general feeling amongst winemakers that the overall quality rating will be very strong again this year....maybe even as good as 2012, but this will be subject of very close scrutiny over the coming months.

Unfortunately, despite the high quality of fruit this season, there was still some Riesling not harvested and some sold at far less than the cost of production. While local wineries are strengthening relationships with local growers, it's the growers that are supplying large quantities of Riesling to major wine companies from outside the district that are finding it tougher in a shrinking market.

Shiraz has been the most variable variety in terms of yield, with significant differences between the northern and southern end of the valley, and also between clones, different aged vines and whether or not they were irrigated. Overall, Shiraz yields have been lower than average. The lower yield expectations, coupled with frost damage, appears to have reduced any oversupply issues for red varieties in the short term, with a steady demand for red varieties right up until vintage.

2013 has been a solid vintage and at this early stage winemakers are indicating a very strong over-all quality rating.

*Anna Baum, Executive Officer
Clare Region Winegrape Growers Association*

Overview of vintage statistics

The harvest from Clare Valley was 17,999 tonnes in 2013, down by 1,848 tonnes (9.3%) from the 2012 harvest of 19,847 tonnes. The total value of grapes crushed in the region decreased from \$19 million to \$18.2 million. The average purchase value for the red varieties increased – with Shiraz up by \$169 per tonne to \$1,288 per tonne and Cabernet Sauvignon up by \$21 per tonne to \$1,050 per tonne. Of the white varieties – Riesling was down by \$11 per tonne to \$899 per tonne.

There were 64 hectares of new plantings in Clare Valley in spring 2012 (including top-working and replacements) compared with 14 hectares planted in 2011. Cabernet Sauvignon accounted for 60.9% of the new plantings and Shiraz 17.2%. The total planted area of vines in the region has been decreasing at an average rate each year of 1.5% since 2008.

The estimated production from the Clare Valley for 2014 is 27,100 tonnes, with the wineries' committed intake being 22,100 tonnes. This leaves around 5,000 tonnes (18.4%) of uncommitted fruit.

By 2018, the estimated production increases slightly to 27,270 tonnes, of which 18,900 tonnes is already under contract or winery grown fruit. This leaves around 8,370 tonnes (30.7%) yet to be contracted or is available on the open market.

Clare Valley

Winegrape intake summary - vintage 2013

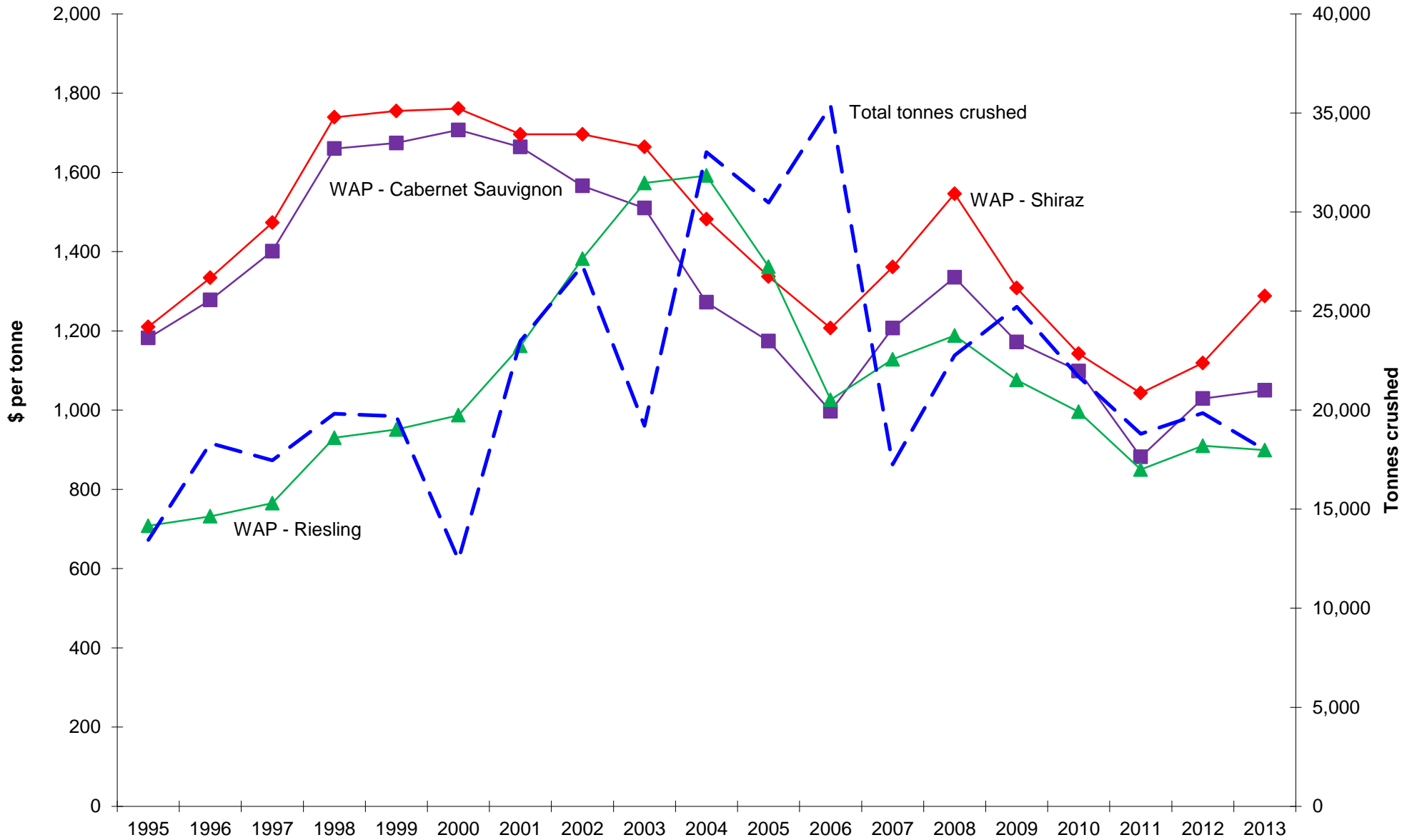
Variety	Tonnes purchased	Lowest price ¹	Highest price ¹	Total value purchased grapes	Calc avg. purch. value per tonne	Winery grown fruit	Total crushed ²	Est total value ALL grapes
RED								
Cabernet Franc	11	\$1,300	\$1,400	\$14,307	\$1,327	35	46	\$60,370
Cabernet Sauvignon	1,210	\$300	\$2,200	\$1,270,077	\$1,050	1,756	2,966	\$3,113,348
Grenache	88	\$1,000	\$1,500	\$121,353	\$1,380	87	175	\$241,257
Malbec	111	\$750	\$1,700	\$117,044	\$1,057	80	191	\$201,657
Mataro	4			\$5,850	\$1,360	44	48	\$65,044
Merlot	477	\$750	\$1,200	\$375,792	\$788	448	925	\$728,444
Nebbiolo	0			\$0	\$0	1	1	\$1,152
Other red	4			\$3,600	\$900	26	30	\$27,333
Petit Verdot	3			\$3,300	\$1,100	27	30	\$32,857
Pinot Noir	0			\$0	\$0	43	43	\$49,071
Ruby Cabernet	0			\$0	\$0	4	4	\$4,608
Sangiovese	33			\$24,645	\$750	35	68	\$50,760
Shiraz	2,320	\$100	\$3,000	\$2,988,656	\$1,288	2,267	4,587	\$5,908,581
Tempranillo	53			\$45,186	\$845	60	113	\$95,605
Touriga	0			\$0	\$0	12	12	\$13,938
Total Red winegrapes	4,314			\$4,969,810		4,923	9,238	\$10,594,023
WHITE								
Chardonnay	552	\$600	\$800	\$346,064	\$627	369	921	\$577,581
Chenin Blanc	0			\$0	\$0	8	8	\$6,869
Muscadelle	0			\$0	\$0	12	12	\$10,106
Muscat A Petit Grains Blanc	0			\$0	\$0	4	4	\$3,778
Muscat Gordo Blanco	0			\$0	\$0	8	8	\$7,204
Other white	17			\$21,225	\$1,249	19	36	\$45,064
Pedro Ximenes	0			\$0	\$0	15	15	\$12,794
Pinot Gris	94			\$99,478	\$1,059	134	228	\$241,733
Riesling	3,745	\$250	\$2,520	\$3,365,824	\$899	2,981	6,726	\$6,044,891
Sauvignon Blanc	7			\$9,165	\$1,300	92	99	\$128,505
Semillon	283	\$650	\$1,000	\$219,338	\$776	174	457	\$354,645
Traminer	130	\$600	\$1,000	\$83,430	\$642	39	169	\$108,466
Verdelho	0			\$0	\$0	13	13	\$11,248
Viognier	5			\$5,187	\$1,050	59	64	\$67,284
Total White winegrapes	4,833			\$4,149,711		3,929	8,761	\$7,620,169
Grand Total All winegrapes	9,147			\$9,119,521		8,852	17,999	\$18,214,192

¹ Lowest and highest prices are only reported when there are at least three purchasers. Very low prices may relate to extremely small parcels of fruit or fruit delivered that was over the contract amount or penalised for other reasons.

² It is estimated that the non-response rate for Clare Valley is 17.4%.

Clare Valley

Historical Weighted Average Price vs tonnes crushed



Current plantings by variety and year planted

Variety	Current area in hectares				Total area	% planted in 2012
	Pre-2010	2010	2011	2012		
Red winegrapes						
Cabernet Franc	15	0	0	1	15	5%
Cabernet Sauvignon	1,137	5	6	39	1,187	3%
Grenache	63	0	0	0	63	0%
Malbec	62	0	2	3	68	5%
Mataro (Mourvedre)	32	0	0	1	33	3%
Merlot	289	0	0	0	289	0%
Nebbiolo	4	0	0	0	4	0%
Other Red	35	0	0	2	37	5%
Sangiovese	33	0	0	0	33	0%
Shiraz	1,855	1	0	11	1,866	1%
Tempranillo	26	4	0	2	32	5%
Total red varieties	3,551	10	8	58	3,627	2%
White winegrapes						
Chardonnay	221	0	0	0	221	0%
Other White	22	1	1	2	27	7%
Pinot Gris	41	0	0	2	43	6%
Riesling	1,188	5	6	2	1,200	0%
Sauvignon Blanc	24	1	0	0	25	0%
Semillon	148	1	0	0	149	0%
Traminer (Gewurztraminer)	33	1	0	0	34	0%
Verdelho	4	0	0	0	4	0%
Viognier	17	0	0	0	17	0%
Total white varieties	1,698	9	7	6	1,720	0%
Unknown variety	15	0	0	0	15	0%
Rootstock Block	1	0	0	0	1	0%
Total all varieties	5,265	19	14	64	5,363	1%

Clare Valley

Estimated supply and committed intake 2014 - 2018

Variety	2014				2016				2018			
	Est Supply ¹	Committed intake ²			Est Supply ¹	Committed intake ²			Est Supply ¹	Committed intake ²		
		Winery grapes	Contract purchases	Total committed intake		Winery grapes	Contract purchases	Total committed intake		Winery grapes	Contract purchases	Total committed intake
Red winegrapes												
Cabernet Franc	73	55	21	77	75	66	12	79	75	70	12	82
Cabernet Sauvignon	4,575	2,771	1,343	4,114	4,663	3,016	1,129	4,145	4,663	2,990	1,118	4,108
Grenache	317	128	122	250	317	129	122	251	317	129	122	251
Malbec	317	114	109	223	327	119	114	233	327	122	60	181
Mataro	161	47	14	61	164	47	0	47	164	47	0	47
Merlot	1,443	692	597	1,288	1,443	697	493	1,190	1,443	697	197	894
Nebbiolo	19	1	15	16	19	1	15	16	19	1	15	16
Other red	123	69	48	117	128	74	48	122	128	75	48	123
Petit Verdot	42	32	3	35	42	32	3	35	42	32	3	35
Pinot Noir	51	54	0	54	51	54	0	54	51	54	0	54
Ruby Cabernet	0	11	11	23	0	11	11	23	0	11	11	23
Sangiovese	166	39	73	113	166	39	73	113	166	39	73	113
Shiraz	9,275	3,531	2,503	6,033	9,303	3,619	1,836	5,454	9,303	3,450	1,938	5,388
Tempranillo	145	75	69	144	155	83	74	158	155	88	74	162
Touriga	0	14	14	27	0	14	14	27	0	14	14	27
Total red winegrapes	16,708	7,634	4,941	12,575	16,853	8,003	3,944	11,947	16,853	7,819	3,685	11,504
White winegrapes												
Chardonnay	1,324	533	751	1,283	1,324	527	615	1,143	1,324	527	615	1,143
Chenin Blanc	0	10	10	20	0	10	10	20	0	10	10	20
Muscadelle	0	14	14	27	0	14	14	27	0	14	14	27
Muscat A Petit Grains Blanc	0	7	7	14	0	7	7	14	0	7	7	14
Muscat Gordo Blanco	0	10	0	10	0	10	0	10	0	10	0	10
Other white	193	25	23	47	203	33	23	55	203	36	23	59
Pedro Ximenes	0	20	20	41	0	20	20	41	0	20	20	41
Pinot Gris	244	237	130	366	251	252	96	348	251	266	96	362
Riesling	7,163	3,532	3,405	6,937	7,184	3,541	1,856	5,397	7,184	3,520	1,313	4,833
Sauvignon Blanc	147	89	0	89	149	89	0	89	149	89	0	89
Semillon	968	294	177	471	971	300	255	554	971	305	248	553
Traminer	203	60	32	91	205	63	32	95	205	63	32	95
Verdelho	24	16	16	32	24	16	16	32	24	16	16	32
Viognier	103	82	11	93	103	82	11	93	103	82	11	93
Total white winegrapes	10,370	4,927	4,593	9,521	10,413	4,963	2,954	7,917	10,413	4,964	2,404	7,368
All winegrapes	27,078	12,561	9,534	22,095	27,267	12,966	6,898	19,864	27,267	12,783	6,089	18,872

¹ Supply forecast produced by PGIBSA based on the South Australian vineyard register

² A raising factor of 1.126 has been applied to committed intake to allow for non-respondents