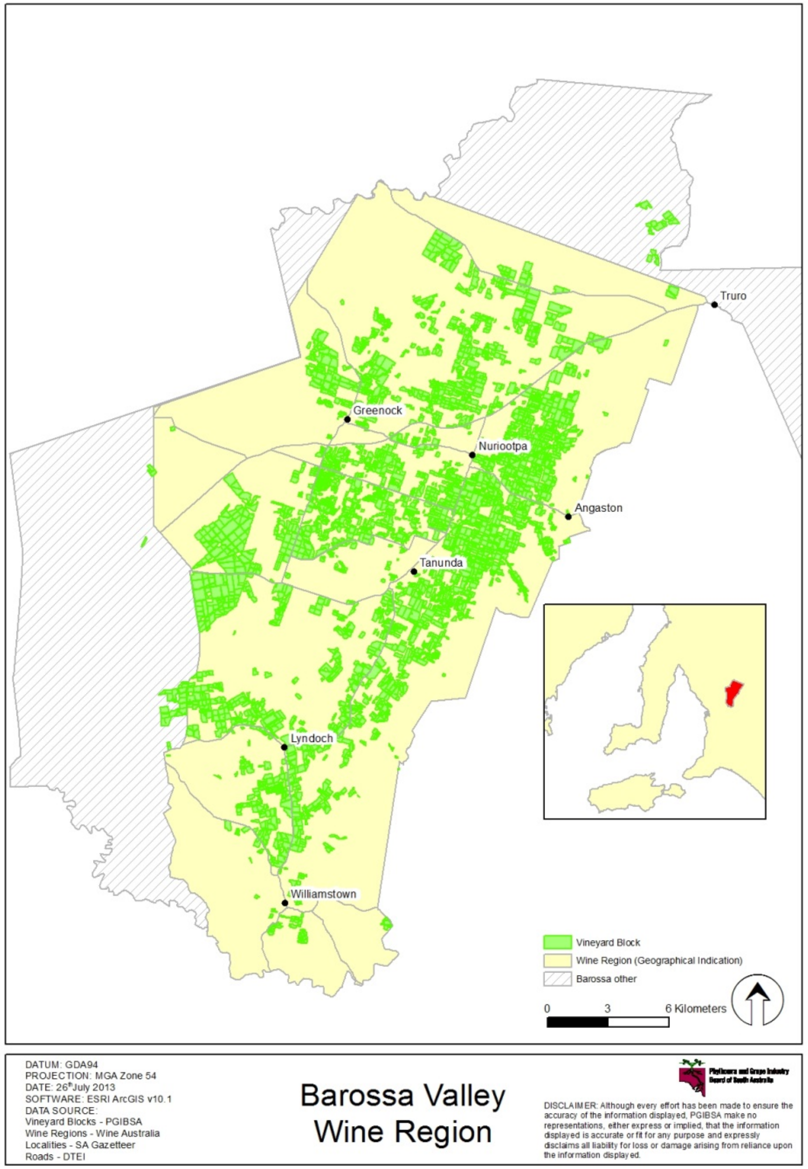


SA Winegrape Crush Survey

Regional Summary Report – 2015

Barossa Valley Wine Region

(including Barossa Zone - other)

Explanations and Definitions

INTAKE (CURRENT VINTAGE) DATA

Definition of regions

Regions have been defined in accordance with Geographical Indication (GI) boundaries. If a GI region has not been declared, or produces less than 5,000 tonnes, then the data is aggregated into the relevant GI zone. Disaggregation of data into smaller regions such as Southern Fleurieu and Mount Benson is available on request from Wine Australia.

Total crush

The total crushed is the total tonnes of grapes crushed from a particular source region, whether processed in that region, another region in SA or interstate. All wineries in Australia are included in the survey collection process. However, not all wineries respond to the survey - therefore the total tonnage reported may underestimate the true crush. It is estimated that the overall response rate for the survey is 90%; however, individual regions may vary. Reported fruit is separated into fruit produced from the winery's own or associated vineyards ("own grown") and from independent vineyards ("purchased").

Calculated average purchase value

The survey requests wineries to provide the total amount paid for each parcel of fruit purchased (or the price per tonne). This is the price paid for fruit of a particular variety at the point of receival – NOT including freight. It includes any penalties or bonuses (eg Baumé) applied at the weighbridge, but DOES NOT INCLUDE other bonuses or adjustments such as end use quality bonuses, which are not available at the time the survey is conducted (May 2015).

The calculated average purchase value per tonne is the average amount paid per tonne of fruit across all wineries. Winery grown grapes are not included in the calculation of average purchase value; nor are grapes grown by companies connected with the winery or under lease arrangements.

Important note on average purchase value

There is considerable variation in the pricing arrangements made by different wineries. For example, some wineries make adjustment payments based on the average value per tonne reported in this survey and some pay quality bonuses based on the end use of the product. These additional payments are not included in the reported figures. The average price also does not give any indication of the distribution of prices, or variables that go into individual contracts. Therefore the average price should not be compared directly with an individual grower's arrangement. It should also be noted that in minor varieties there may sometimes be very few purchases contributing towards a calculated average purchase value.

Price dispersion data (shaded columns in Intake Summary tables)

All purchases for each variety are grouped into categories according to the price paid for that fruit. The tonnes in each category are converted into a percentage of the total tonnes purchased, giving an indication of what share of fruit was purchased in each price range category. The categories are given nominal titles of A to E for convenience but these do not correspond with grades used by any particular winery.

Estimated total value of all grapes

The estimated total value of all grapes is calculated by multiplying the average purchase value per tonne by all tonnes crushed. If there is a variety where there are no purchases, then the average purchase value across all other varieties of the same colour in the same region is used to determine an estimated value for the own grown grapes.

Explanations and Definitions cont.

PLANTING DATA

Source of planting data tables

Planting data is not collected by the 2015 Australian Wine Sector Survey. The information is obtained from the vineyard register maintained by the Phylloxera and Grape Industry Board of South Australia.

The Board is required under the Phylloxera and Grape Industry Act 1995 to maintain a complete and accurate register of grapegrowers in the state. All vineyard owners with more than 0.5 hectares are required by law to register with the Board, and to report details of their plantings on an annual basis. This information is kept strictly confidential.

Vineyard plantings are recorded by Geographical Indication. Planting details for smaller regions not included in the survey report are available on request from the Board.

For more information on registration of vineyards, please contact the Phylloxera and Grape Industry Board office on (08) 8273 0550.

Explanatory notes for planting data tables

1. Planting data tables are current as at April 2015 and include all plantings from the 2014 planting season.
2. Vines planted in a particular year may include topworked or replaced vines, as well as new plantings in virgin ground. Where vines have been replaced or topworked, the old variety record is removed. This explains why the area planted for earlier years may be different in the 2015 report compared with previous reports.
3. Where a zero (0) appears in a table, this may indicate the presence of a planting of less than 0.5 hectares, or it may indicate zero plantings. Rounding may produce a slight error in totals or percentages.

BAROSSA VALLEY

Vintage overview

Vintage report

Things started well for 2015 with above average early winter rains that filled the soils and dams. Despite a drier than average August, winter rains (BV 199mm, EV 326mm) were 20% higher than average. August and Spring were drier (BV 39%, EV 31% of average) and had warmer days (1-4C) than average, meaning the vines got away to a good healthy start. Unfortunately this dry weather meant that when the night time temperatures, which were not higher than average, dipped there were again some mid-late spring frosts – not as widespread as the previous year but equally damaging for those where they occurred.

December was dry (BV 30%, EV 40% of average) with slightly below average temperatures, followed by a cool (2.5C lower than average) January. In the second week of January a nice amount of rain (BV 30mm, EV 58mm) fell, which kept vines healthy and grapes ripening. In fact the ripening conditions were perfect, and the result in many vineyards was that vintage started early, with many varieties ripening together. February did nothing to stop the ripening or hinder quality, being warm to hot: 2.5C warmer than average during the day, cool at night and almost completely dry.

March was also very dry, with nights more than 1C lower than average. Most of the vintage was harvested before the end of March, with only the very late sites and varieties left to pick in April.

Yields (unless affected by frost) were a bit below or close to the recent average and certainly better than the last 2 lighter years. Whites are showing delicate flavours and lovely natural acidity, and reds strong colours and rich flavours. It is an early call, but 2015 could well go down as another really great Barossa vintage. Particular standouts include Riesling, Grenache and Cabernet Sauvignon – but that doesn't take away from the quality of all the other varieties.

Note: temperature and rainfall data is taken from Nuriootpa and Mount Crawford weather stations.

Barossa Grape and Wine Association

Overview of vintage

Barossa Valley's crush came in at 44,706 tonnes in 2015 – up 370 tonnes or 0.8% on 2014. The total value of grapes from the region is estimated to have been $79.4 million, up from $66.2 million in 2014. All of the major varieties recorded an increase in average price paid. The average price of Shiraz was $2,137 per tonne – up from $1,849 the year prior and the highest price ever recorded. The average price of Cabernet Sauvignon also increased – up $304 to $1,808. The major white varieties Chardonnay (up $45 to $580 per tonne) and Semillon (up $89 to $603 per tonne) both recorded an increase in average price paid.

The price dispersion data shows that 40% of red varieties were purchased at over $2000, while 82% were purchased at $1500 or more. For the whites, 33% were purchased at above $2000, with 68% at $1500 or more and a further 25% between $600 and $1500.

Over the last 5 years, the average Barossa Valley production was 49,626 tonnes, with a low of 43,824 tonnes in 2013 and a high of 63,367 tonnes in 2011. The 2015 crush is down by 10% against the last 5 year average.

There were 219 hectares of new plantings in the Barossa Valley in spring 2014 (including top-working and replacements) compared with 220 hectares planted in 2012. Of the new plantings, Shiraz accounted for 92% (201 hectares) and Cabernet Sauvignon 5% (12 hectares). However, the net area only increased by 23 hectares, indicating that most of the new plantings were top-working or replacements of existing vines.

BAROSSA VALLEY

Winegrape intake summary – vintage 2015

Variety	Tonnes purchased	E (less than $300)	D ($300-$600)	C ($600-$1,500)	B ($1,500-$2,000)	A (above $2,000)	Total value purchased	Calc avg. purch. Value per tonne	Winery grown fruit	Total crushed[2]	Est total value ALL grapes
Barbera	2	na	na	na	na	na	$2,700	$1,800	4	6	$10,692
Cabernet Franc	77	0%	0%	94%	6%	0%	$87,803	$1,148	48	124	$142,624
Cabernet Sauvignon	2,972	1%	0%	17%	57%	26%	$5,373,119	$1,808	1,795	4,767	$8,619,205
Durif	51	0%	0%	0%	93%	7%	$80,360	$1,578	-	51	$80,360
Grenache	1,907	4%	0%	46%	36%	14%	$2,851,974	$1,495	867	2,774	$4,147,877
Malbec	36	0%	0%	9%	82%	9%	$57,252	$1,581	39	75	$119,293
Mataro	715	1%	0%	30%	33%	37%	$1,284,677	$1,796	447	1,163	$2,087,454
Merlot	1,056	0%	0%	75%	25%	0%	$1,149,024	$1,088	173	1,230	$1,337,759
Muscat a Petit Grains Rouge/Rose	10	0%	0%	100%	0%	0%	$10,472	$1,066	-	10	$10,472
Nero d'Avola	7	0%	0%	12%	88%	0%	$11,329	$1,582	19	26	$41,359
Petit Verdot	65	0%	0%	86%	3%	10%	$78,607	$1,203	30	95	$114,736
Pinot Noir	195	0%	0%	100%	0%	0%	$144,509	$743	-	195	$144,509
Sangiovese	221	0%	0%	87%	7%	6%	$328,572	$1,486	23	244	$362,950
Shiraz	14,602	3%	0%	1%	43%	53%	$31,197,671	$2,137	11,726	26,328	$56,251,527
Tempranillo	294	0%	0%	4%	91%	5%	$523,184	$1,780	88	382	$679,767
Other red	307	0%	0%	75%	13%	12%	$389,375	$1,270	129	435	$552,975
Red Total	22,516	2%	0%	15%	42%	40%	$43,570,628	$1,935	15,389	37,905	$74,703,558

1 Pricing grade's share of purchases for each variety

2 It is estimated that the non-response rate (NRR) nationally is 10%, however the NRR will vary for each region. Generally, regions will have a lower NRR when there is a high proportion of purchased winegrapes within the region

BAROSSA VALLEY **Winegrape intake summary – vintage 2015**

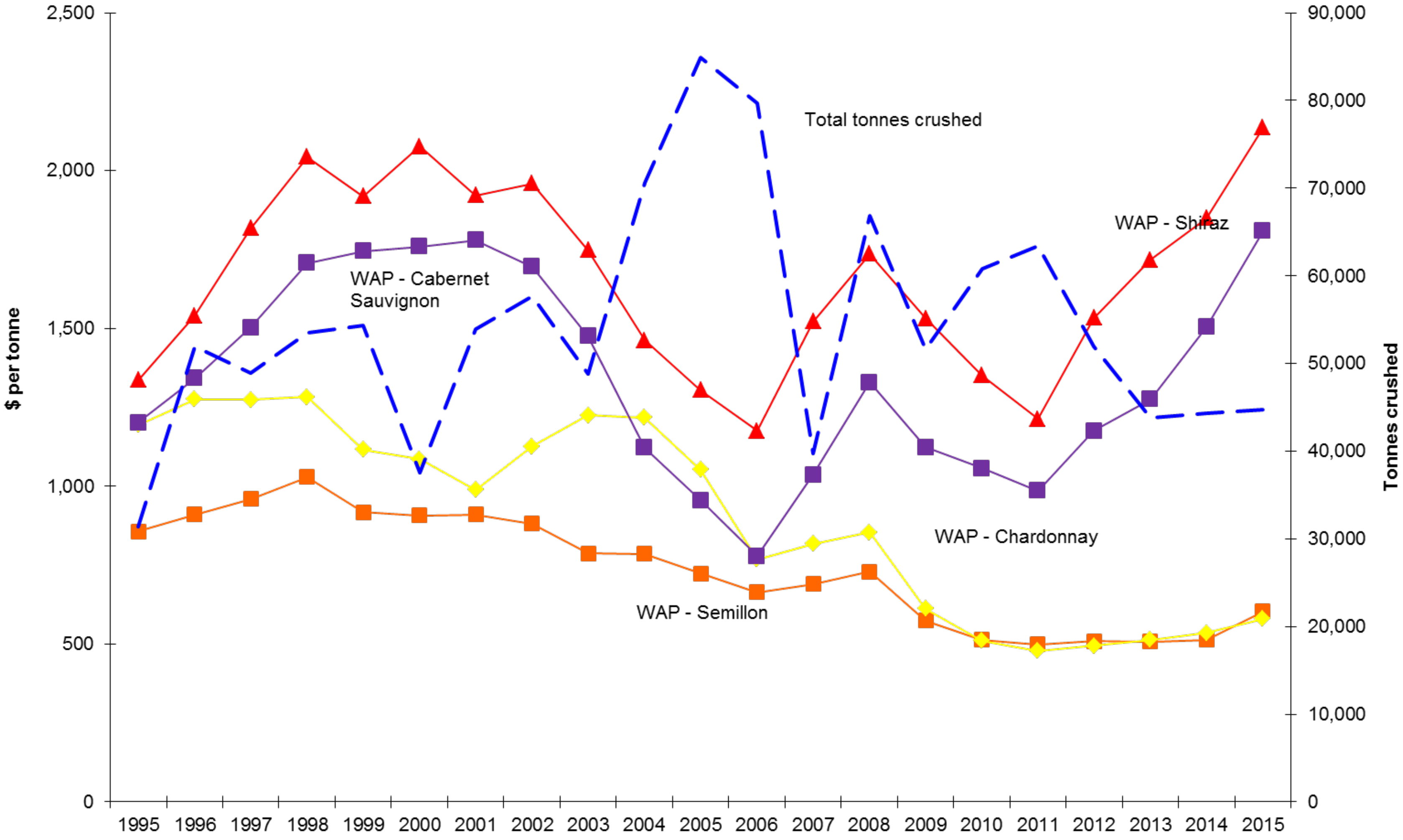
Variety	Tonnes purchased	E (less than $300)	D ($300-$600)	C ($600-$1,500)	B ($1,500-$2,000)	A (above $2,000)	Total value purchased	Calc avg. purch. Value per tonne	Winery grown fruit	Total crushed[2]	Est total value ALL grapes
Chardonnay	1,452	0%	33%	67%	0%	0%	$842,267	$580	833	2,285	$1,325,216
Chenin Blanc	28	0%	0%	84%	16%	0%	$26,855	$948	4	32	$30,762
Marsanne	16	na	na	na	na	na	$22,406	$1,369	26	43	$58,201
Muscadelle	4	na	na	na	na	na	$3,232	$837	4	8	$6,966
Muscat a Petit Grains Blanc	337	0%	15%	83%	2%	0%	$267,752	$795	104	441	$350,598
Muscat Gordo Blanco	-	na	na	na	na	na	$0		0	0	$35
Palomino & Pedro Ximenes	21	0%	76%	24%	0%	0%	$11,458	$548	130	151	$82,928
Pinot Gris and Pinot Grigio	57	0%	0%	99%	1%	0%	$56,255	$985	65	122	$120,594
Riesling	763	0%	15%	85%	0%	0%	$588,919	$772	99	862	$665,422
Sauvignon Blanc	440	0%	5%	95%	0%	0%	$360,981	$821	23	463	$380,027
Semillon	1,508	0%	49%	51%	0%	0%	$909,092	$603	428	1,937	$1,167,169
Traminer	64	na	na	na	na	na	$45,726	$720	-	64	$45,726
Verdelho	10	na	na	na	na	na	$9,720	$1,000	-	10	$9,720
Viognier	215	0%	0%	91%	2%	8%	$278,096	$1,294	29	244	$315,273
Other white	99	0%	0%	83%	17%	0%	$99,513	$1,004	40	139	$139,305
White Total	5,014	0%	28%	71%	1%	0%	$3,522,270	$702	1,786	6,800	$4,697,942
Grand Total	27,530	2%	5%	25%	35%	33%	$47,092,898	$1,711	17,176	44,706	$79,401,500

1 Pricing grade's share of purchases for each variety

2 It is estimated that the non-response rate (NRR) nationally is 10%, however the NRR will vary for each region. Generally, regions will have a lower NRR when there is a high proportion of purchased winegrapes within the region

BAROSSA VALLEY

Historical Weighted Average Price vs tonnes crushed



BAROSSA VALLEY

Current plantings by variety and year planted*

Current area in hectares

Variety	Pre-2012	2012	2013	2014	Total area	% planted in 2014
Red winegrapes						
Cabernet Franc	29	3	0	0	32	0%
Cabernet Sauvignon	1,466	30	24	12	1,531	1%
Durif (Petite Sirah)	18	1	1	0	20	0%
Grenache	664	1	4	2	671	0%
Malbec	21	4	1	0	25	0%
Mataro (Mourvedre)	233	11	8	2	253	1%
Merlot	363	0	0	0	363	0%
Other Red	89	8	1	1	100	1%
Petit Verdot	22	0	0	0	22	0%
Pinot Noir	40	0	0	0	40	0%
Sangiovese	27	0	0	0	27	0%
Shiraz	6,287	109	171	201	6,768	3%
Tempranillo	90	7	2	0	99	0%
Zinfandel	13	0	0	0	13	0%
Total red varieties	**9360**	**173**	**212**	**218**	**9963**	**2%**
White winegrapes						
Chardonnay	389	1	0	1	391	0%
Chenin Blanc	16	0	0	0	16	0%
Marsanne	9	1	1	0	11	0%
Muscadelle (Tokay)	17	0	0	0	17	0%
Muscat A Petit Grains Blanc (White Frontignac)	53	0	3	0	56	0%
Other White	47	2	2	0	50	0%
Pedro Ximenez	6	0	0	0	6	0%
Pinot Gris	10	5	2	0	16	1%
Riesling	187	0	1	0	188	0%
Sauvignon Blanc	76	0	0	0	76	0%
Savagnin	10	0	0	0	10	0%
Semillon	409	0	0	0	409	0%
Vermentino	9	0	0	0	9	0%
Viognier	66	0	0	0	66	0%
Total white varieties	**1305**	**8**	**8**	**1**	**1322**	**0%**
Unknown variety	84	0	0	0	84	0%
Total all varieties	**10749**	**181**	**220**	**219**	**11368**	**2%**

* Includes plantings in Barossa zone - other (235 hectares)

Source: Phylloxera and Grape Industry Board of South Australia