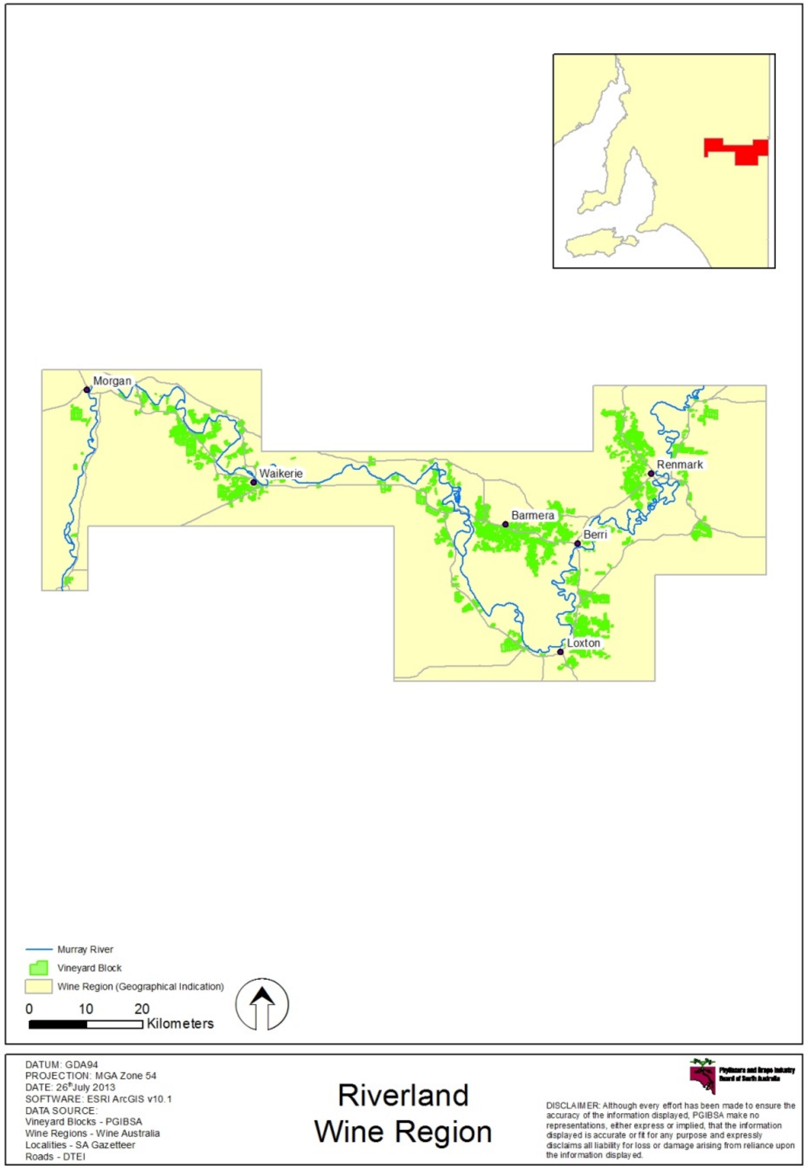


Winegrape Crush Survey

Regional Summary Report – 2015

Riverland Wine Region

SA

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.

RIVERLAND Vintage Overview

Vintage report

The Riverland had an interesting growing during the 2015 vintage year. While there were only 6 days above 400C compared with 15 days in the previous season; the average temperature was higher recorded at the NRM weather station in Barmera.

The rainfall events during the season usually accompanied by wind to dry canopies in good time, and therefore downy mildew risk was low. There was approximately 20mm rain in late September, with slight falls in late November and early December. Further rain in mid-January disrupted the harvest of early varieties, but did not cause undue problem.

The growing conditions resulted in even ripening and fruit with good acid retention, particularly in red varieties. After speaking with local wineries about their throughput there is no reason to expect a large difference from the long term average annual crush of 430,000 T for the region. It is good to hear uniform reports of high wine quality.

The even growing conditions also resulted in an early harvest, and caused a congested intake as white and red varieties ripened at once. As was the case in many regions this past season, this situation created headaches for winery intake logistics and considerable stress for many growers, as there was considerable yield loss through partial berry dehydration.

The continuation of low wine and fruit value continues to test local growers and wine producers, with many hopeful of some improvement soon.

Riverland Wine

Overview of vintage statistics

The harvest from the Riverland was 454,184 tonnes, compared with 436,378 tonnes in 2014. This was the highest recorded crop since 2006.

Despite the 4% increase in tonnage, the total value of purchased grapes decreased slightly from $103.6 million to $103.1 million, while the total estimated value of all grapes increased 1% from $127 million to $130 million.

The weighted district average prices for most white varieties increased by around 10%. Chardonnay increased from $218 to $236, Sauvignon Blanc from $293 to $330 and Pinot Gris from$226 to $463, while the average price of Muscat Gordo Blanco fell from $281 to $219.

In the reds, the average price for most varieties decreased slightly. Cabernet Sauvignon decreased from $345 to $331, Shiraz decreased from $341 to $314 but Merlot increased from $336 to $359.

The price dispersion data shows that 78% of red tonnages were purchased at between $300 and $600 per tonne and 20% at below $300 per tonne. For the whites, 84% were purchased below $300 and 14% between $300 and $600.

Over the past five years, the average crush was 416,103 tonnes implying that 2015 yields were up 9% on average. This year’s vintage was the largest in the past five years with the smallest crush recorded in 2011 at 382,223 tonnes.

There were 71 hectares of new plantings in the 2014-15 season, compared with 100 hectares the previous year – continuing a downward trend in new plantings. However, the total vineyard area increased by 25 hectares to 20,600 hectares. Most of the new plantings were in Shiraz (24 ha) and Cabernet Sauvignon (18 ha) but there was a 9% increase in area of Pinot Gris with 7 ha of new plantings.

RIVERLAND

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	25	na	na	na	na	na	$6,241	$248	-	25	$6,241
Cabernet Franc	3	na	na	na	na	na	$702	$234	20	23	$5,382
Cabernet Sauvignon	46,494	11%	89%	1%	0%	0%	$15,382,241	$331	13,845	60,339	$19,962,694
Dolcetto	7	na	na	na	na	na	$1,386	$198	-	7	$1,386
Durif	197	24%	76%	0%	0%	0%	$69,044	$351	-	197	$69,044
Grenache	4,227	88%	12%	0%	0%	0%	$1,096,444	$259	1,071	5,298	$1,374,273
Lagrein	15	na	na	na	na	na	$9,488	$638	-	15	$9,488
Malbec	210	100%	0%	0%	0%	0%	$56,786	$270	120	330	$89,213
Mataro	2,818	73%	27%	0%	0%	0%	$812,503	$288	542	3,360	$968,789
Merlot	16,776	12%	80%	7%	0%	0%	$6,030,455	$359	7,764	24,540	$8,821,265
Muscat a Petit Grains Rouge/Rose	119	5%	95%	0%	0%	0%	$48,995	$411	-	119	$48,995
Nero d'Avola	32	0%	0%	100%	0%	0%	$30,556	$964	-	32	$30,556
Petit Verdot	8,129	70%	28%	2%	0%	0%	$2,708,109	$333	4,622	12,751	$4,247,966
Pinot Noir	6,555	12%	88%	0%	0%	0%	$2,392,676	$365	1,089	7,644	$2,790,042
Ruby Cabernet	1,354	70%	30%	0%	0%	0%	$346,587	$256	902	2,256	$577,573
Sangiovese	45	100%	0%	0%	0%	0%	$8,922	$198	414	459	$90,817
Shiraz	87,184	16%	83%	2%	0%	0%	$27,462,904	$315	25,585	112,770	$35,522,186
Tarrango	153	na	na	na	na	na	$30,590	$200	-	153	$30,590
Tempranillo	617	52%	42%	6%	0%	0%	$196,235	$318	168	786	$249,695
Other red	716	33%	57%	10%	0%	0%	$286,005	$399	800	1,516	$605,374
Red Total	175,677	20%	78%	2%	0%	0%	$56,976,869	$324	56,942	232,618	$75,501,570

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

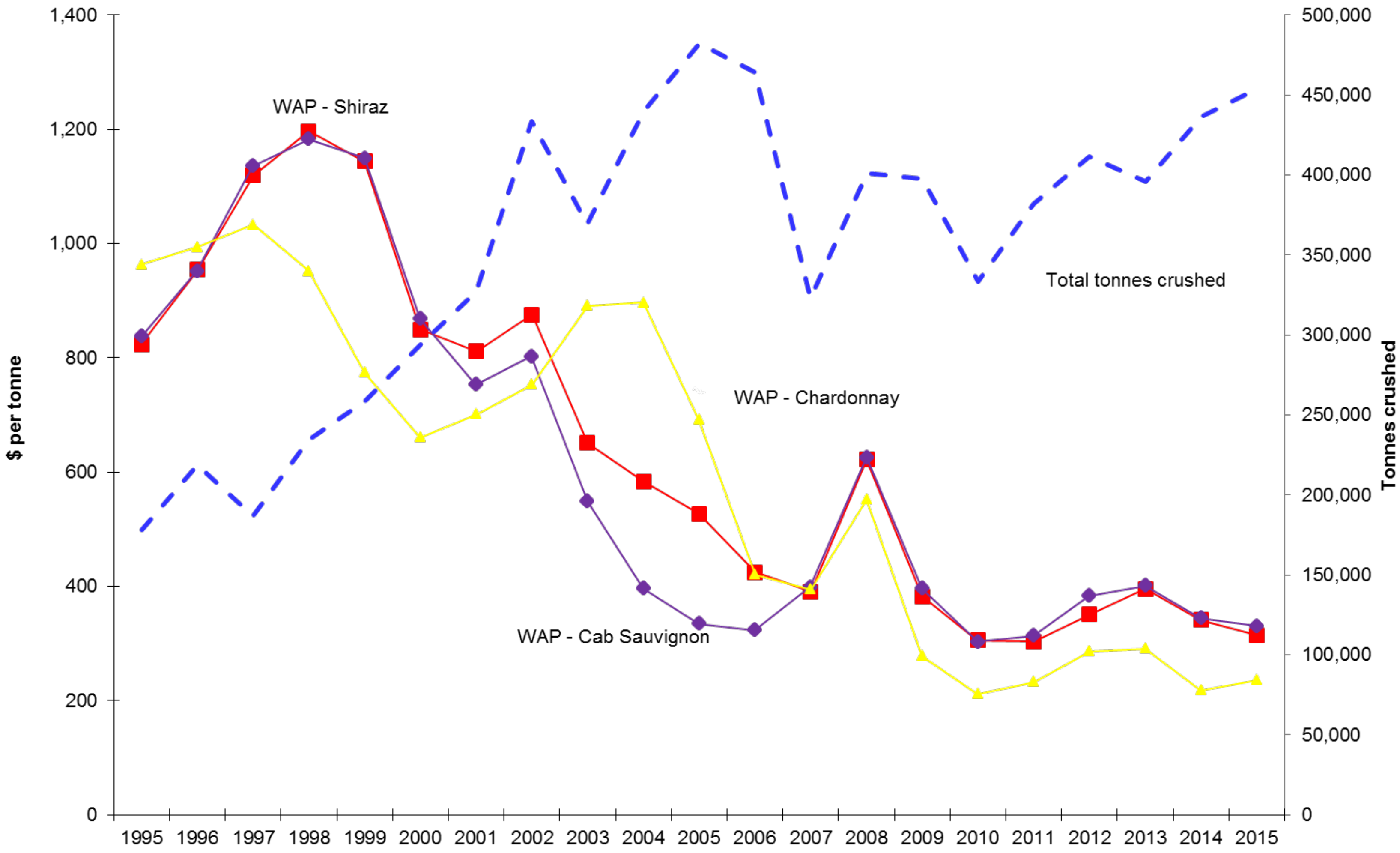
RIVERLAND Winegrape intake summary – vintage 2015

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
Arneis	6	na	na	na	na	na	$1,316	$215	-	6	$1,316
Chardonnay	104,031	95%	2%	3%	0%	0%	$24,539,822	$236	13,417	117,449	$27,704,790
Chenin Blanc	2,156	100%	0%	0%	0%	0%	$411,790	$191	-	2,156	$411,790
Colombard	27,700	100%	0%	0%	0%	0%	$5,483,623	$198	3,383	31,083	$6,153,320
Doradillo	75	100%	0%	0%	0%	0%	$16,056	$215	438	513	$110,188
Muscadelle	30	na	na	na	na	na	$6,010	$200	41	71	$14,158
Muscat a Petit Grains Blanc	3,643	11%	89%	0%	0%	0%	$1,088,816	$299	934	4,577	$1,367,821
Muscat Gordo Blanco	20,901	92%	8%	0%	0%	0%	$4,574,016	$219	3,730	24,631	$5,390,278
Pinot Gris and Pinot Grigio	1,516	2%	98%	0%	0%	0%	$701,492	$463	462	1,979	$915,421
Riesling	2,560	17%	83%	0%	0%	0%	$881,703	$344	793	3,353	$1,154,884
Sauvignon Blanc	12,926	4%	95%	1%	0%	0%	$4,264,967	$330	4,181	17,107	$5,644,298
Semillon	5,914	91%	9%	0%	0%	0%	$1,442,580	$244	3,969	9,883	$2,410,870
Sultana	183	100%	0%	0%	0%	0%	$39,440	$215	-	183	$39,440
Traminer	2,077	36%	28%	36%	0%	0%	$972,472	$468	483	2,560	$1,198,347
Verdelho	2,249	59%	13%	28%	0%	0%	$857,594	$381	8	2,256	$860,469
Viognier	1,501	62%	27%	11%	0%	0%	$505,723	$337	454	1,955	$658,562
Other white	1,180	24%	75%	1%	0%	0%	$436,561	$370	643	1,823	$674,677
White Total	188,649	84%	14%	2%	0%	0%	$46,223,983	$245	32,935	221,584	$54,710,630
Grand Total	364,326	53%	45%	2%	0%	0%	$103,200,853	$283	89,876	454,202	$130,212,200

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

RIVERLAND Historical Weighted Average Price vs tonnes crushed



1,400
1,200
1,000
800
600
400
200
0
$ per tonne
500,000
450,000
400,000
350,000
300,000
250,000
200,000
150,000
100,000
50,000
0
Tonnes crushed
1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015
WAP - Shiraz
Total tonnes crushed
WAP - Chardonnay
WAP - Cab Sauvignon

RIVERLAND

Current plantings by variety and year planted

Current area in hectares

Variety	Pre-2012	2012	2013	2014	Total area	% planted in 2014
White winegrapes						
Biancone (White Grenache)	8	0	0	0	8	0%
Chardonnay	4,554	39	2	1	4,596	0%
Chenin Blanc	90	0	0	0	90	0%
Colombard	801	0	0	0	801	0%
Doradillo	74	0	0	0	74	0%
Muscadelle (Tokay)	12	0	0	0	12	1%
Muscat A Petit Grains Blanc (White Frontignac)	138	2	4	0	144	0%
Muscat Gordo Blanco	981	42	7	4	1,034	0%
Other White	53	2	1	1	57	1%
Palomino	7	0	0	0	8	3%
Pinot Gris	71	3	0	7	81	9%
Riesling	188	1	0	4	193	2%
Sauvignon Blanc	515	0	0	0	515	0%
Semillon	355	0	0	0	355	0%
Sultana	153	1	0	0	154	0%
Traminer (Gewurztraminer)	113	0	0	0	113	0%
Trebbiano	19	0	0	0	19	0%
Verdelho	108	0	0	0	109	0%
Vermentino	19	0	2	2	23	7%
Viognier	145	0	0	0	145	0%
Total white varieties	**8404**	**90**	**18**	**19**	**8531**	**0%**

RIVERLAND

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 Sauvignon	3,136	49	37	18	3,240	1%
Grenache	354	1	0	0	356	0%
Malbec	23	0	0	0	23	0%
Mataro (Mourvedre)	239	0	6	0	245	0%
Merlot	1,166	10	19	2	1,197	0%
Other Red	58	4	18	1	81	1%
Petit Verdot	497	12	0	0	510	0%
Pinot Noir	304	1	0	0	305	0%
Rubired	12	12	14	0	38	0%
Ruby Cabernet	142	0	0	0	142	0%
Sangiovese	14	1	0	0	14	0%
Shiraz	5,356	22	41	24	5,442	0%
Tarrango	4	0	0	0	4	0%
Tempranillo	45	1	0	6	52	12%
Total red varieties	**11350**	**113**	**135**	**51**	**11649**	**0%**
Unknown variety	249	0	0	0	249	0%
Rootstock Block	23	2	0	0	25	0%
Table grapes - red	33	0	0	1	35	4%
Table grapes - white	22	0	0	0	22	0%
Multi-purpose red	63	0	0	0	63	0%
Multi-purpose white	26	1	0	0	28	0%
Total all varieties	**20169**	**206**	**153**	**71**	**20600**	**0%**

Source: Phylloxera and Grape Industry Board of South Australia