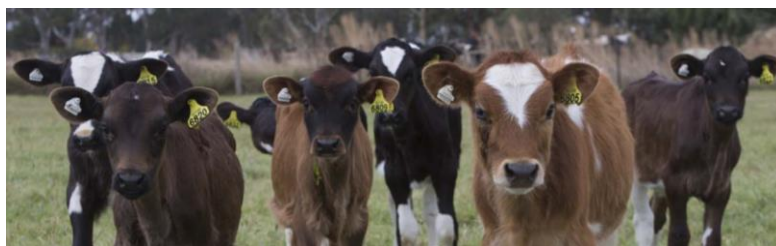




ADFC News

October-November 2015

fairness for our farmers



Hello and welcome to another edition of ADFC News.

Busy times! All of our suppliers are now ADFC members and shareholders, we've formed an ADFC Board Advisory Committee, we're working on our rules, and we are making progress on the development front. Please read on to find out all the details and to meet our featured ADFC member, Andrea Thompson, from south west Vic.

Enjoy - Scott Sieben, ADFC Chairman

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Next Phase

ADFC enters the next phase of its development

By Scott Sieben, ADFC Chairman

We have said goodbye to our suppliers (in name!) and hello to our ADFC members and shareholders. It is great to have all on board as we work together to reshape our co-operative. And on that front, the ADFC Board and management team continue to make great headway with our plans to take ADFC to the next level.

To best deal with the work that needs to be accomplished in the next few months, the ADFC Board has formed a Board Advisory Committee and selected four ADFC farmers to sit on it. The committee members have all shown an interest in serving on the Board. They are Ben Bennett, Andrea Thompson, Carl Hammond and John Hinkley and you can read more about them below.

As we are still in a transition period, we have decided the best structure for the next few months is to have three board members (myself, Mick Roache and Paul Kerr, who will serve as an interim executive director while our restructure takes place) and we will work in consultation with the ADFC Board Advisory Committee, which means there are six ADFC farmers working on our development plans.

As we send this newsletter out, we are working on changing our rules so our organisation can be more agile and suitable for investment ventures. The board and the advisory committee have been hard at work to ensure our proposed new rules reflect our values. Once they are ready and have been checked by our lawyers, the new rules will be sent to all ADFC members to be approved. We require 75 per cent of our members to endorse the new rules for them to be adopted.

We continue to work with our advisors and we remain positive that we will find the right 'like-minded' investor. It's anticipated that early next year we will deliver a business plan to our members that sets out a clear agenda for our co-operative.

While all of this work goes on, it is business as usual with our partners Bulla and Procal. We continue to work very closely with them and they are very supportive of our proposed plans.

WHAT'S AHEAD – SUMMARY

Date	Event	Details
October	Rule Changes	ADFC Board in consultation with the Advisory Committee will rewrite ADFC's rules
November	Rule Changes	ADFC will hold a postal ballot for members to approve the new rules.
December 10	AGM	The AGM is likely to be held in south west Victoria. Members will receive an update on investment opportunities at the AGM
February/March	Shares subscription	Anticipated timing for initial share subscription for ADFC members.

ADFC Board Advisory Committee

A new committee established to work with the ADFC Board

Together they have around 90 years of experience in the dairy industry.

The inaugural advisory committee members all farm in south west Victoria and are keen to be a part of ADFC's development.

Ben Bennett milks around 300-400 cows on his 300 hectare farm in Camperdown. He says: "As primary industry operators to reduce our market risk we need to take ownership of the value chain or we'll be left with the crumbs."

Andrea Thompson has been a dairy farmer for some 35 years and is keen to see what ADFC can achieve.

Carl Hammond has been a dairy farmer for 15 years and milks around 360 cows in Larpent. And John Hinkley milks around 570 cows on his 320 hectare farm in Elingamite and has been farming for around 30 years. He says: "I've always wanted to be a dairy farmer and have a passion for it and I hope I can take this passion onto the advisory committee because it's an exciting time for ADFC."



From L to R: Ben Bennett, Andrea Thompson, Carl Hammond and John Hinkley

An outdoor life: meet ADFC member Andrea Thompson



Andrea Thompson on her farm in Timboon, south west Victoria

Andrea Thompson is one of four ADFC members to sit on the newly created ADFC Advisory Committee.

For Andrea, the choice to become a dairy farmer some 35 years ago was partly because she married Gary – a dairy farmer – and partly because she wasn't suited to an office job.

"I couldn't sit inside - I've got to be outside. I like doing things and I like doing them outside. I love the seasons and seeing things change on the property," Andrea explains.

Andrea and Gary's 580 acre farm is in Timboon in south west Victoria. They have four boys and two of them are keen to follow in their parents' footsteps with one, Nick, already working on the farm.

Having a dairy business that could be handed down to the next generation wasn't necessarily the goal, but Andrea is happy to have Nick on board and likes seeing his enthusiasm to improve the processes on the farm. She says that one of the greatest things about being a dairy farmer is that you're your own boss.

"You can be in control of a lot of elements and determine a lot of the outcomes on the farm. When we got here we learned why there were no trees on the property. One of the original owners, using a bulldozer, had cleared all the native vegetation so we've put in several plantations of various eucalypts and understorey natives.

"Our original block of 220 acres was divided into just three paddocks; it was being used as an out paddock for beef. Much has happened since then! We've been able to improve our pasture, our drainage and our production processes."

Being a dairy farmer has its challenges and the biggest challenge, Andrea believes, is the fluctuating price of milk. "The margin is also an issue – it's always becoming less and less so you have to be smarter about the way you farm," Andrea says.

With her son helping out on the farm, Andrea now has the time to look up for a bit and is happy to be a part of the advisory committee and is looking forward to seeing what ADFC can achieve.

Your feedback and suggestions for the newsletter are most welcome – please email: info@adfc.org.au



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