



AGRIMAC MACADAMIAS PTY LTD

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Dear Grower,

END OF SEASON PAYMENT

It is my pleasure to inform you that Agrimac has completed payments for ALL of the remaining Nut-In-Shell owing from your 2015 crop during the week commencing **the 21st of December 2015.**

This season, like all others we have made each of our monthly payments on time and or before time. This is a reflection of our total commitment to supporting our loyal growers and also our strong position in the marketplace. We'd all like to thank you for your continued support and supply.

2016 NEW SEASON OFFER

It is also my pleasure to release our preliminary 2016 NIS Offer which will be valid until 5pm on the 29th of January 2016. With Christmas right around the corner we hope that both our final payment for 2015 and the release of our new season offer will allow you some much deserved relaxation time over the festive season without thinking or worrying about nuts for a short time. You can be fully confident in the knowledge that Agrimac will again be competitive with its NIS pricing in 2016.

The features of our current 2016 NIS Offer include:

- **\$4.45 notional price at 33% SKR @ 10% moisture**
- **Full price for commercial**
- **Up to \$0.30 per kg quality bonus and NO reject penalties**
- **\$0.05 per kg "FRESHCARE" bonus for certified Growers**
- **Freight subsidy - \$0.03 to \$0.05 per kg depending on location**

Based then on a consignment with a kernel recovery of 33% Premium, 2% Commercial and 1% Unsound with the Freshcare bonus and a \$0.03 per kg freight subsidy the price paid per kg will be:

33% Premium	2% Commercial	1% Unsound	Freshcare Bonus	Freight Subsidy	TOTAL
\$4.45	\$0.27	\$0.15	\$0.05	\$0.03	\$4.95

Please refer to the attached Offer document for full details

This is an exciting time for Agrimac Macadamias. In 2015 new MacFarms products including Macabella and the Easy Open NIS were released both domestically and internationally. The uptake of these new products has been astounding and this together with our kernel market means we have solid demand for your NIS. In 2016 more new and exciting products will be released into the market and our Growers will be among the first to be informed.

The Agrimac grower services team is out and about and are ready and willing to answer all of your questions whether they be from growing and producing a good crop to NIS pricing. Please contact any of the below for answers to all of your nut questions:

John Allen - Agronomist - 0416 241 513
Mark Keen - Liaison QLD - 0415 630 600

Tony Lambert - Liaison NSW - 0414 311 221
Merv Dudgeon - Transport - 0407 288 431

On behalf of the whole team at Agrimac Macadamias, we would like to thank you for your support this year and wish you and your family a very merry Christmas and a happy and prosperous new year.

Kind Regards,
Michael, John, Tony, Mark & Merv



2016 NUT IN SHELL SUPPLY AGREEMENT

(This Offer is valid for deliveries made up until 5pm Friday the 29th of January 2016)

23 December 2015

Agrimac Macadamias agrees to purchase Macadamia Nut-In-Shell from the 2016 season under the following terms and conditions:

1. NIS PRICING

\$4.87/kg - Industry standard consignment of **33% Premium + 2% Commercial + 1% Reject**

The above price is **BEFORE** adding in - Freight Subsidy, Freshcare (if applicable) and Whole Kernel bonuses, as outlined below.

A. Sound Kernel

- The notional price is **\$4.45/kg** of NIS at 33.0% SKR and 10% moisture content.
- The notional price is **\$4.50/kg** of NIS at 33.0% SKR and 10% moisture content for those Growers certified under the FRESHCARE system.
- The sound kernel price increments are **\$0.135/kg** per 1% SKR
- NOTE: % Sound Kernel is % Premium Kernel + % Commercial Kernel. Kernel will be tested and reported according to % Premium Kernel and % Commercial Kernel however payment will be made on the basis of % Sound Kernel.

B. Reject Grade Kernel

- We are offering a quality bonus of up to **\$0.30/kg** of NIS.
- A quality bonus will be paid for consignments with less than 2% Reject.
- There are NO penalties on the level of reject.

C. Whole Kernel Bonus

- We are offering a whole kernel bonus up to **\$0.15/kg** of NIS.
- The whole kernel bonus will be calculated by multiplying the price shown in the whole % price table by the proportion of premium & commercial grade kernel.
- There are NO penalties for low whole %.

D. Freshcare

- Farms certified to FRESHCARE will continue to receive a bonus of **\$0.05/kg** as per Section A.

E. Freight

- A freight subsidy will be paid as follows:

Within 50km	3 cents
50-100km	4 cents
Greater than 100km	5 cents

2. PAYMENT TERMS

1 payment of 25% of the assessed price, commencing 25 days following the end of the month of delivery, followed by 4 monthly payments of 15%, with a final payment made no later than end of March 2017.

Prices used to calculate monthly payments will be based upon the price tables in this document. The final NIS price paid for the 2016 crop is subject to change.

Agrimac intends to continue to make NIS payments earlier than scheduled as was achieved throughout the 2010 to 2015 seasons.

3. SKIP BIN SERVICE

Agrimac has its own skip bin freight service, which can be used for the transport of NIH/NIS from your farm to House With No Steps. This service is available to all Agrimac growers. For details please contact Merv Dudgeon (0407 288 431) or Tony Lambert (0414 311 221).

4. DEHUSKING

Agrimac will continue to offer dehusking and sorting through the House With No Steps at Alstonville. For details contact Tony Lambert (0414 311 221).

Agrimac reserves the right to deduct any outstanding charges payable by growers to Agrimac at the time of the final NIS payment if prior alternative arrangements for payment are not made.

5. GROWER SERVICES

Agrimac's grower service team is at your service for advice and support on all aspects of crop production and farm management.

- John Allen 0416 241 513
- Tony Lambert 0414 311 221
- Merv Dudgeon 0407 288 431
- Mark Keen 0415 630 600

John is an agronomist and farm management consultant.

Tony and Merv are both farm managers as well as being very hands on.

6. NIS TESTING

All testing will be undertaken by Agrimac's accredited laboratory. Agrimac will follow the AMS recommended standards for kernel evaluation.

7. APPROVED SUPPLIER PROGRAMME & FRESHCARE

The following two documents must be completed as required:

- **Pre-Season Grower Delivery Report** – Growers must complete and return this report to our office prior to their first delivery of the season.

- **Consignment Delivery Report** – These need to be completed either prior to or on arrival of each individual delivery that is made during the season.

8. INDUSTRY LEVY

Agrimac will deduct the Macadamia Industry Levy and remit the funds collected to the Levy Management Unit (LMU) as required by law. The Levy is currently set at 25.21 cents per kg of saleable kernel (premium grade + commercial grade) at 1.5% kernel moisture content.

Notional Price Table (No FRESHCARE)

Sound Kernel Price (% Premium + % Commercial)			Reject Price		Whole % Price	
PERCENT SOUND KERNEL	44%	\$5.935	0.0%	\$0.300	60%	\$0.000
	43%	\$5.800	0.1%	\$0.290	62%	\$0.010
	42%	\$5.665	0.2%	\$0.270	64%	\$0.020
	41%	\$5.530	0.3%	\$0.260	66%	\$0.030
	40%	\$5.395	0.4%	\$0.240	68%	\$0.040
	39%	\$5.260	0.5%	\$0.230	70%	\$0.050
	38%	\$5.125	0.6%	\$0.210	72%	\$0.060
	37%	\$4.990	0.7%	\$0.200	74%	\$0.070
	36%	\$4.855	0.8%	\$0.180	76%	\$0.080
	35%	\$4.720	0.9%	\$0.170	78%	\$0.090
	34%	\$4.585	1.0%	\$0.150	80%	\$0.100
	33%	\$4.450	1.1%	\$0.140	82%	\$0.110
	32%	\$4.315	1.2%	\$0.120	84%	\$0.120
	31%	\$4.180	1.3%	\$0.110	86%	\$0.130
	30%	\$4.045	1.4%	\$0.090	88%	\$0.140
	29%	\$3.910	1.5%	\$0.080	90%	\$0.150
	28%	\$3.775	1.6%	\$0.060		
	27%	\$3.640	1.7%	\$0.050		
	26%	\$3.505	1.8%	\$0.030		
	25%	\$3.370	1.9%	\$0.015		
24%	\$3.235	2.0%	\$0.000			
23%	\$3.100					
22%	\$2.965					
21%	\$2.830					
20%	\$2.695					

Notional Price Table (with FRESHCARE)

Sound Kernel Price (% Premium + % Commercial)			Reject Price		Whole % Price	
PERCENT SOUND KERNEL	44%	\$5.985	0.0%	\$0.300	60%	\$0.000
	43%	\$5.850	0.1%	\$0.290	62%	\$0.010
	42%	\$5.715	0.2%	\$0.270	64%	\$0.020
	41%	\$5.580	0.3%	\$0.260	66%	\$0.030
	40%	\$5.445	0.4%	\$0.240	68%	\$0.040
	39%	\$5.310	0.5%	\$0.230	70%	\$0.050
	38%	\$5.175	0.6%	\$0.210	72%	\$0.060
	37%	\$5.040	0.7%	\$0.200	74%	\$0.070
	36%	\$4.905	0.8%	\$0.180	76%	\$0.080
	35%	\$4.770	0.9%	\$0.170	78%	\$0.090
	34%	\$4.635	1.0%	\$0.150	80%	\$0.100
	33%	\$4.500	1.1%	\$0.140	82%	\$0.110
	32%	\$4.365	1.2%	\$0.120	84%	\$0.120
	31%	\$4.230	1.3%	\$0.110	86%	\$0.130
	30%	\$4.095	1.4%	\$0.090	88%	\$0.140
	29%	\$3.960	1.5%	\$0.080	90%	\$0.150
	28%	\$3.825	1.6%	\$0.060		
	27%	\$3.690	1.7%	\$0.050		
	26%	\$3.555	1.8%	\$0.030		
	25%	\$3.420	1.9%	\$0.015		
24%	\$3.285	2.0%	\$0.000			
23%	\$3.150					
22%	\$3.015					
21%	\$2.880					
20%	\$2.745					

