



Almondco well placed for industry growth

October 25, 2006

Almondco Australia chairman Stephen Mann has confirmed the company is investigating the possibility of establishing a facility in the Riverina district of NSW.

Mr Mann said at the company's annual general meeting in Renmark last week that the investigation was prompted by the growing number of rice and cotton growers who are switching to almond plantings in the region.

He said that growers in this emerging region have secured long term supply contracts with Almondco for processing and marketing.

He told shareholders that a new facility would be a self-funded, stand-alone project.

"Any development would be quarantined to ensure we did not put current growers aligned to our Renmark operation at any disadvantage," Mr Mann said.

He said the directors had traveled to Griffith to meet with new growers and to assess the type of facilities that would be required in the region.

He paid tribute to the Almondco management team for spearheading the company's push into the Riverina.

"Much has been done to secure additional tonnages through the factory in the past two years and the results have been beyond expectation.

"Much of the company's success in this last year can be attributed to the leadership of our general manager Brenton Woolston and his deputy Peter Bartlett."

Mr Woolston told company members at the AGM that Almondco was well placed to cater for the substantial increases in plantings.

He predicted that Almondco would process over 20,000 tonnes by 2012, compared to the 6,100 tonnes processed last year.



He said he was confident the market could absorb the increased production and cited strong demand in overseas markets.

“Exports this year represented six percent of the crop intake, but this will increase to at least 20 percent within two years,” he said. “Export activity has been limited due to the strong domestic demand.”

“Unprecedented domestic sales over the past three years are due to an increased consumer awareness of the health benefits and versatility of almonds.”

Mr Woolston said Almondco had also gained status as an approved supplier for a number of key global food processors during the year which would consolidate its position as a preferred supplier of value added products.

Other points from AGM relative to the 2005-06 season:

- Record average selling price which has led to record average return being paid back to growers of over \$9 a kilogram*. (This is the sixth consecutive year of improved grower returns.)
- The company achieved record turnover of \$55 million.
- The company remained debt free for the third year.
- Tribute was paid to the late Noel Sims who was a former director of Almondco and described by chairman Stephen Mann as the company’s “ambassador at large.”
- Work to increase the capacity of the Renmark processing facility had already started.

For further information contact Brenton Woolston at Almondco on 85 951 770.

- **This denotes the net return paid back to Almondco growers. (All processing and marketing costs have been deducted.)**