

SEASON UPDATE

Reflecting on the last two months Aongatete has picked and packed a record volume of fruit. Looking forward, storage is going to be an industry-wide challenge as we manage the variability in maturities against demanding shipping schedules. We are well placed for the shipping season as our proportion of higher taste band fruit is above industry averages. Lower tasting fruit is currently much harder to shift.

The past growing season saw vigorous summer growth, late and variable maturity, and a harvest period that was notable for the inclement weather. In addition to these difficulties we had to adhere to additional hygiene requirements to mitigate the Psa threat which added yet another set of challenges. Despite this, I have had numerous reports that we conducted an excellent picking operation with our skilled RSE workers and that the harvest

operation in general was very efficient.

Our winter pruning schedule is now in full swing; our strategy is to work through Gold, early start and main pack orchards on a grouped-geographic location basis. The aim of this is to smooth and synchronise the logistics for the forthcoming year's operations.

I would like to remind all growers that the Psa threat is a serious issue for the industry. At present no Psa-V detections have been made in the Katitaki area – let's keep it that way!

Two important considerations for all orchardists:

1. Maintain a biosecurity border around your orchard – restrict access, sanitise all equipment entering or leaving the orchard, provide a wash down area with a hose to meet KVH requirements.

2. Seal all pruning wounds, mulch and apply protectant copper sprays post pruning **on a daily basis**.

Remember your copper protection is only as good as the coverage you are achieving so monitor your coverage, if in doubt use water-sensitive paper to check your results (contact Margaret Miller for assistance with this process). You are better to have to deal with a copper problem than a Psa problem. Research on copper alternatives is progressing rapidly and we will be communicating industry findings as soon as they become available.

Remember: The best way to manage Psa is not to get it in your orchard. Talk to your neighbours and make sure they are up to speed and not posing a risk to you.

Alan Thorn
Grower Services Manager

How to Address the Threat of Psa on Your Orchard

While there is no cure once Psa is detected in your orchard, you can protect your orchard by carefully assessing your management practices, ensuring orchard hygiene protocols are followed and by applying copper with thorough spray coverage.

Winter Pruning

Winter pruning provides an excellent opportunity to establish a canopy that can be managed to reduce the risk of Psa. When winter pruning you should be developing a canopy that will require less summer work and is balanced between being open enough to achieve extensive spray coverage and is of sufficient density to drive the desired production.

Management Practices to Consider:

- Low vigour system - Pruning wounds are an opening for Psa infection. A low vigour system requires less cuts to your vines, hence less wounds for infection.
- Increase cane spacing - This will improve air circulation and allow for extensive spray coverage.
- No Stringing - Good spray coverage is difficult to achieve on the lower leaf surface of strung canes.
- Apply less nitrogen - Studies have shown that reduced nitrogen fertiliser inputs have no effect on crop yield but will reduce vegetative vigour.
- Bacseal (or any other recommended product) all big cuts. This helps to close off points that are susceptible to infection.

Hydrogen Cyanamide Application

Think ahead to when your Hydrogen Cyanamide application date will be. Nufarm and ZESPRI are recommending against applying copper products 28 days prior and 7 days post Hydrogen Cyanamide application due to the risk of reduced efficacy.

Crop Protection – Copper Spray Program:

Copper sprays are currently our best protection against Psa. With so much information out there on when and what to spray it can be confusing as to what you should do. Below is an outline of our spray schedule; these timings are based on the ZESPRI and KVH best practice guidelines.

- All areas of the canopy that have been pruned will be sprayed with a copper chemical at the end of each day.
- Spray whole orchard 28 days prior to Hydrogen Cyanamide application.
- Oxine will be used on orchards that are pruned within the copper stand down period (28 days prior and 7 days post spraying).
- Spray whole orchard 10 days post Hydrogen Cyanamide application.

For orchardists pruning small areas at a time:

A knapsack sprayer with copper solution will allow you to protect wounds from infection.

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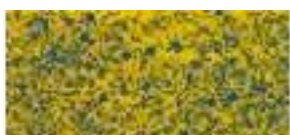
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Assessing Spray Coverage:

Spray coverage is everything! Prior to Psa we got away with inadequate spray techniques, this will no longer suffice. To protect your orchard from Psa ALL leaf surfaces need to be covered with copper spray. Assessing the effectiveness of your sprayer is a simple process that takes minimal time but will have a significant impact.

Wrap water-sensitive paper around a cane and attach with drawing pins (wear rubber gloves when handling the paper as sweat will mark it). Once the block has been sprayed remove the paper and inspect the results. If most of your paper is covered then you have good spray coverage. This is an excellent way to identify any spray issues you may have, for example speed, pressure or nozzle location (For more details refer to ZESPRI KiwiTech Bulletin 55 – Assessing Spray Coverage).

Water-Sensitive Paper Test



Good Spray Coverage



Poor Spray Coverage

Water sensitive paper is available at our Grower Services office or can be purchased from your horticultural supply company.

Orchard Gate Signs

KVH would like one of their orchard gate signs to be at the entrance of EVERY kiwifruit orchard in New Zealand. These signs are a powerful tool in raising awareness and protecting your orchard.

NO UNAUTHORISED ACCESS

KIWIFRUIT ORCHARDS ARE AT RISK OF

Psa

INFECTION

check with the orchard manager before entry

Contact: _____
Phone no: _____

clean vehicles, equipment and clothing

control movement of plant material on and off this orchard

Psa bacteria kills kiwifruit vines

Help us fight Psa and protect our industry

www.kvh.org.nz

If you have not yet received a sign, please contact us.

If it's sitting in your shed then nail it to the front gate TODAY!

Key Reminders:

- **Make sure every person entering your orchard is following best orchard hygiene practice.**
- **Copper is currently our best defence mechanism, it will kill Psa on the outside of the vine but not once it is inside the vine.**
- **Remember that no copper should be sprayed 28 days prior or 7 days post Hydrogen Cyanamide application.**
- **Keep your canopy open (including males) to optimise spray coverage.**
- **Talk to your neighbours about their Psa prevention strategies.**

For a full list of registered spray products, the Crop Protection Program and recommendations go to www.zespricanopy.com or www.kvh.org.nz. If you have any questions or you would like a copy of our Winter Pruning Specifications or our Winter Pruning Hygiene Best Practice Guidelines then please contact our Grower Services team or myself.

Margaret Miller
Technical leader

Trustee Report: Merv Stockley

Orchard Security: What have you done to secure your property boundaries against Psa-carrying intruders?

Could PSA V already be in our area? Possibly, although it is not yet detected.

Have you and your neighbours been to any of the numerous Psa meetings held recently?

PSA V is already *destroying people's livelihoods* in Te Puke.

There is No Cure at present, so Psa-V must be taken **Very, Very Seriously**.

Our entire industry is facing the greatest danger we have ever faced.

Are you doing everything you can to protect the future of everyone in this industry?

1. Are you doing anything to prevent casual boundary crossings by your neighbours, their vehicles, their children, or probably their pets?
2. Where have your friends or visitors and their vehicles been before they enter your orchard? If you can, place entry barriers on your orchard.

One way of doing this is securing entrances and/or shelter gaps with a light chain.

3. Are you keeping contractor's vehicles out of your orchard? If machinery (sprayers etc.) must enter, has it been cleaned properly prior to arriving on your orchard? Have you provided a suitable site for thorough cleaning before leaving your property?
4. Are you applying the critical sprays to protect your orchard? Be sure you apply at least two suitable coppers at leaf fall. One at 50% leaf fall and another at 90%. Is your neighbour doing the same?
5. Has a community or area meeting been held in your locality so all growers can plan a coordinated approach to keeping Psa-V out?
6. What are you doing about pruning contractors? There is evidence that Psa-V has moved between orchards on pruning tools. How are you going to stop that happening on your property?

Clean the tools yourself? Supply tools only for use on your orchard?

7. You should try to keep all tools sterile throughout the prune. If you prune yourself or use a small team supply a bucket with premixed sanitizer and two loppers per person. Change loppers after each bay so the second pair spends more than two minutes in the sanitizer. Treat saws and other tools the same.
8. Are you going to graft or plant replacements this winter? Be very careful about your source of plants or graft wood. Ask whether it has been heat sanitized by your supplier.

Psa-V can survive on inert materials for up to 21 days. Anything that enters your orchard could bring it. Garden plants, cuttings, vehicles - everything that crosses your boundary!

Be sure you do something about it, for our livelihoods and our industry's sake.

Horticultural Report

Pruning

All our RSE teams were flat-out pruning Gold orchards. We aimed to have all pruning completed by the end of June so that we can be on schedule with our copper spraying in order to allow the ZESPRI recommended spray window before Hydrogen Cyanamide applications commence around July 20th.

It is pleasing that around 90% of last year's RSE staff have returned plus we have more new RSE people. All of our pruning teams have some members who have pruned before which is really helpful for quality control.

For our early Hayward orchards we aim to complete copper spraying by the end of the first week in July. It will be a big ask to get the majority of our Hayward orchards pruned before we can cease using coppers prior to applying Hydrogen Cyanamide.

The extra hygiene measures we are taking (as shown in our newly developed pruning protocols document) will take a little extra time. However, our staff coped extremely well with accepting the protocols in place over the picking period so we have no doubt they will adapt to this new regime.

Loadout Areas

The end of the picking season was very trying as we battled the rain. The need for well-metaled loadout areas became very apparent. It is extremely difficult to do your best for the grower when working under conditions as shown in the photo below. If your loadout area turned into a mud bath this season then please improve the area by Christmas in order to allow sufficient time for the metal to consolidate.

KVH are now requiring that every orchard has a suitable wash-down hose and pad so that all machinery can be thoroughly cleaned of all plant material before it leaves your orchard. The best place for this will be at the loadout area. If you want us to assist in providing metal and undertaking redevelopment of your load out area please contact your Grower Services Representative.

Right: An example of how your loadout area should NOT look. Fortunately there were very few of these this season.



Postharvest Report

Mainpack picking and packing was completed by June 8th after a long and difficult maturity and harvest season. We experienced proximity marks in nearly all crops after the big storm at Easter; this is the first season we have had problems with this defect in quite some time. Overall the fruit was of a high quality - clean, minimal sooty mould and well shaped considering the pollination problems. Well done to the Growers!

The packhouse is currently repacking for softs, over-ripes, rots and Alternaria. We regularly update our Grower Services Representatives with post-harvest progress but please do not hesitate to contact me if you would like an individual report.

All KiwiStart product has now been shipped with the exception of a small volume that ZESPRI is taking responsibility for (full export rates will be paid on all product). We plan to start packing controlled atmosphere fruit around July 11th.

Aongatete is participating in a ZESPRI-lead project using temperature loggers (Radio frequency data monitors) in pallets which track temperatures all the way through to the market. We hope this project continues. ZESPRI are shipping a larger proportion of product in containers rather than charter vessels which looks to be the way of the future.

We really enjoyed the grower packhouse visits this packing season, if there is anything more we can do or if you have any questions please do not hesitate to contact me.

Psa prevention is a major focus for us and we are working hard to keep ahead of requirements. We felt our vacuum cleaning of each bin, followed by Oxine spray worked well however we will stay active in industry groups to ensure our processes are at the forefront of the industry to combat this serious threat.

We have enjoyed constant staffing throughout the season with many returning workers, some new faces, and 36 RSE's.

Our new repack machine was commissioned in late May; just in time for our biggest shipping weeks. There are some refinements to come (as anticipated) but overall we are very pleased with the NIR head.

Nell Dawson
Operations Manager

Controlled Atmosphere (CA) Update

As of the end of June we have harvested, loaded, and sealed eight controlled atmosphere (CA) stores.

Overall CA has been much more challenging compared to last year as crops matured much more slowly and variably. This was most likely due to the unfavourable weather conditions and the longer flowering and pollination window we experienced in spring last year.

This has resulted in us having to harvest crops for CA later in the season at slightly lower average pressures and at higher brix levels. This may however be to our benefit - In our 2010 Season Review with ZESPRI it was discussed that while later harvest crops may have lower pressures initially, their rate of softening is generally slower, and these crops are often firmer after long periods

of storage than earlier harvested fruit.

As always, we will continue to closely monitor our CA crops this season. If you have any questions regarding CA or the status of your crop please do not hesitate to contact either your Grower Services Representative or myself.

Christopher Clement
Postharvest Technical Support

Intercheck: How does it work?

Intercheck is ZESPRI's system for ensuring that fruit is in a marketable condition when it arrives at its destination port.

The fruit checking is done by assessing a random sample of pallets from a shipment when it arrives at the port based on a sample level of 5 - 7%. The sample also has to represent either 33% of the growers or growers representing 33% of the shipped volume.

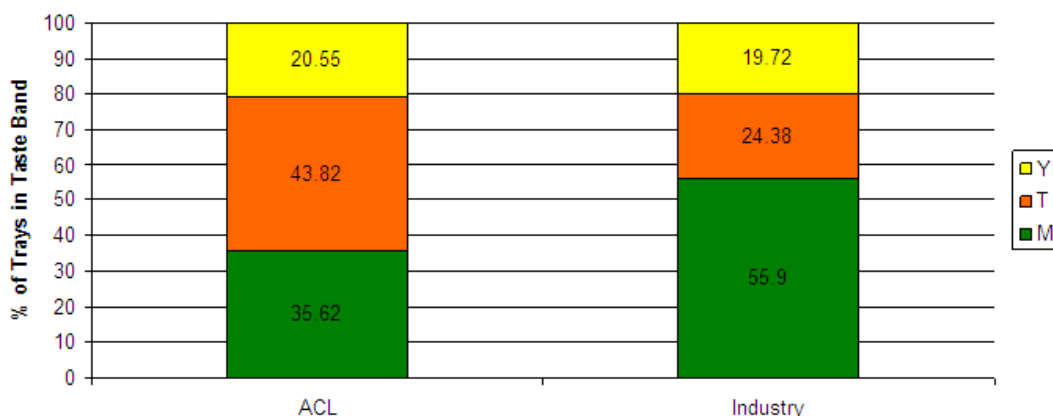
To assess the rejects a sample of 200 fruit is taken from the selected pallet and an adjusted defect score is given

depending upon the reject category. On a weekly basis the adjusted defect scores for all pallets are added together to calculate if a penalty or rebate is accrued. Note this is a change from the prior year where intercheck was only calculated at 3 points.

Intercheck results are not always straightforward and last season there were disputes between postharvest facilities and ZESPRI over the quantum of intercheck penalties applied. Some of these disputes are ongoing.

Season Statistics

Graph 1 Industry and ACL Hayward Dry Matter Distribution by Percentage of Trays Packed as at 21 June 2011



Shipping is going well, as at the beginning of week 25 we have shipped 47% of our Hayward crop and 60% of our Gold crop.

Dry Matter

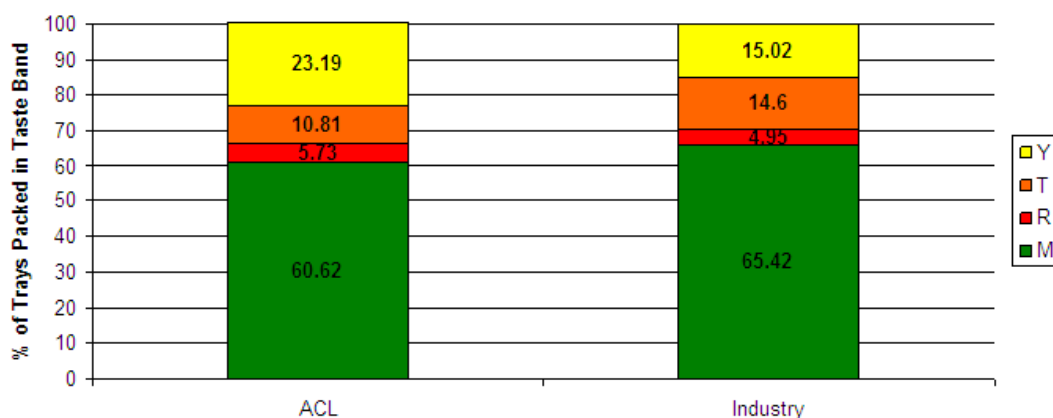
Aongatete's dry matter performance as at the end of this year's harvest is shown in graphs 1 and 2.

Hayward: As you can see Aongatete are ahead of the industry averages for Y and T band fruit and significantly below the industry average for M band fruit which is an excellent result.

Gold: Aongatete are ahead of the industry averages for Y and R band fruit and below the industry average for M band fruit. Our Y band average is more than 8% ahead of the industry which explains why our T band result is lagging.

These excellent results reflect what a proactive lab can do for our growers!

Graph 2 Industry and ACL Gold Dry Matter Distribution by Percentage of Trays Packed as at 21 June 2011



Weekly Inventory Reporting

We have initiated a system of weekly inventory reporting so that if a grower is not following the movement of their own fruit on the ZESPRI website then they can ask their Grower Services Representative who can tell them how much fruit has been shipped and what (if any) losses there are to date by week.

Final Non-Class 1 Payment

On June 24th our growers received final payments for their Class 2, 3 and NSS (non standard supply) fruit.

For the 2010/2011 season Aongatete growers received an average net price of 16 cents per tray for their Green and 32 cents per tray for their Gold. This average is based on the number of Class 1 trays supplied.

New Lease Agreements

We have updated our lease agreement primarily to address the issues around biological incursion from Psa and to align with legislative requirements. The underlying intent of the old document is retained.

Our understanding is that some competitor lease agreements make no post-packing payments to the orchard owners and simply have a profit sharing payment. Currently the Aongatete lease agreement provides for a per tray monthly payment after packing, with a profit share split once ZESPRI's final payments have been determined. Aongatete's profit-share returns incorporate the money received from our Class 2 and Class 3 sales (not just Class 1 trays) which can result in higher overall OGR's giving Aongatete growers competitive returns.

We are interested in expanding our lease portfolio with new properties within the Aongatete catchment area. Focusing our operations within the Katikati region adds assurance to our growers that equipment and people are not increasing the risk of Psa infection.

We also offer full Management Agreements where we provide the complete range of on-orchard services on the basis of actual costs and the commitment of fruit to the packhouse. Alternatively we can offer a Service Agreement where growers can specify particular operations they would contract Aongatete to undertake on a pay per activity basis. This is a useful alternative for owner-operators who want to do some of their own orchard work and call on Aongatete for more complex or difficult operations such as winter pruning or spraying. We are well positioned to assist growers with expert advice and orchard services.

Consider your copper spray requirements to protect your orchard from the Psa threat. If you would like our assistance with this please let us know as soon as possible to make sure we can fit you in.

Please contact our Grower Services Team should you wish to discuss Lease, Management or Service Agreements.

Staff Profile: Louisa Indu

Louisa comes from the main island of Malaita in the Solomon Islands. This is the fourth year she has returned to Aongatete. Louisa has a 14-year-old son and lives with her brother and his wife. Her son would like to be an accountant just like his father and uncle.

It is very difficult for Louisa to get work in the Solomon Islands, she finds that about the only work she can get is selling betel nuts grown on trees from local growers which she sells in front of her brother's house. Coming to work at Aongatete has enabled her to buy some land near her brother's house and build herself a house (which will be completed by the time she returns home this year). Her new house has an elevated floor and two rooms - Having the house off the ground helps keep it cool in the average 32-degree temperatures.

Whilst working at Aongatete Louisa shares a flat above the post shop in Katikati with other Aongatete staff members.

Louisa is now a very experienced member of our grading staff and we look forward to having her with us again next year.



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Devotion to your fruit...

Delivers consistently higher OGRs to our growers.

A partnership with Aongatete safeguards your investment with:

- ✓ A team who genuinely care about service and your fruit
- ✓ Innovation in everything we do
- ✓ A precision focused approach
- ✓ Advanced horticultural and postharvest systems, services and advice
- ✓ A proactive Grower Trust with a strong grower voice

Allow us to help realise the full potential of your crop today
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