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24 November 2011

Vivek Verma
Chairman

I will commence the business under item 1 with the Chairman's Review, covering the business over the past year. I will then introduce the Managing Director/ Chief Executive Officer, David Beca. David has been in the role since February 2011.

David will then introduce the Chief Financial Officer, Silvina Crosa who will outline the financial results. David will then offer his perspective on the status of the company's operations and his view of the priorities going forward.

After Silvina and David have spoken there will be an opportunity for questions and general discussion and I will outline the procedure for that part of the meeting when we reach it. We will then move into the formal agenda and voting on the resolutions outlined in the Notice of Meeting.

Financial performance and Challenges ahead

I will begin my comments with a brief review of the financial performance of the company.

This has been a fairly tumultuous year for your company with significant challenges for management. This commenced with the internalisation of management which involved significant changes in both the senior management and the operational strategy of the company. The year has also seen the first takeover offer that resulted in Olam increasing its shareholding in the Company from 18% to 78%. This brought along significant changes in reporting requirements for the management. A second takeover offer (that resulted in Olam increasing its shareholding in the Company from 78% to 86%) and consideration of a rights issue have been additional distractions for the management.

In spite of these challenges, the Company has delivered a strong top line performance with revenue (excluding Change in Fair Value of Livestock) increasing by 90.8% to USD 43.0m in 2011. This was primarily due to an increase in milk production from 68m litres to 105m litres, and an increase in average milk price from USD 28.3 to 38.1 cents/litre.

The financial results however show a loss for the year ended 30 June 2011 of USD 8.7m, compared to a loss of USD 7.9m for 2010. This was primarily on account of significantly higher operational expenses resulting from the strategy of feeding higher amount of concentrates.

There is clearly still a long way to go before the Company can be said to be fulfilling its potential. Farm development has been progressing to schedule with the intent to complete all structural improvements by spring 2012.

While I am confident that the Company is now progressing well towards implementing a profitable pasture-based dairy farming model in Uruguay, there is still a long way to go. Significant challenges remain in executing the business plan, and crystallizing the value of the Company. The challenges are in:

Completing development to bring the number of dairies from 38 to 50, along with the planned infrastructure in terms of electricity, irrigation, housing etc;

Continuing to increase milk production, with significant increase in the number of cows as well as continuing increase in per cow production;

HR, with training of the middle management in the execution of the changed farm systems as well as tackling the high turnover of frontline staff;

Systems in terms of collecting and reporting performance to allow regular intervention; and

Finally and most importantly, bringing down the cost of production. In the last financial year, the average cost of production was close to 48 cents per litre and the current year's budget is approximately 30 cents per litre. Currently cost of production is significantly above budget. The business plan contemplates cost of production at under 25 cents per litre at maturity in 2014/2015.

Funding

In December 2010 Olam provided a short-term loan facility of USD 50m. Funds were drawn to repay the outstanding balances owing to PGG Wrightson, to fund capital expenditure and to provide working capital. Pending a review of the capital requirements, the Olam loan was further extended in June 2011 to USD 85m to repay Banco Santander's share of the syndicated loan, and to further support on-going development. The Company also partially repaid the Uruguayan bonds that are on issue. The total still owed to bondholders is USD 25.7m.

The original USD 50m Olam loan and the extension to USD 85m were taken following the granting of waivers from NZX. The loan has allowed the Company to pursue its development plans and on-going operations without funding constraints.

After review, the Board announced in September 2011 that it was considering an equity capital raising through a non renounceable rights issue. We received feedback from some shareholders that a significant portion of those shareholders not associated with Olam would not support the rights issue. The Board determined that it was therefore not in the best interests of the Company to proceed with a rights issue on those terms. Capital raising will again be reviewed in 2012.

In the meantime there is a resolution before the meeting today to approve extension of the Olam loan on the same terms for a further 12 months to allow capital raising options to be considered. The funding is required for the continued development.

Directors

One clear result from today's meeting will be a change in the composition of the Board. As outlined in the Notice of Meeting, the Board may comprise up to seven directors and currently has six. Two of the six are retiring by rotation – John Roadley and Graeme Wong. John and Graeme have played key roles in the development of the dairy farming operations, and I thank them for their contribution.

John Roadley was appointed to the Board in February 2008. The current Board has certainly benefited from John's significant governance experience and farming knowledge. John has huge enthusiasm for the opportunity in Uruguay, and in three and a half years he has personally visited Uruguay on behalf of the Company a total of eight times. With his contributions John has gained tremendous respect within the Board as well as across the management and staff in Uruguay.

Graeme Wong was appointed to the Board in October 2008. Graeme has expertly chaired the Audit Committee. In the last year alone, he has worked hard during the two takeover offers, capital raising discussions and Olam loan negotiations with professionalism, willingness and untiring patience.

Again I thank both John and Graeme for their efforts. I know they retain a strong belief that the Company can transition to a consistently profitable dairy business. They will both be missed.

The four continuing directors – myself, Ravi Kumar, Richard Haire and David Beca – were appointed by the Board immediately after the last Annual Shareholders Meeting. Technically our positions vacate at this meeting and we will be re-appointed by Olam by a written resolution at the conclusion of this meeting, to re-stand for election at the 2012 Annual Shareholders Meeting.

There are three independent Director nominees, all of whom are supported by the Board:

Rob Poole – Rob owns and runs two dairy farms in Taranaki, in partnership with his wife. He is a director of Fresh Milk New Zealand Limited, a 1,050 cow dairy operation. Mr Poole has completed the Fonterra Governance Development programme, including the NZ Institute of Directors course. He has formed three farming partnerships over the last 15 years as a way of increasing equity growth to expand his home based farm. Mr Poole and his wife hold 1,800,000 shares in, or 0.74% of, NZS.

Tim Storey – Tim is a qualified lawyer in Australia and New Zealand and is involved in various business interests and consultancy projects. He has practised commercial and corporate law ranging from governance, transaction structuring and public offerings, acquisitions and disposals to project matters, with a focus on real estate and agricultural matters. Mr Storey is Chair of listed DNZ Property Fund and a Director of various other private companies including Reading New Zealand and Prolex Advisory.

Peter Wilson - Peter is a professional company director experienced in private, public and Government sectors. Mr Wilson is qualified as a Chartered Accountant with a broad knowledge of a range of commercial activities, direct commercial experience in banking, business establishment, problem solving, asset sale and management of change functions. Mr Wilson is Chair of Westpac NZ and Kermadec Property Fund, and is a Director of Westpac Banking Corporation, Farmlands Trading Society, and a Member of the NZX Markets Disciplinary Tribunal. He was until recently a Director of The Colonial Motor Company.

I will now ask David Beca to share his thoughts, including a brief review of the latest year's operational performance.

David Beca
Managing Director/ Chief Executive Officer

Thank you Vivek.

Our financial performance still has a long way to go to deliver on shareholder expectations. However I believe there is a strong basis from which our objectives can be achieved. We still need access to the funds required to complete the capital investment that the business requires in order to maximise productivity.

During the year, as Vivek mentioned, we transitioned from external to internal management. This brought clearer focus and accountability to the organisation. Being a subsidiary of Olam International Limited has increased our reporting and financial disciplines and been very motivating for our people in Uruguay.

There is much work to be done before development is completed and productivity is at an acceptable level. Our result year to date is below budget, primarily due to higher expenses in a number of key areas. I will talk more about this shortly.

Before I do so, I will ask Silvina Crosa to outline the financial performance for the year.

Silvina Crosa
Chief Financial Officer

The results show a loss for the year ended 30 June 2011 of USD 8.7m, compared to a loss of USD 7.9m for 2010.

This 2011 result includes Loss Before Interest and Finance Costs of USD 4.3m, compared to a loss of USD 2.8m in 2010.

Revenue (excluding Change in Fair Value of Livestock) increased by 90.8% from USD 22.5m in 2010 to USD 43.0m in 2011. This was mainly due to increases in:

milk production from 68.0m litres to 105.3m litres, and

average milk price from US 28.3 cents/litre to US 38.1 cents/litre.

Change in Fair Value of Livestock increased from USD 8.1m in 2010 to USD 21.0m in 2011. This included:

Births and Deaths

USD 5.5m of category changes (USD 1.7 in 2010). Category changes relate to evolution of livestock into older/heavier categories.

USD8.1m in herd improvement (USD NIL in 2010). Herd improvement relates to the increase in concentrate feeding levels implemented during the year, which resulted in a significant lift in milk production, pregnancy rates and body condition in 2011, and is expected to lead to further lifts in milk production and pregnancy rates in 2012.

USD 7.5m in fair value adjustment (USD 6.2m in 2010). Fair value adjustment relates to changes in livestock values between the start and end of the year.

Total Revenue including Change in Fair Value of Livestock increased by 108.5%, from USD 30.7m in 2010 to USD 64.0m in 2011.

Livestock numbers increased during the year from 56,153 to 62,483 at 30 June 2011. This increase came from a combination of purchases of livestock to populate the 7 new dairies that are coming on line in spring 2011, plus increasing numbers of livestock resulting from natural increase in the herd.

Farm Operating Expenses increased from USD 20.9m in 2010 to USD 47.0m in 2011. The largest contributor to this increase was an increase in concentrate feed costs increasing from USD 3.4m in 2010 to USD 18.5m in 2011. Other major contributors were the drought conditions experienced across the country (especially in the central regions where the drought lasted six months) and an increase in all purchased feed prices in Uruguay.

Earnings per share was a loss of USD 3.56 cents compared to a loss of USD 3.24 cents in 2010. There were no returns to shareholders via distributions during the year.

Total Assets at 30 June 2011 were USD 290.1m, up from USD 229.2m at 30 June 2010. This includes an increase in the valuation of property, plant and equipment from USD 161.7m at 30 June 2010 to USD 173.9m at 30 June 2011.

Total Liabilities at 30 June 2011 were USD 134.2m, up from USD 71.7m at 30 June 2010. This includes the short term loan from Olam International Ltd of USD 70.0m.

The trends evident above (increasing milk production and revenue, and increasing expenses) are expected to continue in the 2012 year. Under normal seasonal conditions (no drought) and given the herd improvements, revenue is expected to increase at a significantly faster rate than expenses.

Farm Sales - The sale of Don Pepe farm was completed in October 2010 for USD 7.1m (USD 6.9m net of commissions). Farm valuation (including improvements and revaluations) was USD 6.9m.

The Los Naranjos farm (945 hectares) was conditionally contracted for sale for USD 4.9m (USD 4.7m net of commissions). Farm valuation (including improvements and revaluations) was USD 3.9m. The agreement was finally settled on 23 August 2011.

Uruguayan economy- The Uruguayan economy has continued to strengthen. Recent expectations for growth in Gross Domestic Product are running at around 5.8% for the 2011 calendar year and 4.5% for 2012. Unemployment has been at record lows of around 5.9% and inflation is running at approximately 7.9%. The Uruguayan Peso has been stable, currently at around 19.5 to the US Dollar.

I will now hand back to David Beca.

David Beca
Managing Director/ Chief Executive Officer

My review of the company’s performance in 2011/2011 is brief as the details have already been reported to you in the annual report. I will cover the key points and will be happy to take questions later at the Chairman's discretion.