





Costa Atherton Tableland Site Tour – 6th June 2018 ASX:CGC




Costa Atherton Tableland footprint

 Costa currently has three blueberry farms and four avocado farms in the Atherton Tableland, Far North QLD.





 As at June 2018, blueberry plantings total 75 hectares (all protected and in substrate) and avocado plantings of 196 hectares.

 The berry category utilises a packing facility located at Walkamin which also packs Costa bananas.

 A packing facility located at the Homestead (Tolga) avocado farm packs both Costa and third party avocados from the farms located in the Atherton Tableland.




Costa Atherton Tableland blueberry footprint


-  The Atherton Tableland was selected as a growing location for blueberries to increase off season (shoulder period) production (March to August). The first plantings occurred in 2013.
-  With continued development of late season supply from Tasmania, the production from Atherton complements the winter/spring production from the main season supply base at Corindi (NSW) and therefore contributes to 52 week supply.
-  The mild climate and warmer winter temperatures assist in earlier crop timing during autumn and winter. The entire crop is grown under protective poly tunnel in substrate (out of the soil) .
-  The local climate coupled with latitude influence (lower latitudes have earlier timing of production) result in harvest timing up to two months earlier than the Corindi farm.





Costa Atherton Tableland avocado footprint


 Costa acquired the Atherton based Lankester avocado orchards and packing operation in July 2017. Circa 43% of the avocado trees are under 5 years old, with the Kazim farm newly developed with 2-3 year old Hass variety trees.

The Burness farm at Paddy's Green was purchased in early 2018, with circa 23 hectares of plantings, it contains a mix of mature and young trees, producing early season Shepard avocados.

 These acquisitions were entered into in conjunction with Macquarie Agricultural Funds Management (MAFM). Under this agreement, MAFM purchased the farms and entered into a 20 year lease with Costa to operate them.

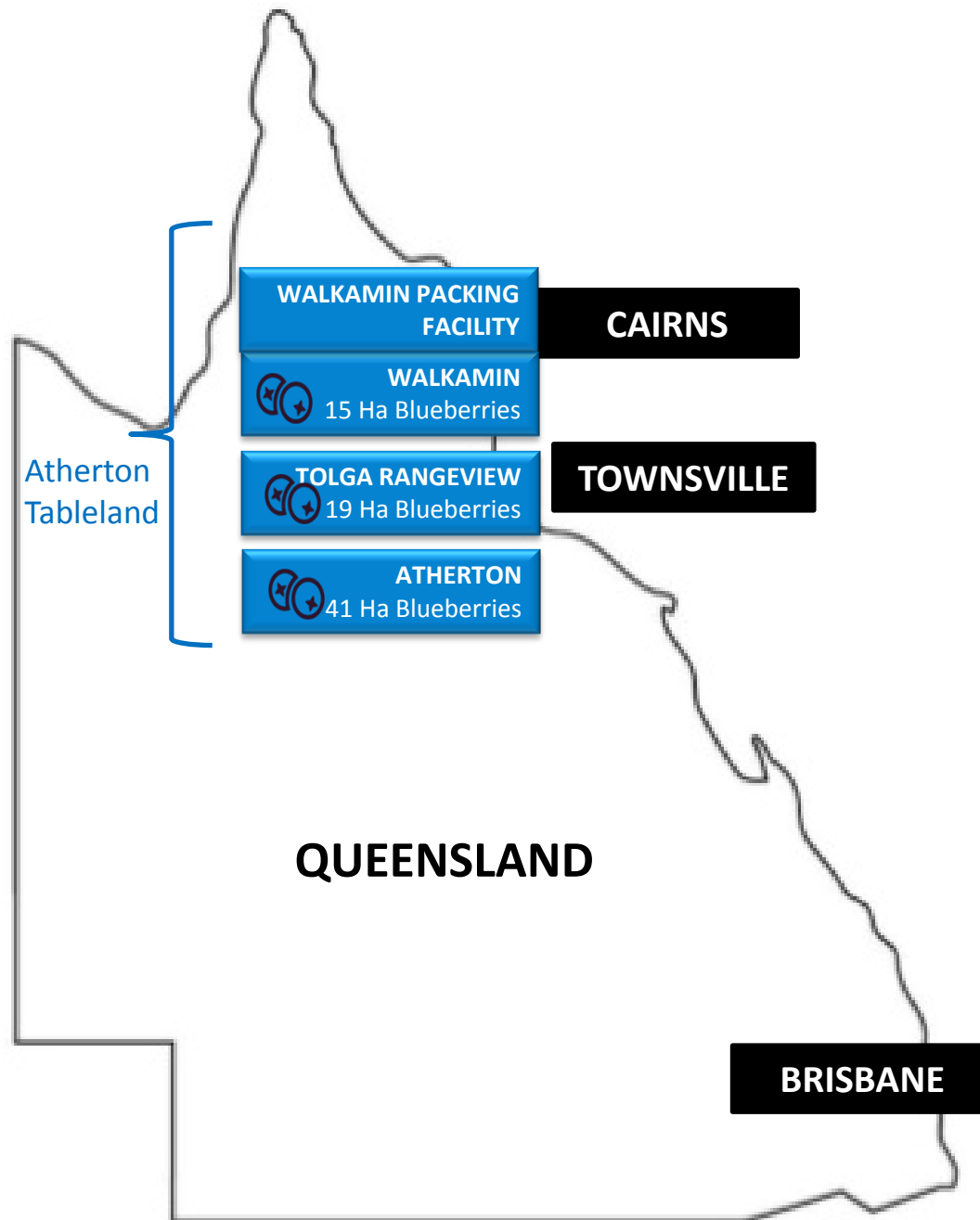
 Costa grows both Shepard and Hass variety in Atherton.

 The Atherton Tableland is the first Australian growing region of the year (February) to bear new fruit. This establishes a strong market share when the heavier supply periods occur in late April through July.

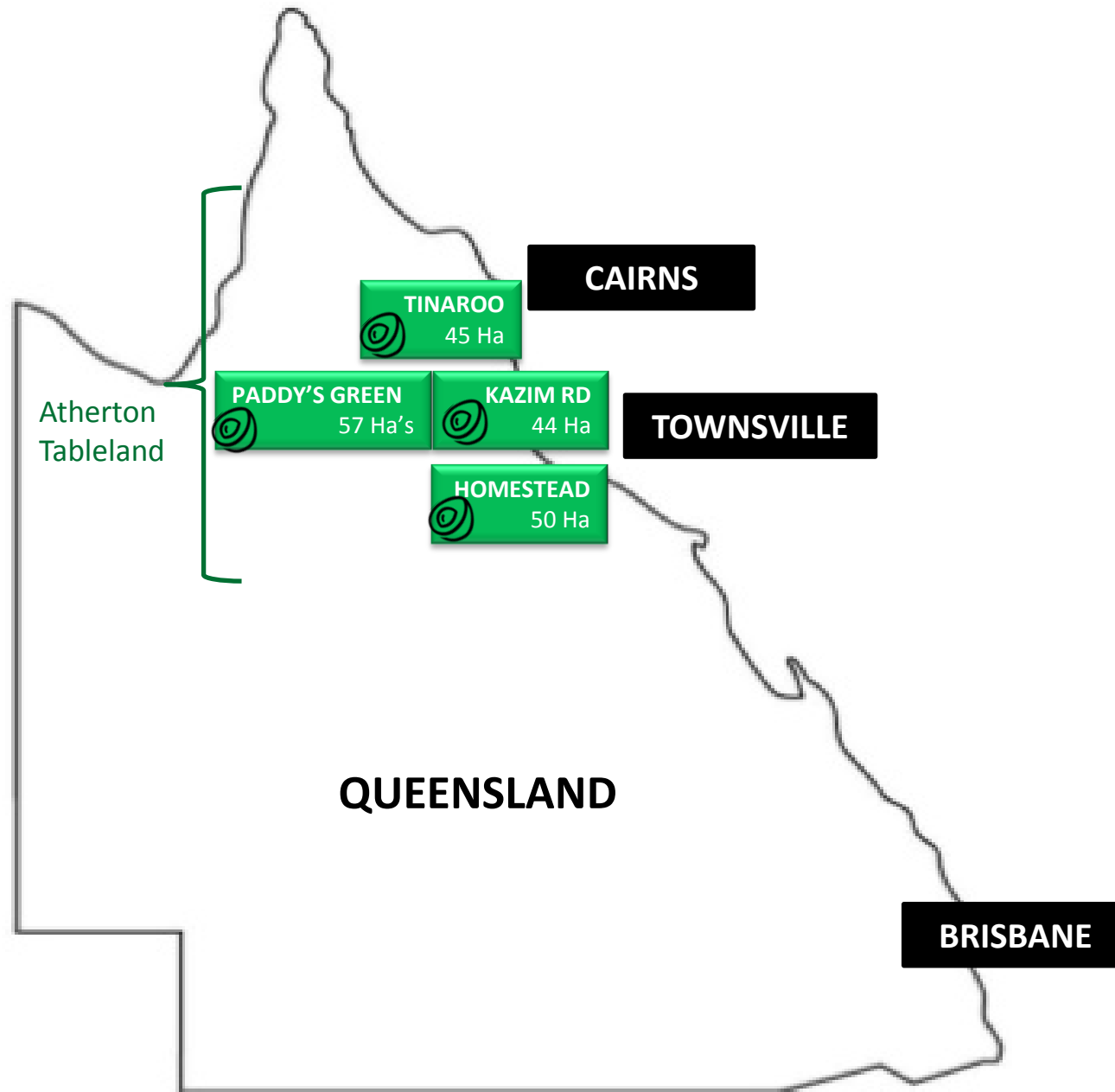
 Further planting of the Tinaroo farm will provide additional supply through this early season window.



Atherton Tableland Berry farms



Atherton Tableland Avocado farms




Atherton Tableland harvest period

Blueberries

Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
							

Avocados

Shepard




Feb	Mar
	

Hass



Mar	Apr	May	Jun
			

Post harvest

Blueberries

-  Costa's packing facility at Walkamin is a state of the art cold chain facility, with the blueberries packed and stored in a controlled temperature atmosphere.
-  Sorting technology allows for full 360 degree surface inspection of the blueberries, capable of identifying defects down to 0.2mm to ensure maximum sorting for quality.
-  These machines can accurately sort at speeds of up to 2,000 kg per hour and eliminate manual sortation.






Avocados

-  The avocado packing facility contains a cold room and packing line, with the harvested product being picked, packed and refrigerated within 24 hours.
-  Costa packs for another four growers in the Atherton Tableland and markets for an additional 31 growers from the region.







Water use and security

Blueberries

-  Costa's Atherton Tableland berry farms utilise water from bores, dams and irrigation schemes.
-  Storage tanks are incorporated in the bulk water systems to provide security of supply.
-  Irrigation is controlled through technologically advanced irrigation systems which deliver precise volumes of water to individual plants in substrate pots on a sub-hourly basis.
-  Small volumes of fertigated water are delivered regularly throughout the day to optimise growing conditions. Water inputs and outputs are monitored on a daily basis through measurement of water uptake.
-  Automatic weather stations on the farms collect real time data from outside and inside the poly tunnel structures. This data is used to inform decisions regarding irrigation scheduling for the following day, enabling effective response to changing climatic conditions.

Water use and security





Avocados

-  All water is sourced from either scheme water, bores or creek licenses.
-  Avocado trees are grown in the soil with water applied using standard sprinklers which broadcast the water onto the root system under the canopy.
-  Costa is migrating each farm over to controlled irrigation and monitoring systems. This will enable an appropriate level of watering for each farm block driving both root and canopy development ultimately maximising tree health and yields.
-  Water meters provide weekly data to enable monitoring of water usage and efficiency across each farm.

R&D and innovation





Blueberries

Prior to Costa establishing blueberry plantings in the Atherton Tableland blueberries had never been grown in this part of the world before. This has meant we are vigilant in monitoring plant health and yield, including climatic conditions.






-  **Variety Improvement Program (VIP)** - designated Atherton Tableland breeding program for low latitude varieties – looking to constantly improve quality and yield through new variety development.
-  **Blackberry plantings** – 5 hectare planting of Elvira blackberry variety occurring in FY 19 for winter production.
-  **Plant management** – ongoing assessment of pot sizes, substrate and nutrition application. Focus on using 'pot skirts' for cooling the root zone, also weed barrier covers to reduce weed growth in pots and reduce labour requirement to remove weeds.
-  **Climatic conditions** – unique climate of high temperatures, humidity and varying light. Dust suppression plastic installed for tunnels to ensure strong and consistent light conditions.

R&D and innovation

Avocados

-  **Protected cropping trial** - development of a 2 hectare net trial area with the intent to improve fruit quality, manage growth, improve pollination and yields whilst also providing protection from weather.
-  **Soil** - focus on developing strong organic soil content through mulching practices on farm. Coupled with continually improved water management (through automation and monitoring programs) this will assist both in utilising the appropriate levels of water for each farm, and also in driving yield improvements.
-  **Growing method** - trialling trellis growing method to drive benefits of high density production with potential in the future to implement mechanical harvesting.
-  **Technology** - looking to upgrade packing line to align with industry best practice around vision grading of fruit to ensure we are delivering consistency in our quality as well as driving operational efficiencies through automation.

Branding & Marketing

-  Lovacado is Costa's new avocado brand.
-  Launched into the market in May 2018, Lovacado avocados are grown across Costa's 16 avocado farms located in four regions – Atherton Tableland (FNQ), Central QLD, North Coast New South Wales and Riverland South Australia.
-  Lovacado is the avocado brand that gives you #metime when you need it most.
-  In a market that is often shaped by serious or aspirational ideals, Costa wanted to give consumers something they could relate to that leverages off key themes of naturally Australian grown, smart farming and fresh produce grown with care.
-  During a region's avocado season, every week 500,000 Lovacados are hand picked and packed.



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