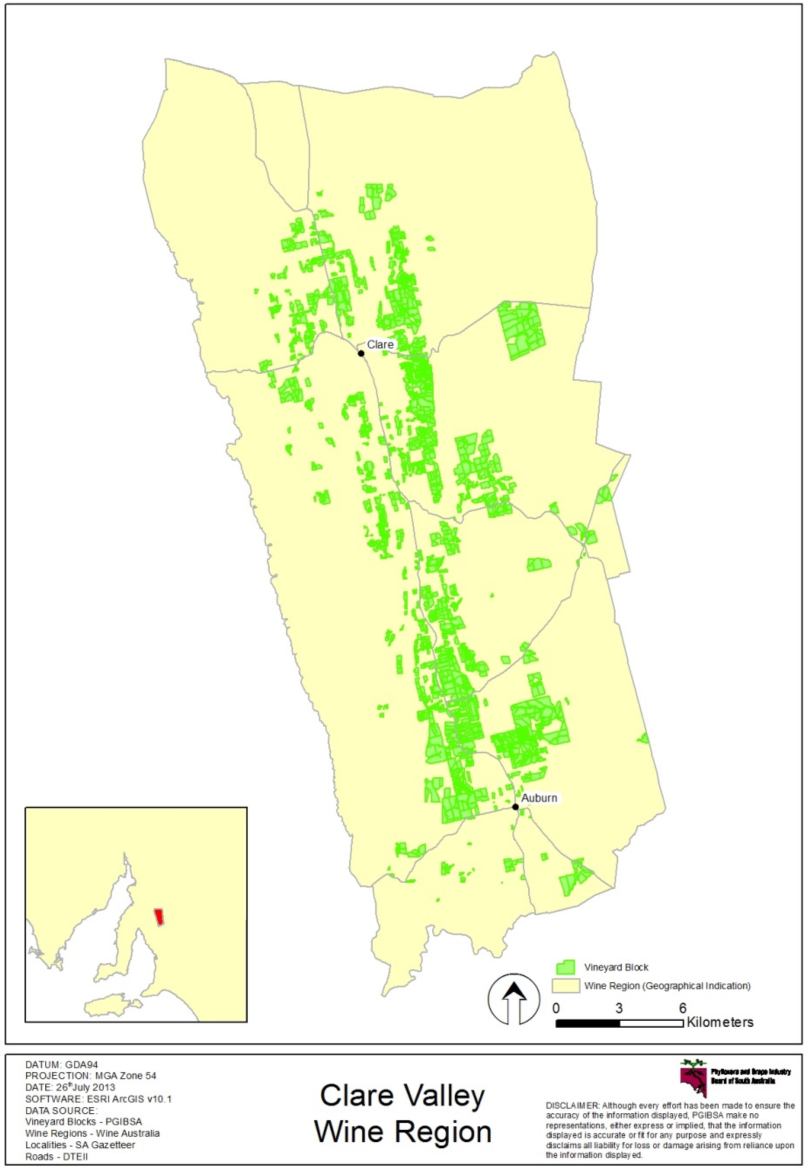

SA Winegrape Crush Survey

Regional Summary Report – 2015

Clare Valley Wine Region

Explanations and Definitions

INTAKE (CURRENT VINTAGE) DATA

Definition of regions

Regions have been defined in accordance with Geographical Indication (GI) boundaries. If a GI region has not been declared, or produces less than 5,000 tonnes, then the data is aggregated into the relevant GI zone. Disaggregation of data into smaller regions such as Southern Fleurieu and Mount Benson is available on request from Wine Australia.

Total crush

The total crushed is the total tonnes of grapes crushed from a particular source region, whether processed in that region, another region in SA or interstate. All wineries in Australia are included in the survey collection process. However, not all wineries respond to the survey - therefore the total tonnage reported may underestimate the true crush. It is estimated that the overall response rate for the survey is 90%; however, individual regions may vary. Reported fruit is separated into fruit produced from the winery's own or associated vineyards ("own grown") and from independent vineyards ("purchased").

Calculated average purchase value

The survey requests wineries to provide the total amount paid for each parcel of fruit purchased (or the price per tonne). This is the price paid for fruit of a particular variety at the point of receival – NOT including freight. It includes any penalties or bonuses (eg Baumé) applied at the weighbridge, but DOES NOT INCLUDE other bonuses or adjustments such as end use quality bonuses, which are not available at the time the survey is conducted (May 2015).

The calculated average purchase value per tonne is the average amount paid per tonne of fruit across all wineries. Winery grown grapes are not included in the calculation of average purchase value; nor are grapes grown by companies connected with the winery or under lease arrangements.

Important note on average purchase value

There is considerable variation in the pricing arrangements made by different wineries. For example, some wineries make adjustment payments based on the average value per tonne reported in this survey and some pay quality bonuses based on the end use of the product. These additional payments are not included in the reported figures. The average price also does not give any indication of the distribution of prices, or variables that go into individual contracts. Therefore the average price should not be compared directly with an individual grower's arrangement. It should also be noted that in minor varieties there may sometimes be very few purchases contributing towards a calculated average purchase value.

Price dispersion data (shaded columns in Intake Summary tables)

All purchases for each variety are grouped into categories according to the price paid for that fruit. The tonnes in each category are converted into a percentage of the total tonnes purchased, giving an indication of what share of fruit was purchased in each price range category. The categories are given nominal titles of A to E for convenience but these do not correspond with grades used by any particular winery.

Estimated total value of all grapes

The estimated total value of all grapes is calculated by multiplying the average purchase value per tonne by all tonnes crushed. If there is a variety where there are no purchases, then the average purchase value across all other varieties of the same colour in the same region is used to determine an estimated value for the own grown grapes.

Explanations and Definitions cont.

PLANTING DATA

Source of planting data tables

Planting data is not collected by the 2015 Australian Wine Sector Survey. The information is obtained from the vineyard register maintained by the Phylloxera and Grape Industry Board of South Australia.

The Board is required under the Phylloxera and Grape Industry Act 1995 to maintain a complete and accurate register of grapegrowers in the state. All vineyard owners with more than 0.5 hectares are required by law to register with the Board, and to report details of their plantings on an annual basis. This information is kept strictly confidential.

Vineyard plantings are recorded by Geographical Indication. Planting details for smaller regions not included in the survey report are available on request from the Board.

For more information on registration of vineyards, please contact the Phylloxera and Grape Industry Board office on (08) 8273 0550.

Explanatory notes for planting data tables

1. Planting data tables are current as at April 2015 and include all plantings from the 2014 planting season.
2. Vines planted in a particular year may include topworked or replaced vines, as well as new plantings in virgin ground. Where vines have been replaced or topworked, the old variety record is removed. This explains why the area planted for earlier years may be different in the 2015 report compared with previous reports.
3. Where a zero (0) appears in a table, this may indicate the presence of a planting of less than 0.5 hectares, or it may indicate zero plantings. Rounding may produce a slight error in totals or percentages.

CLARE VALLEY

Vintage overview

Vintage report

After an almost 'text book' growing season, the 2015 Vintage has wrapped up in the Clare Valley with a very strong result across the board.

Above-average winter rainfall provided a great kick start to the growing season. There was some isolated spring frost damage around the eastern and southern fringes of the Clare valley in October, but other than this the season was 'trouble free' from a viticultural viewpoint. A dry and mild spring lead into a mild early summer and it wasn't until February that 'normal' summer conditions emerged. A very welcome 75mm of rain was received in the second week of January, which assisted in filling out berry size and maintaining good canopy and leaf condition.

February however turned out to be a very hot month and vintage operations cranked up in earnest in the first week of February, some 2 or 3 weeks ahead of what is generally considered 'normal'. Despite the early start and the fact that the hot conditions brought most varieties into a similar ripening plane, the resultant juices and subsequent wines are showing fantastic varietal definition with good flavour, structure and excellent natural acid…all the hallmarks of a vintage with great longevity potential.

Supply and demand now appear to be back in balance with only a few unlucky growers left with unsold fruit, mainly due to the constraints of the season. The compact nature of this vintage, particularly during February, meant that most wineries had to prioritise blocks and growers that did not have strong winery relationships may have had fruit left hanging a little longer than expected but due to the relatively mild conditions fruit quality was generally maintained.

Yields generally were at least average with Riesling and Shiraz in particular proving to be most resilient in terms of productivity. Riesling quality generally appears to be on the top end of expectations with most wine producers really happy with what they have in their tanks.

All in all, another very successful Vintage in the Clare Valley (the fourth in succession since the difficult 2011 Vintage) and one which may well go down as one of the best in the last decade.

Clare Valley Winemakers Inc./Clare Region Winegrape Growers Assoc.

Overview of vintage statistics

A total of 16,039 tonnes of Clare Valley winegrapes were crushed in 2015, down from 19,796 in 2014. The total value of winegrapes increased substantially from $21.7 million to $17.6 million mainly due to increased yields.

The average price of the major white varieties increased compared with 2014. Riesling increased by $14 to $1,024 per tonne while Chardonnay increased by $90 to $740 per tonne. The results for red varieties were mixed; the average for Shiraz decreased by $44 to $1,266 and Cabernet Sauvignon decreased by $38 to $1,155 per tonne while in contrast the average for Merlot increased by $43 to $813 per tonne.

The price dispersion data shows that 86% of red varieties and 92% of white varieties were purchased at between $600 and $1500 – a relatively narrow dispersion range. Only 13% of reds and 6% of whites were purchased at above $1500 per tonne.

Over the past five years, the average crush was 18,496 tonnes implying that 2015 yields was down on average. The 2015 crush was the lowest in the 5 year period. The maximum crush of 19,847 was recorded in 2012.

There were 19 hectares of new vines planted in 2014. Over two-thirds of these new plantings were Cabernet Sauvignon (12ha), while smaller plantings of Shiraz (4ha) and Pinot Gris/Grigio (2ha) were recorded. Overall the total area planted decreased by 69 ha (1%).

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CLARE VALLEY **Winegrape intake summary – vintage 2015**

Variety	Tonnes purchased	E (less than $300)	D ($300-$600)	C ($600-$1,500)	B ($1,500-$2,000)	A (above $2,000)	Total value purchased	Calc avg. purch. Value per tonne	Winery grown fruit	Total crushed[2]	Est total value ALL grapes
Barbera	-	na	na	na	na	na	$0		18	18	$21,433
Cabernet Franc	2	na	na	na	na	na	$1,800	$1,200	26	27	$32,556
Cabernet Sauvignon	1,415	0%	0%	91%	9%	1%	$1,633,638	$1,155	1,251	2,666	$3,078,393
Grenache	93	0%	0%	40%	60%	0%	$135,572	$1,459	45	138	$200,674
Malbec	185	0%	0%	97%	3%	0%	$195,004	$1,056	39	223	$236,000
Mataro	73	5%	0%	21%	74%	0%	$110,635	$1,511	33	106	$160,366
Merlot	491	0%	0%	100%	0%	0%	$399,407	$813	294	786	$638,564
Petit Verdot	4	na	na	na	na	na	$4,170	$1,000	32	37	$36,540
Pinot Noir	-	na	na	na	na	na	$0		30	30	$36,031
Sangiovese	77	0%	15%	85%	0%	0%	$69,219	$898	48	125	$111,952
Shiraz	3,177	0%	0%	84%	12%	4%	$4,021,910	$1,266	1,862	5,039	$6,378,714
Tempranillo	54	0%	0%	100%	0%	0%	$57,257	$1,062	27	81	$85,530
Other red	8	0%	0%	14%	61%	25%	$13,818	$1,738	11	19	$32,879
Red Total	5,578	0%	0%	86%	11%	2%	$6,642,429	$1,191	3,715	9,293	$11,049,632

1 Pricing grade's share of purchases for each variety

2 It is estimated that the non-response rate (NRR) nationally is 10%, however the NRR will vary for each region. Generally, regions will have a lower NRR when there is a high proportion of purchased winegrapes within the region

CLARE VALLEY **Winegrape intake summary – vintage 2015**

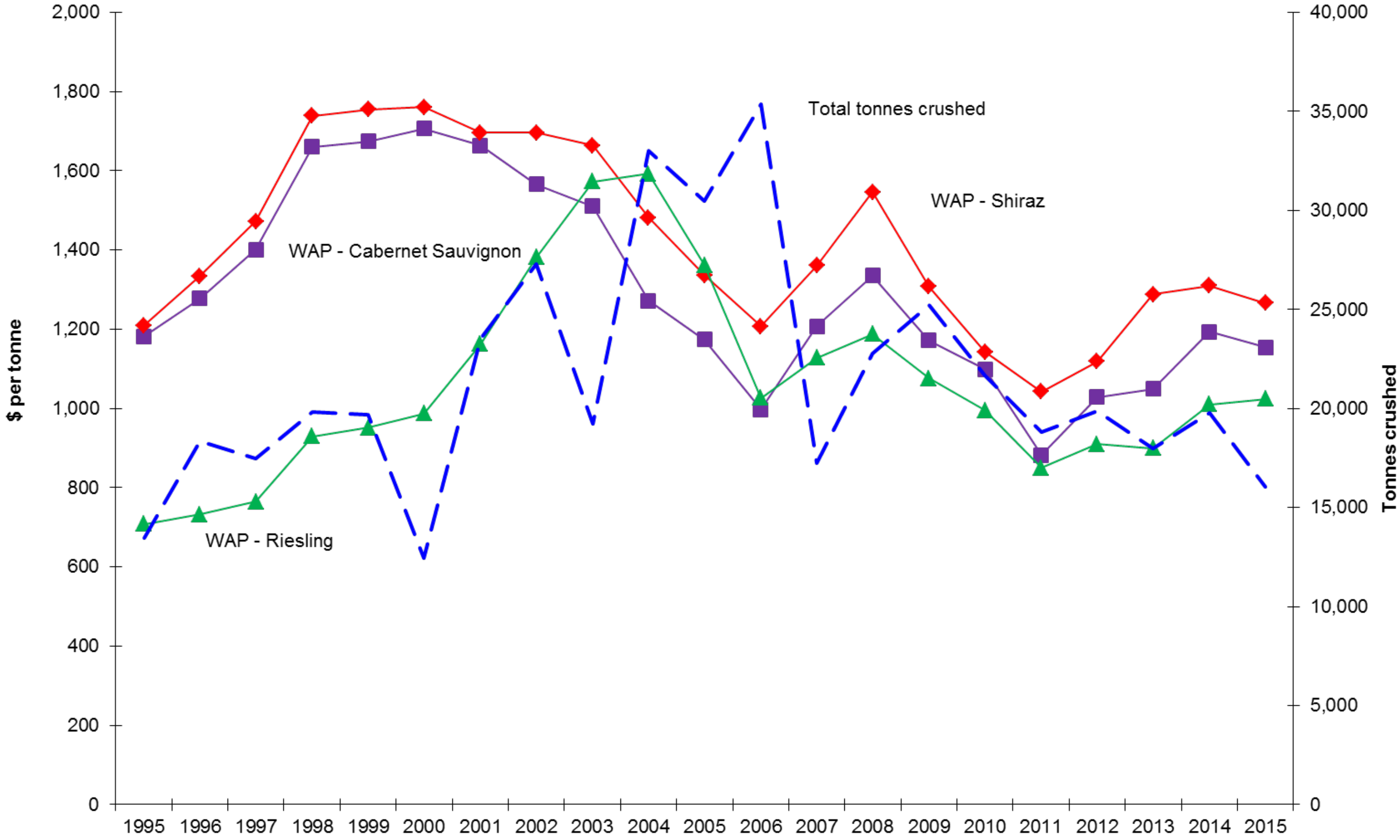
Variety	Tonnes purchased	E (less than $300)	D ($300-$600)	C ($600-$1,500)	B ($1,500-$2,000)	A (above $2,000)	Total value purchased	Calc avg. purch. Value per tonne	Winery grown fruit	Total crushed[2]	Est total value ALL grapes
Chardonnay	524	0%	2%	98%	0%	0%	$387,899	$740	417	941	$696,474
Palomino & Pedro Ximenes	-	na	na	na	na	na	$0		0	0	$420
Pinot Gris and Pinot Grigio	148	0%	0%	100%	0%	0%	$171,356	$1,155	103	251	$290,123
Riesling	3,151	0%	1%	91%	6%	2%	$3,227,210	$1,024	1,858	5,009	$5,130,359
Sauvignon Blanc	15	na	na	na	na	na	$11,410	$758	16	31	$23,768
Semillon	249	0%	7%	93%	0%	0%	$194,336	$779	164	413	$321,988
Traminer	46	na	na	na	na	na	$36,768	$800	13	59	$47,192
Viognier	1	na	na	na	na	na	$756	$1,050	25	26	$27,090
Other white	9	na	na	na	na	na	$10,175	$1,100	6	15	$16,368
White Total	4,144	0%	2%	92%	4%	2%	$4,039,910	$975	2,602	6,746	$6,553,781
Grand Total	9,722	0%	1%	89%	8%	2%	$10,682,339	$1,099	6,317	16,039	$17,603,413

1 Pricing grade's share of purchases for each variety

2 It is estimated that the non-response rate (NRR) nationally is 10%, however the NRR will vary for each region. Generally, regions will have a lower NRR when there is a high proportion of purchased winegrapes within the region

CLARE VALLEY

Historical Weighted Average Price vs tonnes crushed



CLARE VALLEY

Current plantings by variety and year planted

Current plantings in hectares

Variety	Pre-2012	2012	2013	2014	Total area	% planted in 2014
Red winegrapes						
Cabernet Franc	15	1	0	0	15	0%
Cabernet Sauvignon	1,123	39	35	12	1,208	1%
Grenache	63	0	0	0	63	0%
Malbec	64	6	4	0	74	0%
Mataro (Mourvedre)	31	1	1	0	33	0%
Merlot	289	0	0	0	289	0%
Nebbiolo	4	0	0	0	4	0%
Other Red	35	2	1	0	38	0%
Sangiovese	33	0	0	0	33	0%
Shiraz	1,825	8	15	4	1,853	0%
Tempranillo	30	1	0	1	32	3%
Total red varieties	**3511**	**58**	**56**	**17**	**3642**	**0%**
White winegrapes						
Chardonnay	207	0	0	0	207	0%
Other White	24	2	4	0	30	0%
Pinot Gris	41	5	0	2	48	4%
Riesling	1,110	2	1	0	1,113	0%
Sauvignon Blanc	24	0	0	0	24	0%
Semillon	140	0	0	0	140	0%
Traminer (Gewurztraminer)	28	0	0	0	28	0%
Verdelho	4	0	0	0	4	0%
Viognier	15	0	0	0	15	0%
Total white varieties	**1592**	**9**	**5**	**2**	**1608**	**0%**
Unknown variety	24	0	0	0	24	0%
Rootstock Block	1	0	0	0	1	0%
Total all varieties	**5128**	**67**	**61**	**19**	**5275**	**0%**

Source: Phylloxera and Grape Industry Board of South Australia