

An aerial photograph of a vast vineyard in a valley. The vineyard is a large, rectangular field with a grid-like pattern of rows. To the right of the vineyard, a river flows through a rocky, grey landscape. In the background, there are rolling green hills and a range of mountains with significant snow cover under a clear blue sky.

Higgins Road

Vineyard Update

New Zealand's Most Awarded Wines



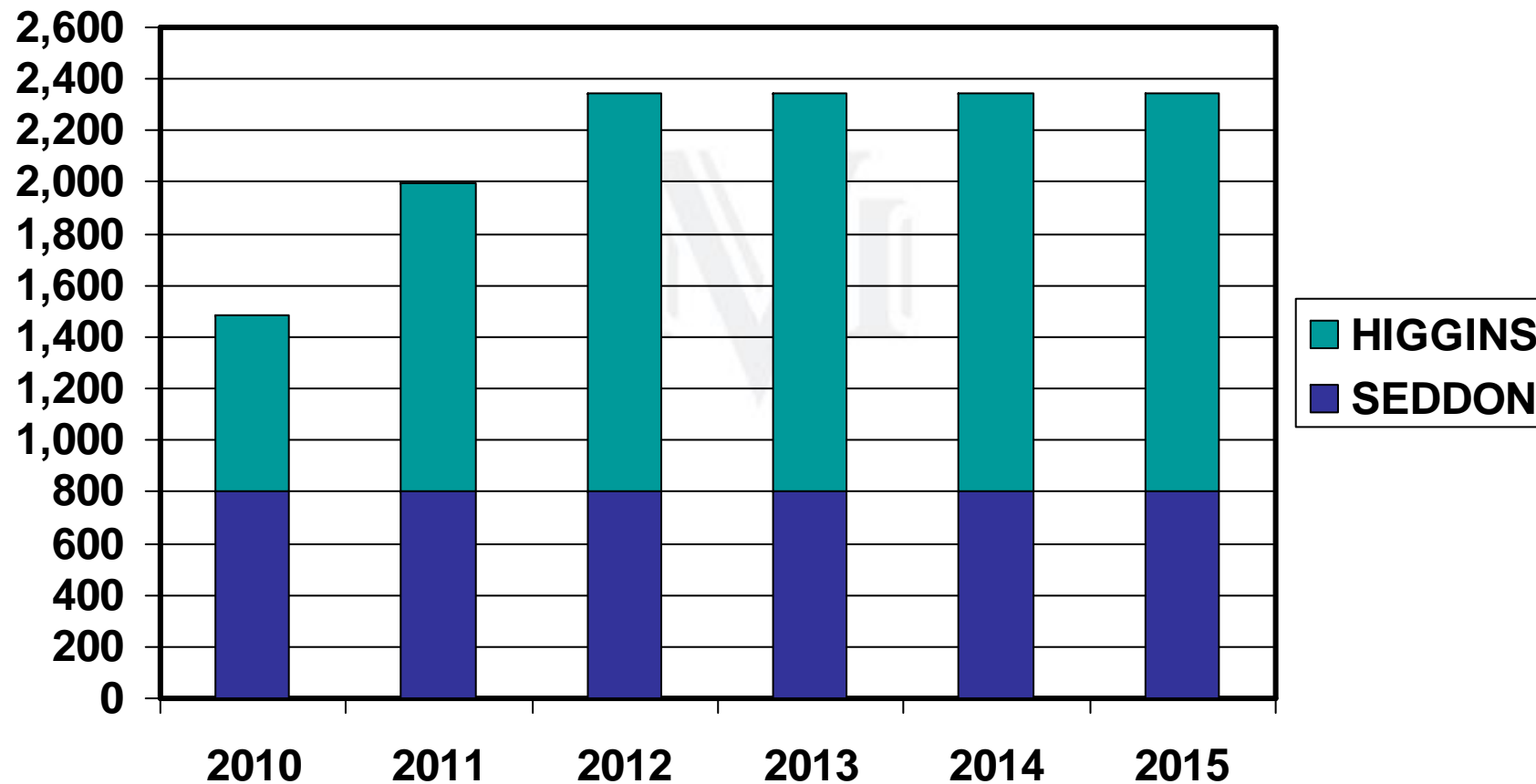
VILLA MAR
ESTATE

Outline

- Production overview
- Economies of scale
- Achieving efficiencies



Production Levels Combined with Seddon



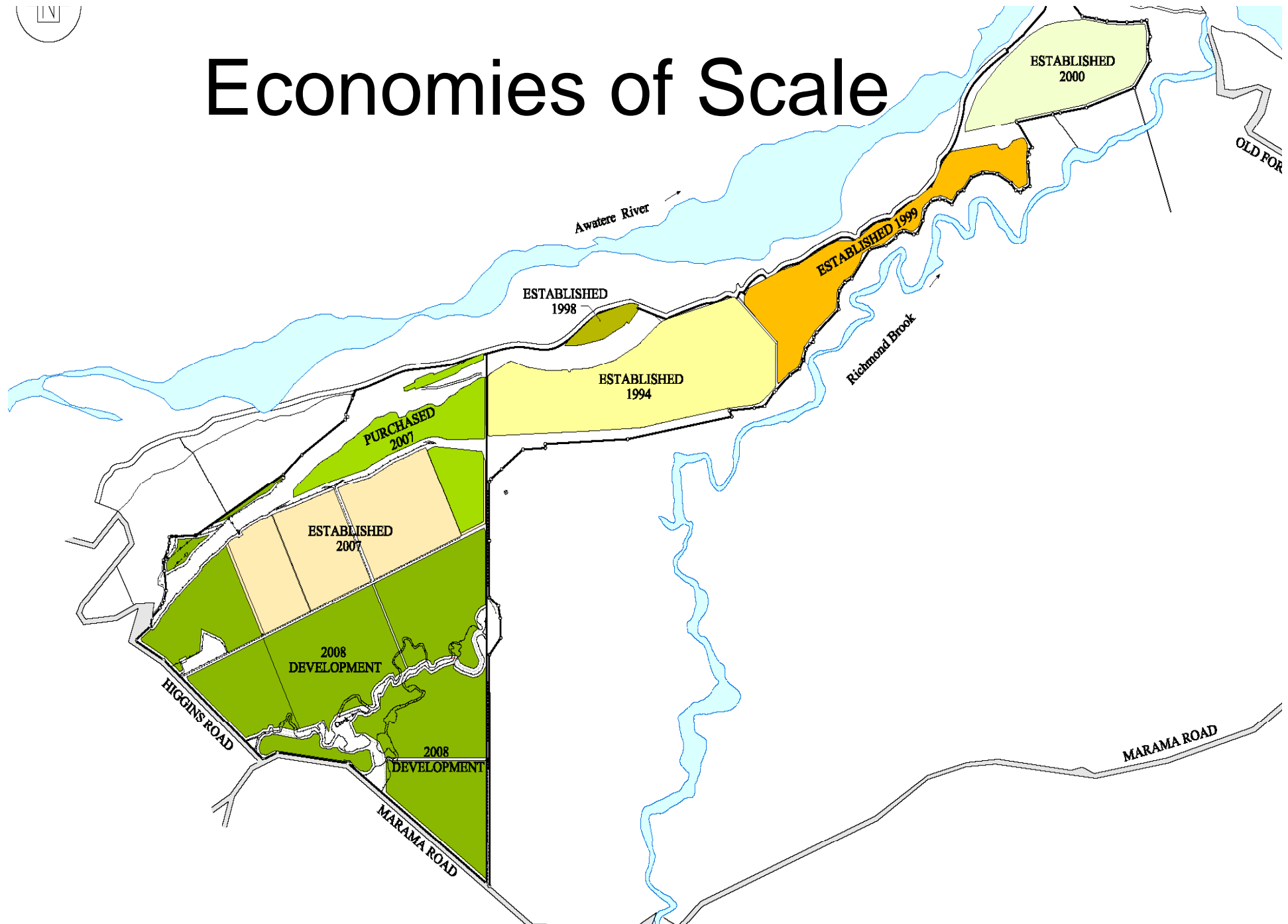
New Zealand's Most Awarded Wines



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Economies of Scale



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Achieving Efficiencies

- Labour
 - 2/3rds of annual budget in 2010 (\$1 million)
 - Pruning costs by 2011 est. \$½ Million

Pruning changes

- All Sauvignon blanc hand pruned - mechanically stripped
- All non Sauvignon blanc converted to spur pruning

From last year.....



- MECHANICAL STRIPPING
- Est. 41% COST SAVING

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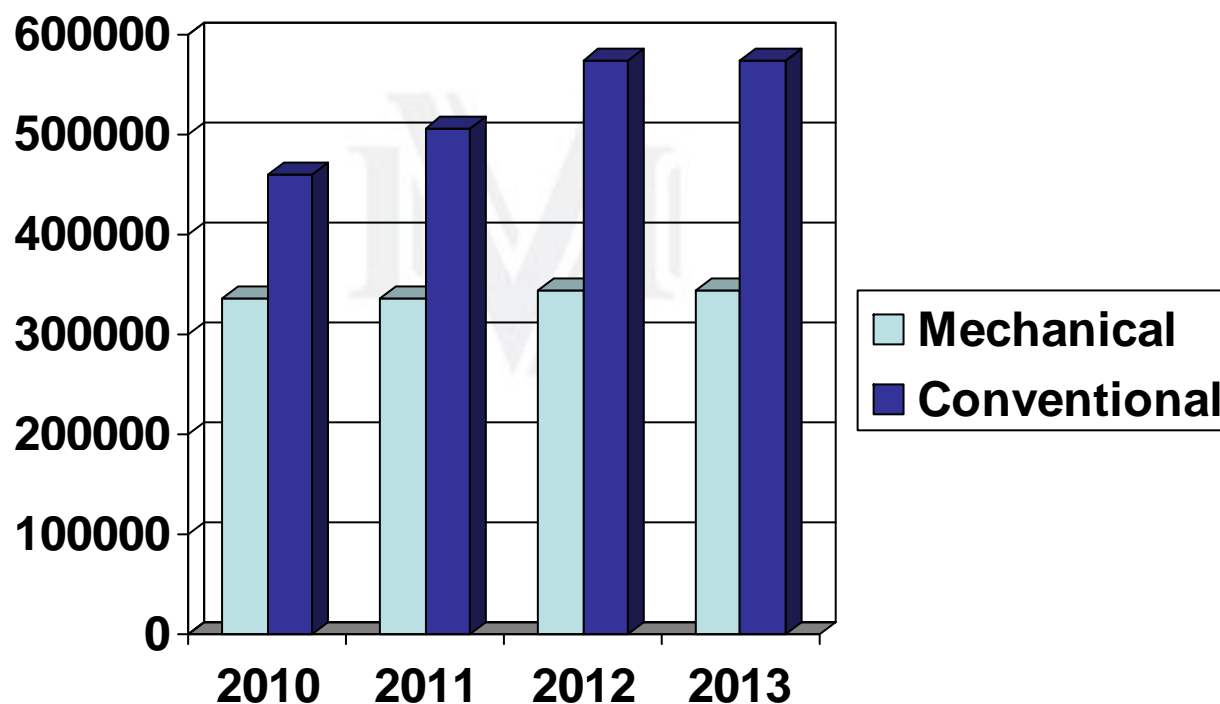


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Contract labour Savings (Pruning only)



- Project paid off in first year
- Less labour required
- Cuts one mulching pass
 - Normally takes 1 month per pass
- Approx 500,000 vines 2011
 - Including 120,000 vines @ Taylors Pass



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In Summary

- Seddon & Higgins Rd running with 4 staff
(5 last year)
- Estimated savings this year \$270,000