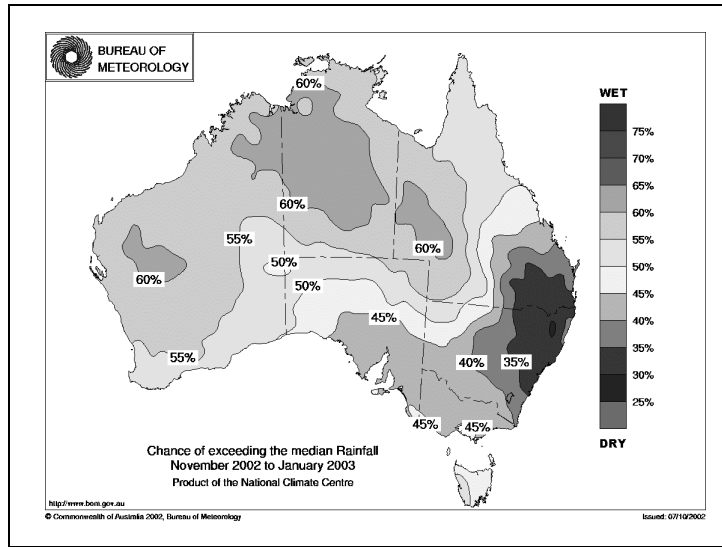
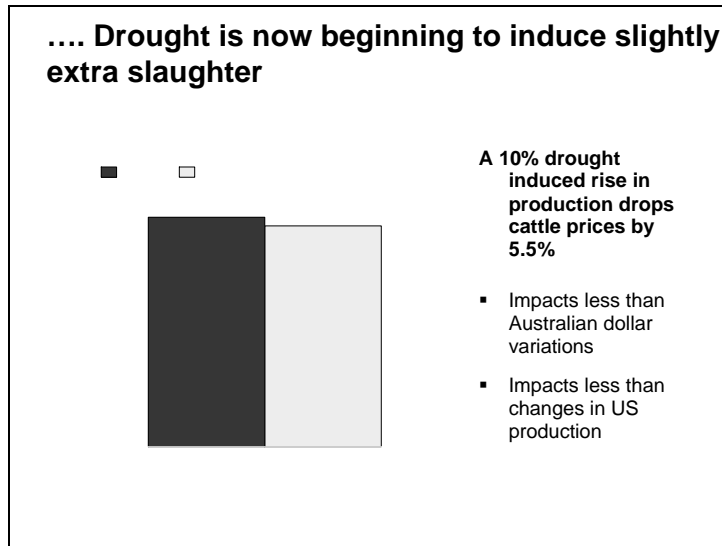


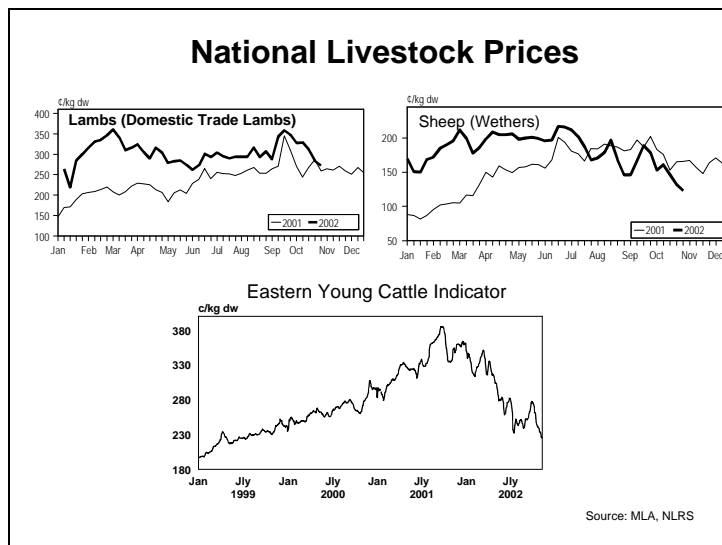
Slide 4



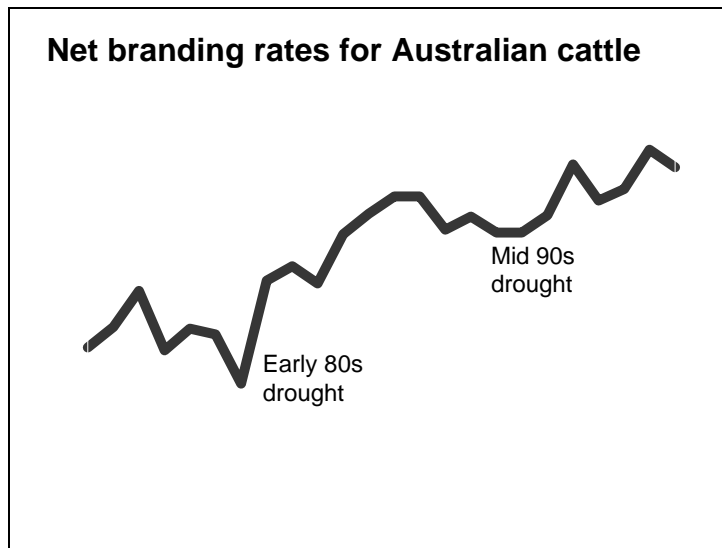
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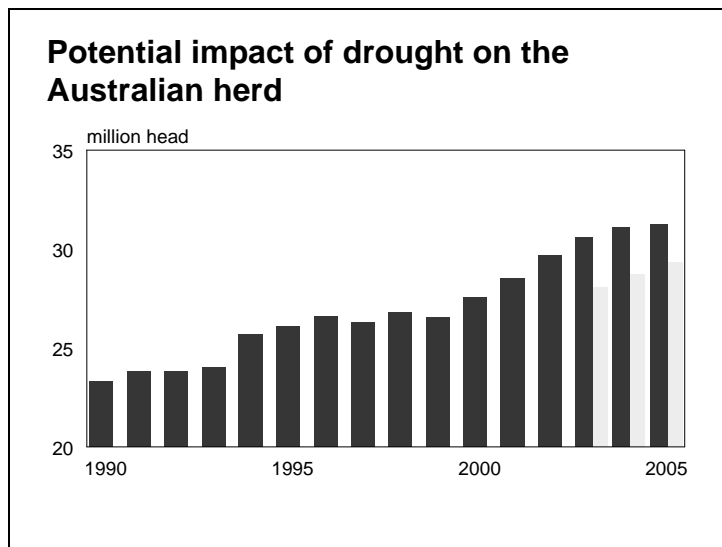
Slide 6



Slide 7



Slide 8

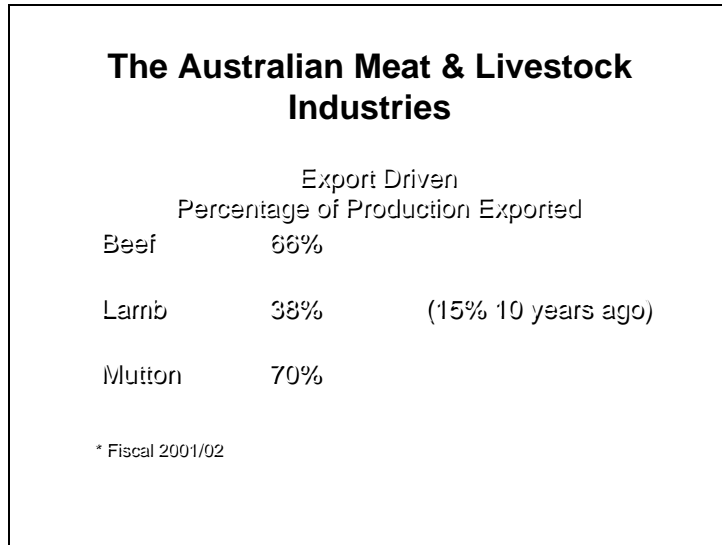


Slide 9

Drought

Feed grain supply
Chemical residues

Slide 10

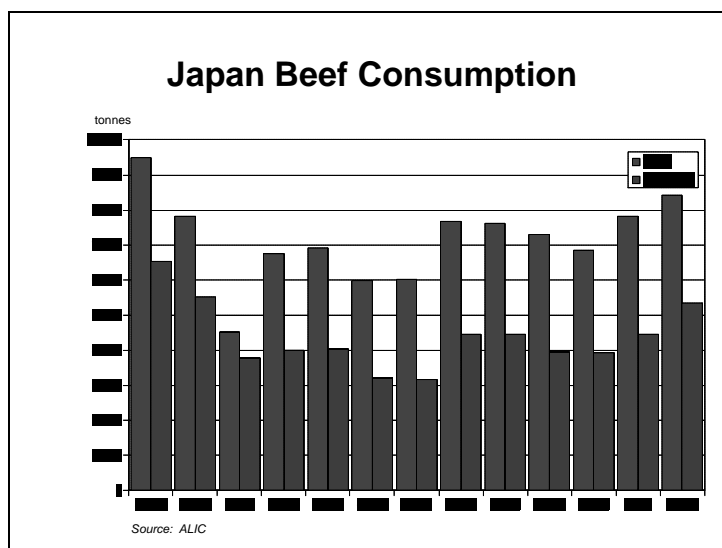


Slide 11

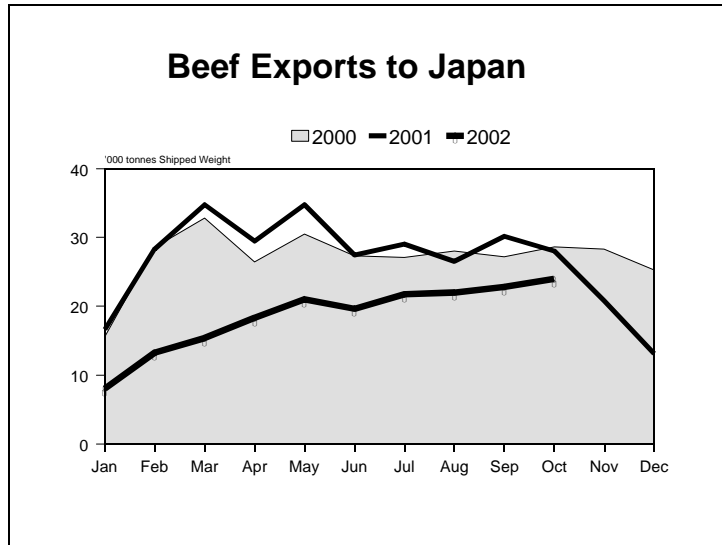
BSE in Japan

BSE discovered in September 2001
Compounded by mislabelling scandals
Initial 50% drop in beef consumption
A\$500 million lost export sales

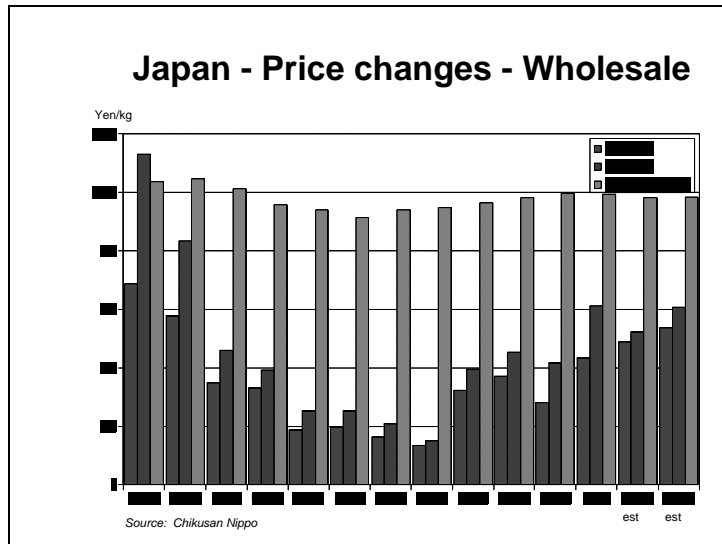
Slide 12



Slide 13



Slide 14





Slide 15

Long Fed promotions – 2002

– Nebru Plains

- Tear-away POP material highlighting production process

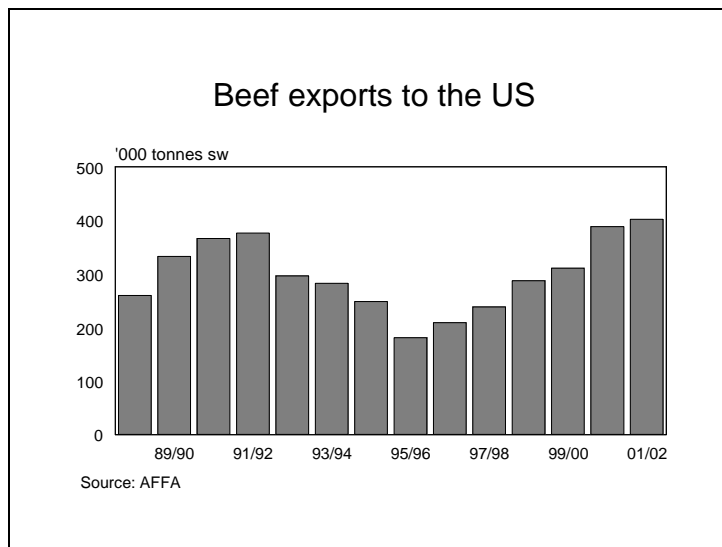
Slide 16

Other Grain Fed promotions – 2002

- Ito Ham
- POP material



Slide 17



Slide 18

US Beef Quota

Tariff Rate Quota (TRQ)
26.4% tariff paid on exports above 378,214 tonnes

Australian Government introduced a quota management scheme
12,000 tonnes shipped with tariff paid

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Korea

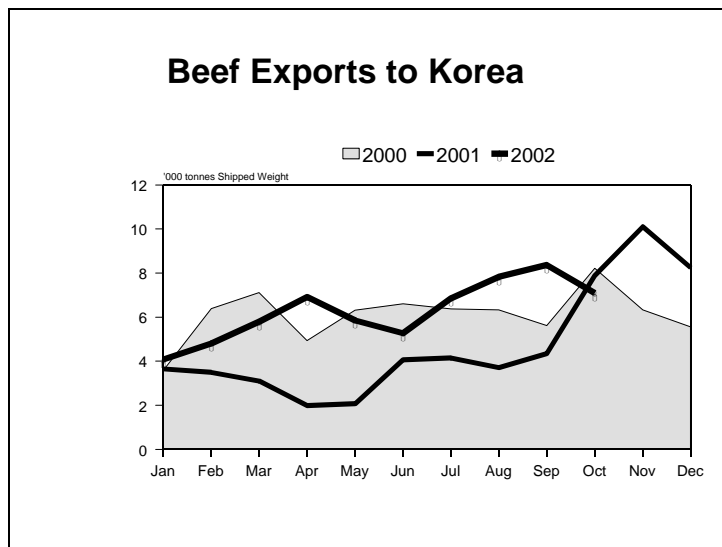
Market liberalised January 1, 2001

- With 40% tariff

Final two impediments removed since then

- Retail distribution restrictions
- Freezing chilled beef

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Slide 21

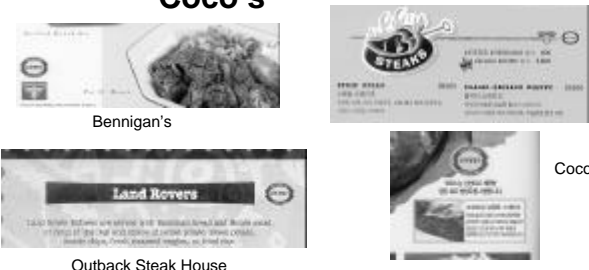


Slide 22

Food Service

1. Family Restaurant

**Bennigan's, Outback Steak House, Chill's, Marche, Vip's
Coco's**



Bennigan's

Chill's

Outback Steak House

Coco's

Slide 23

????? ?? ??



호주청정우

이와침의
이곳이 두산서해의
이와침의

호주청정우

Miss Choi is featured strongly in newspaper advertisements and in store POS promotions promoting Hoju Chungjungwoo

Slide 24

Summary of future cattle market influencing factors

Recovery in Japan expected to continue, albeit at a slower pace.

..... But competition in Canada may be a little greater next year.

Sales into the US market capped, but with higher prices the possibility of some over quota sales

Korea, South Asia & China to continue to represent growth markets

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Lamb Exports

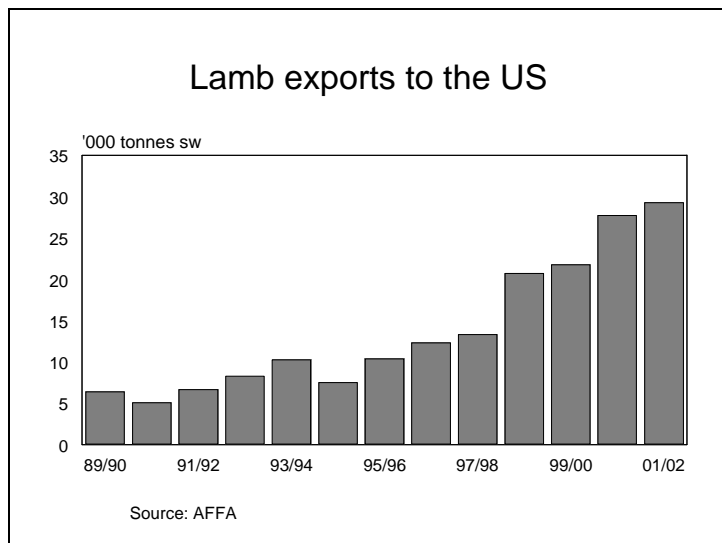
10 years ago only 15% of lamb production exported

Now 35% exported

Average lamb slaughter weights

1991	17 kgs
2001	20kgs

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Slide 27

A reasonably bright outlook for the Australian lamb industry

Lower flock inventories & forecast lower competitor production levels indicates strong future export demand

Growing interest in lamb from Asia

Broad base of export demand a positive for the industry

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On-farm QA

Only 43% cattle and 10% sheep slaughtered covered by QA

CATTLECARE 17% cattle

FLOCKCARE 2% sheep

NVD almost universal

- **Producer liability**
- **No audit, no records required**

Slide 29

On-farm QA

Two-tiered system to be developed

Level 1

- **Food safety certification only**
- **Linked to NVD**
- **Driven through AUS-MEAT accreditation**

Level 2

- **Added modules**
- **Eg. Animal handling/welfare environmental management**

Slide 30

National Livestock Identification Scheme (NLIS)

- Permanent electronic identification system**
- Secure identification and tracing of animals from property of birth to slaughter**
- National, central data base**
- Enhancement of tail tag system**
- To roll out State-by-State**

Slide 31

NLIS

Industry benefits:

- Better control of disease epidemics**
- Enables access to EU market**
- Maintains Australia's reputation as supplier of safe meat**
- Improved management on-farm**



The graphic on the right features the NLIS logo at the top, which includes a stylized 'i' and 'd' in a diamond shape. Below the logo, it reads 'Australia's system for livestock identification and traceability'. The central part of the graphic shows several identification tags and a small image of a sheep. At the bottom, there is a 'SafeMeat' logo and the website address 'www.nlis.gov.au'.

Slide 32

- Drought**
 - medium term effects
- Recovering Japanese market**
- Opportunities in Korea**
- Limitations in North America**
- Bright outlook for lamb exports**
- On-farm QA and secure traceability**