

## Cotton Seed Distributors Ltd. ACN 000 568 730

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## Dear Member,

As the 2017/18 cotton season draws to a close, we can begin to reflect on what has been a season of mixed fortunes for the Australian cotton industry. Despite a dry winter and spring, demand for cotton planting seed was strong, with approximately 6,000 tonnes of cotton seed supplied to growers. This resulted in a planting of 365,000 hectares of irrigated cotton and 68,000 hectares of dryland cotton, industry-wide (a total of approximately 430,000 hectares).

Many growers took the opportunity to plant early, starting from the first week of August in Central Queensland, which has already been harvested. Some dryland crops that were planted later in the season were able to take advantage of beneficial rain and have handled the season relatively well.

The number of Victorian growers has increased again. After a long history of uncertainty and variability in water allocations, irrigated cotton growers in the Lachlan Valley planted their largest cotton crop on record – approximately 18,000 hectares, with an increase in the number of growers trying cotton for the first time. Commercial cotton was also planted at Kununurra this season, the first time since 2011. For the second year, dryland cotton has also been planted at Georgetown in North Queensland's Gulf Country.

CSD's redevelopment project has been extremely well planned and run by project managers and CSD's project committee. With respect to timeliness and expenditure, the project is right where we expected it to be. We have begun 2018 operating from our new administration building, and Quality and Research Centre. Infrastructure for the whole project has been completed, with plant and equipment installation already underway, to be followed by the commissioning phase. In moving to the latest technology with delinting, the commissioning of the delinting plant requires adequate time. The treating plant should be more straightforward. We have kept the existing facilities well maintained and will use these for delinting this season, while the new plant is expected to be operational for treating. This new facility will enable us to supply cotton planting seed for up to one million hectares of irrigated and dryland cotton in any one season. This won't happen next year; however it is within our planning for the next 30 years. For further details on the redevelopment project, please see the media release attached to this letter.

Just as the cotton growing area has expanded, so too has CSD's trial program, with more than 125 trials being conducted by CSD's Extension & Development (E&D) agronomists this season. The trials program collates important crop data from across the industry and is used to assist growers and agronomists with cultivar selection for their local conditions. Additionally, findings from the Ambassador Network program will be reviewed by CSIRO before being presented with the trial data via the Cotton Management Tour in June and July this year, as well as at the Cotton Conference in August.

In line with the CSD strategic plan, a key focus is the expansion of our membership base. Every cotton grower has invested heavily in their own business and we believe every grower should have an investment in CSD via membership to protect their future. We are very keen to hear what CSD represents to you and what additional service we could consider to actively serve our membership base.

Our Annual General Meeting will be held on Tuesday the 19<sup>th</sup> of June, 2018 at Wee Waa. This will coincide with the official opening of our new facilities, to be held later on the same day. More information on all of these events will be communicated to you in the coming months.

Thank you for your support in 2017. We look forward to working with you in 2018, and wish you a safe and successful harvest.



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Sincerely,

James Kahl Chairman

Cotton Seed Distributors Ltd

13 March 2018



#### **MEDIA RELEASE**

13<sup>th</sup> March 2018

# CSD finalises infrastructure; moves to next phase in multimillion dollar redevelopment project

Cotton Seed Distributors (CSD) have finalised the first phase of the ambitious multimillion dollar redevelopment of its 'Shenstone' cotton seed processing plant and laboratory, near Wee Waa, NSW.

Infrastructure of all earthworks, roads, buildings and essential services has now been completed, with staff commencing operations from the new administration complex and Quality and Research Centre in late 2017.

CSD Managing Director, Peter Graham said that the second phase of the redevelopment project, involving the construction and installation of specialised plant and equipment, is now well underway.

"Four major contractors are currently on site assembling the production lines used for delinting and treating cotton planting seed. The commissioning of the new technology incorporated in the delinting plant will not be rushed.

"We have kept the existing facilities well maintained and are currently using the delinting plant for this season, while the new plant is expected to be operational for treating," said Peter.

CSD Chairman, James Kahl said that CSD's redevelopment project has been extremely well planned and run by project managers and CSD's project committee.

"With respect to timeliness and expenditure, the project is right where we expected it to be. We have begun 2018 operating from our new administration building, and Quality and Research Centre."

"This new facility will enable us to supply cotton planting seed for up to one million hectares of irrigated and dryland cotton in any one season. This won't happen next year; however it is within our planning for the next 30 years," said James.

"CSD is the only supplier of cotton planting seed in Australia, so the industry is totally reliant on us to fulfil their requirements as and when needed. We recognise the importance of investing in innovation to ensure a robust and profitable cotton industry in Australia, today and well into the future."

# [ends]

Cotton Seed Distributors Ltd. (CSD) has been supplying quality cotton planting seed to the cotton industry since 1967. CSD was formed through the vision of Australia's foundation cotton growers and remains committed to the success of today's industry.

CSD is a major investor in cotton breeding, research and development, having developed a long and successful partnership with the CSIRO Cotton Breeding Program. CSD's objective is to deliver elite varieties that are specifically bred and adapted to suit local growing conditions by delivering yield and quality outcomes to keep the Australian cotton industry at the premium end of the global fibre market.

For more, visit the CSD website: www.csd.net.au

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