



COLD FACTS

Fresh ideas



COLD STORAGE

Edition 1 29 September 2008

Welcome to a new beginning...

The safety of our employees is something our family takes very seriously. We strive to make each and every site as safe and risk free as humanly possible with OHS&E remaining our key focus.



On behalf of myself and the Montague family, executives and staff I would like to personally welcome you to the first edition of the 'Montague Group of Companies' quarterly newsletter, Cold Facts Fresh Ideas.

Cold Facts Fresh Ideas has been developed to serve as a medium between the three divisions (Cold Storage, Montague Fresh and Orchards), a way for our staff to learn more about the different areas of the organization and to become more involved with the company they so

tirelessly and enthusiastically commit themselves too.

It is our intention that CFFI helps unite the three divisions. I strongly urge you to communicate across the Group, as we are a team comprising of sophisticated and talented individuals with a variety of skills. You never know when you may meet someone who might benefit the individual areas you work within.

The safety of our employees is something our family takes very seriously. We strive

to make each and every site as safe and risk free as humanly possible with OHS&E remaining our key focus.

A great deal has been done to improve safety at our facilities with site induction programs, safer equipment, and regular toolbox meetings just some of the initiatives we've adopted, nevertheless there is still much to be done.

The environment in which we live is under threat more than ever with green house gasses destroying our planet. This is a subject our family and I feel strongly about. We are going to greater efforts and new lengths on a daily basis to cut back and help reduce the size our Carbon footprint.

As well as creating a stronger awareness on safety and the environment, CFFI will keep you updated on various undertakings and progression within the divisions. I am proud of our achievements and attribute a great deal of them to a wonderful workforce who should take pride in their accomplishments.

I wish Andrew Montague all the best as editor of CFFI and look forward with great anticipation to future issues and learning more about each of you.

Ray Montague, Managing Director, Montague Group

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Target Zero

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Angelo Biviano (NAB), Barry Mclean, Rowan Little, Bruce Le Maitre, Chris Peters, Ray Montague, Rob Cavallaro (Woolworths), William Francis Montague, Michael Urban (NAB)

...which quickly transitions to effervescent fusion of tangy sweetness - music for your mouth.

Its bold sweet-tart flavour, crisp texture and easy on the eye appearance can be attributed to its parents, the vastly popular Royal Gala and the firm, sharp Braeburn. With such pedigree breeding, it is no surprise that Jazz™ is proving to be a hit around the globe. The Jazz™ experience can best be described as an initial sweet gala rush, which quickly transitions to effervescent fusion of tangy sweetness - music for your mouth.

The very first Jazz™ trees were planted on one of our Batlow orchard, in the winter of 2006. Following 2009 plantings 300,000 of the 480,000 trees will have been planted across Australia. The biggest single planting is at the Montague orchard in Batlow that altogether has plantings just under 100,000 trees. The balance of trees will be planted by licensed growers in cool climate districts across Australia including Batlow, Huon and Tamar valleys in

Tasmania, Gippsland in southern Victoria and Manjimup in Western Australia.

The first Jazz™ apples were available in stores as of April 2008. In the first year volume was small (around 1,000 cartons) and the season limited but in 2009 we estimate that sales will be around 13,000 cartons which will sell from April to June. Retail interest in the 2009 product is very strong

Montague Fresh is proud to be managing the growing, packing and sales of all Jazz™ in Australia. We urge you all to try Jazz™ and become a part of the hype as we take apple growing to the next level in Australia.

Congratulations to Barry Mclean, "Jazz™ grower of the year 2008".

Rowan little, Business Manager Marketing, Montague Fresh

Sydney Warehouse... logistical thinking



In response to customer demand, Montague Fresh has seen expansion on the east coast of Australia and in early May 2008 commenced operating out of a new warehouse in Cosgrove St Strathfield South, Sydney.

The site contains two cool rooms (chillers), each with the capacity to hold up to 340 pallets. A solid team up in Sydney is headed by 'Key Accounts Manager' Richard Swanton, who reports to Scott Montague (Business Manager-National Sales) in regards to Sales and Tim Montague (Business Manager-Logistics) in regards to warehousing, transport and distribution. Richard oversees a reliable party of eight well-trained and highly capable individuals.

Since the opening the Sydney warehouse has focussed heavily on OHS& E with the goal of nil incidents and nil LTIs (Lost Time Injuries). The warehouse has been fitted out as a new-generation facility with "Traffic Management" procedures introduced with expenditure on line marking over the last month. There has been a strong focus on "Site Inductions" for all staff, transport operators and all contractors. All staff have recently been signed off-on "Dock Procedures" and there is also an incentive in place whereby the staff is rewarded with a BBQ every 180 days that passes by "LTI" free. Just some of the initiatives taken by the HR department to ensure safe practice comes first.

We look forward to a prosperous, efficient and safe future with our expansion up in Sydney.

**Tim Montague
Business Manager-Logistics
Montague Fresh**

Target Zero

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COLD STORAGE

Welcome to Montague Cold Storage!

Montague Cold Storage specialises in providing a high level of service in temperature controlled storage and inventory management. Facilities are strategically located in close proximity to primary producers, manufacturers and transport arteries in eight locations in rural and urban Victoria and Tasmania. As at April 2008 it was estimated that our market share was approximately 21% of the Victorian refrigerated warehouse market .

Montague Cold Storage facilities cater for a range of storage conditions ranging from -18^o C to 25^o C with blast freezing at -30^o C. Facilities are best summarised as follows:

Location	Capacity (pallets)	Major Clients
Narre Warren Nth, Vic.	13,500	Patties, National Foods, Montague Fresh.
Allansford, Vic.	36,000	Warrnambool Cheese and Butter, Dairy Farmers, McCain's, Fonterra.
West Melbourne, Vic.	17,200	Murray Goulburn, Ballantyne Foods.
Tullamarine, Vic.	14,200	KR Castlemaine, Berri, Tassal Seafood.
Bacchus Marsh, Vic.	2,600	Original Juice, Dairy Farmers.
Devonport, Tas.	20,000	Facility leased to Simplot.
Kyabram, Vic.	27,800	Murray Goulburn, McCain's, Fonterra, Kraft.
Merrigum, Vic.	5,900	Tatura Milk, SPC Ardmona, Heinz.

Building strong relationships with clients, the use of technology to transact with clients and a continuous improvement ethos is of utmost importance to ensure continued growth of the Montague Cold Storage business.

To date we face a number of challenges, in summary these are:

- Upgrade of our Warehouse Management System (pending board approval) so that all sites are on the same software version, have access to cutting edge technology, are able to produce meaningful reports as required and are able to give clients greater visibility of inventory, receipt and order status.
- Continual focus on reducing risk to our people, properties and the environment and continuing to drive our lost time injury frequency rate downwards.
- Assessment of our carbon footprint and reduction thereof.

At Montague Cold Storage we look forward to the first and subsequent group newsletters, reading about other business units of the Montague Group, establishing closer relationships and exploring possible synergies.

John Galbo,
Business Development Manager, MCS



MCS Facility, Tullamarine Park Rd, Tullamarine



MCS Facility, 5331 Great Ocean Rd, Allansford

New faces



Kevin Hughes has taken on the job of 'Site Manager' at our West Melbourne facility, 90 Coode Road, effective from 4th of August. Kevin has completed an advanced certificate of Business-operations

Management at Victoria University amongst others. Kevin has made his way from Chandler recruitment, with a history of experience in distribution and warehouse management. We wish Kevin a long rewarding career with our company.



Hector Jovellan, as of the 21st of August became Site Manager of our Narre Warren North facility, 45 mins South East of Melbourne. Hector joins the Montague Cold Storage team with an extensive

list of qualifications in the industry. Hector has been well received at our first Cold Storage site and we are confident that with his skills and friendly nature, Hector will add much value to our company.



John Galbo joins us as the 'Business Development Manager' for Montague Cold storage. John has a solid history in warehousing, particularly third party multi user facilities with a Postgraduate

diploma in Transport and Distribution. We welcome John with enthusiasm and wish him the best of luck with a prosperous and lengthy career at Montague Cold Storage.



Target Zero



We will not compromise on safety...

The Montague Group are about to introduce a Safety Awareness program titled "TARGET ZERO" and this will be presented to all employees at their workplace over the next months.

"TARGET ZERO" is a behavioural change program designed to help us promote the importance of working safely, and aims to make safety relevant to every Montague employee, whether working in an Orchard, Cold Store, warehouse, office or in the home.

The Board views employee health, safety and wellbeing as important components of this behavioural change program. Montague family members together with managers, leaders and OH&S representatives are expected to demonstrate appropriate behaviours in their daily work dealings and activities that set examples for all our employees to follow.

The Montague Group assess their safety performance using the international measurement standard of Lost Time Injury Frequency Rate (LTIFR) and our current LTIFR would have to be regarded by comparative standards as poor.

Companies who use LTIFR as a measurement all strive to have a low figure, hence the title of our program - TARGET ZERO. We need to eliminate safety incidents from our business so that all our employees return home to their loved ones in exactly the same physical condition as when they left to go to work. If we do this we will have a LTIFR of ZERO.

You will hear many times as the program

"TARGET ZERO" is rolled out, the words No Incidents-No Injuries. This we are hoping will become somewhat of a mantra, a chant, something imbedded in our brain as we go about our daily work, because if we have no incidents, then no one will be hurt!!

"TARGET ZERO" invites every Montague employee to embark on a journey and embrace the program. Every employee has a vital role to play in ensuring the acceptance and ultimate success of "TARGET ZERO". Management will support this program by improved systems, positive reinforcement, additional training programs, consultation forums and leadership.

The Montague Group has a set of Safety Principles that will not be compromised.

They are:

- All injuries can be prevented
- Working safely is a condition of employment
- Employee involvement is essential
- Management is accountable for safety
- All operating exposures can be safeguarded.
- Training employees to work safely is essential

Evan Bain, Group Human Resource Manager, Montague Group



Three's a charm

Karen, Rachel and Jacqueline Pejovnik have been with the Montague Group collectively for a period of over 35 years. Their dedication and commitment to achieving the best is surpassed by none and is inspirational to all that surround

them. All three are married with Rachel having met her husband at our Narre Warren work site. Karen and Jacqueline work side by side at the Narre Warren Nth cold storage site while Rachael, also at Narre Warren Nth finalises batches and pallets of fruit in the pack-house. Jackie and more recently Rachael have taken on another challenging role in motherhood with the safe arrival of Nickolas Roy Francis Demenna on the 25th of January 2008 and Helena Francis Rose Pejovnik-Savage on the 19th of August 2008. We wish the girls and their latest editions every success for the future.

Fruitful Feedback

If you have any feedback, comments or stories you would like to see in CFFI regarding events, activities or people at your site, please forward the information to us either by fax or to the address below or alternatively send to Andrew Montague via email at amontague@montaguefresh.com.au.

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