



COLD FACTS

Fresh ideas



COLD STORAGE

Edition 2 - 19 December 2008

Congratulations for another fantastic year from all the family...

On behalf of the family and Board of Directors I want to wish every one a very Merry Christmas and a safe and happy New Year.



Jarryd Montague, Ray Montague, Crystal Montague, Hamish Montague, Bill Montague, Scott Montague, Andrew Montague, Greg Montague and Tim Montague.

Welcome to the second edition of Cold Facts Fresh Ideas. From our first edition I have received wonderful feedback and Andrew Montague is to be congratulated on a first class effort as editor of our first ever newsletter.

We continue to roll out TARGET ZERO across our company and during the next few weeks I will have completed presentations at every site across the Group. TARGET ZERO is being well received and it is extremely important that the values of TARGET ZERO and the effect on the Group and culture be upheld. From a Board perspective, this is the most important initiative.

Our Cold Storage division has two exciting new projects in the wings. We are looking at opportunities to develop a major cold storage site in the western suburbs of Melbourne and the first tenders for this development will be closing on 22nd December. The first stage of the site development should be completed by late 2009. We have also secured a new cold storage distribution centre adjacent to Eastlink in Keysborough which should be operating in early December. There will be more detail early next year on these two projects.

In Montague Fresh we have purchased an interest in Buchanan's Nursery in Australia

which owns the Bradford Stone fruit License in the US. This will give us great access to the majority of new cultivars for the future.

Our orchards developments are looking extremely promising. We are well on track to continue to be competitive with our new high density plantings and with the continued crop protection being installed over approximately 8 hectares of orchard every year. This year our new Jazz™ apple production will lift to approx. 300,000kg of fruit on the way to producing within four years about 10,000,000kg of this new variety. Stone fruit sales have had a very promising start to the season and our Bilmont property has produced some wonderful early season nectarines, peaches and apricots of the highest quality and I am extremely encouraged by our improvement.

This year for the Montague Group has been extremely difficult, especially with the loss of my brother, Gregory William Montague, in June, which has been for our family and the group an enormous loss (Refer pg2). We have had to deal with a faltering economy and extremely difficult trading conditions but throughout this period, I cannot thank all employees of this Group enough for their unflinching efforts, their incredible enthusiasm and their passion to make this company a great place to work.

On behalf of the family and Board of Directors I want to wish everyone a very Merry Christmas and a safe and happy New Year and may you celebrate Christmas and this special time of the year with all your loved ones.

***Ray Montague, Managing Director,
Montague Group***



Natures Best and Claude Guerrera...

Quick Facts

Natures Best are a group of 4 high end independent fruit and vegetable retail stores located in the inner suburbs of Sydney. They include:

- Norton Street Grocer – (Leichardt & Bondi Junction), Royal Randwick Fruit Market – (Randwick) & the Metro Fruit Market (Marrickville).
- Each store stocks a wide range of top quality fruit and vegetables combined with a gourmet delicatessen and Mediterranean style mini mart.
- Owner/Proprietor Claude Guerrera maintains a strong involvement in the day to day operations to ensure that his stores only stock the finest quality products that his customers demand.

Montague Fresh has been supplying the best lines of Apples and stone fruit to Natures Best for the last 2 years.

Early in 2008 the Jazz™ apple was launched at Norton Street Grocer in Bondi Junction with a 3 piece jazz band playing at the front of his store to draw customers



Ray Montague (MD) and Claude Guerrera (Natures Best)

to the Jazz™ brand and to entice them to sample this FANTASTIC new apple.

Jazz™ proved to be a hit with Claude's customers; as a result the Natures Best stores sold the most Jazz™ apples of any Montague Fresh's customers in 2008!

Congratulations Claude

Montague Fresh enjoys working together with Claude and Natures Best and look forward to continuing building our relationship.



A memorial to Gregory William Montague

The sudden passing of our beloved Greg on the 14th of June 2008 has been a huge loss to the Montague Group and to those who knew him. Greg grew up on the farm at Narre Warren North where today, the head offices for Montague Group stand. He promptly familiarised himself with the apple industry, becoming involved at an early age in the running of the orchards. Although a true horticulturalist, he found intrigue and was truly excited in the challenges presented by Cold Storage.

Greg took over control of Montague Cold Storage in 1983 at the age of 33, quickly establishing himself as an astute business man in and outside of the company, catalysing Montague Cold Storage from an internal controlled atmosphere operation to one of Australia's largest third-party refrigerated warehousing companies.

Through his endeavours we've seen continual expansion and growth of our Allansford Cool Stores, the building of a modern facility in Devonport, the acquisition of Tullamarine and the lease/operation of Murray Goulburn's Coode Road Warehouse. He was a greatly respected man who developed strong relationships with highly valued customers such as WCB, Murray Goulburn, and Don KRC to mention just a few.

The Montague family and staff are eternally grateful for the legacy Greg has left behind, he will be forever sorely missed by those who knew and loved him.

Happy 1st Birthday

Tigerlily born 4th December 2007
(Tim and Bernadette Montague) and
Scarlett Montague 21st October 2007
(Hamish and Sara Montague).



Murray Goulburn Cooperative (MGC)



Phil Saunders, National Storage and Distribution Manager, MGC

"For over 30 years Murray Goulburn has been a highly valued customer of Montague Cold Storage, storing domestic and export cheese and butter at four of our facilities, Allansford, Narre Warren North, Tullamarine and West Melbourne".

"Since its formation as a Co-operative of 14 dairy farmers in 1950, Murray Goulburn has specifically focused on maximising returns to its supplier/shareholders and meeting the needs of its customers".

Quick Facts about MGC

- MGC is the largest container user in the Port of Melbourne exporting in excess of 375,000 MT or 23,500 containers for the financial year.
- Milk intake of 3.3 billion litres - 35% of Australian milk production.
- Australia's largest manufacturer of dairy products
- International business accounts for approximately 9% of world dairy trade.
- Exporting to over 100 countries

Montague Cold Storage (MCS) has been working closely with Murray Goulburn (MGC) to perfect the storage element of their Logistics operation. Currently MCS store over 14,000 tonne of export product for MGC at our West Melbourne Facility and 3000 tonne of domestic product which is conveniently located within kilometres of the port of Melbourne.

Phil Saunders heads up an extremely competent and very capable team based at their ILC in Laverton North. An Innovative attitude to business has seen their day to day operation become the benchmark of many organisations throughout the world involved in high density warehousing.

Montague Cold storage enjoys a strong working relationship with MGC and look forward to continuing to work with them into the future.

Customer satisfaction... what they have to say.

Patties Food Ltd

"I have been kept abreast of the issues and daily gains Montague Cold Storage have been achieving. We really do appreciate the effort your team has made and is putting in to get things running smoothly and keeping our customers in supply.

I know that it has not been easy so well done and thank you, please also convey my/our thanks to the team".

Kind regards

Harry Rijs
Deputy Managing Director

Nestle Pty Ltd

"I would like to express my gratitude to the Montague Cold Storage team for the great support and professional performance you have had during the last couple of weeks".

Nader Ghavidel
Operation Performance & Logistics
Manager Nestlé Foods



Glenn Edwards, Operations manager, MCS. Responsible for the efficient operation of 6 MCS facilities.

MCS (Montague Cold Storage) have set up a national distribution centre for Patties Pty Ltd.

Patties product from 3 other sites has converged at NWN.

NWN has enabled Patties to reduce their suppliers of warehousing services from 3 to 1 (not including themselves).

Nestle have a scoring system by which they rate Montague Cold Storage's service.

DIFOT (delivery in full on time).

Invoice accuracy, care of product, quality of info and service.

MCS has scored full marks over a 6 week period from week 30 to week 35 in 2008.

Congratulations Team.



Target Zero



Target Zero Update

The roll out of the Montague Group's Safety Awareness Program TARGET ZERO has been extremely well received. All employees, both permanent and casual, at all sites were introduced to TARGET ZERO by Ray Montague, Managing Director and Evan Bain, Group Human Resources Manager.

The TARGET ZERO program invites all employees to join us on the journey to reduce the number of Lost Time Injuries with the theme of "no incidents, no injuries"

In his introduction Ray Montague emphasises the importance he himself, his family and the Board place on Occupational Health and Safety and the Environment and urges all employees to take care and work safely at all times. Ray stresses that it is critical to the business that we improve our safety performance.

TARGET ZERO is a continuing program - it does not cease after the initial introduction - we want to ensure that the hearts and minds of all our employees are repeating the slogan of "no incidents - no injuries". There will be follow up gatherings of employees at all sites to talk more about what we are doing to improve our safety performance. Part of the follow up will be our search for SAFETY CHAMPIONS - those who are prepared to make a stand on safety, an

example was Jarryd Montague who recently stopped a contractor from working in the Sydney Warehouse when the contractor was not wearing the appropriate harness and safety gear while he worked 15 metres above ground from a ladder.

Evan Bain, Group Human Resource Manager, Montague Group



We are delighted to recognise Jarryd, Leading Hand MFS, as being the first SAFETY CHAMPION of the Montague Group.

George Handley, to a job well done...

Fishing whilst trying to negotiate slippery rocks on the Western Australian coast, George was interrupted by a phone call that would ultimately see him pulled out of an early retirement and into a job that would occupy a great deal of his life for the next 14 years. The phone call would also see him fall head over heels into the Indian Ocean.

Since that telephone call on the 28th of November 1994 George has been tirelessly working for Montague Cold Storage and the family. Living on site at Narre Warren North, he has been an extremely loyal and dedicated employee who has done everything and anything requested of him, from nabbing apple thieves to catching out,

interrupting and evicting promiscuous people of the night.

Although retired, George will still be keeping an eye on the cool stores from his new home in Gifford West.

The Montague family is eternally grateful for the years of invaluable service given by George and we wish him and his wife Lyn the very best for the future.



George Handley and Bill Montague (Georges Retirement lunch)

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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