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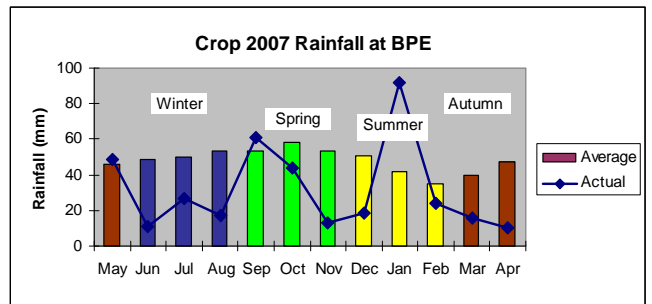
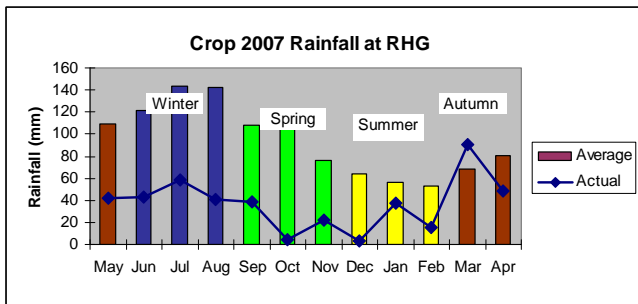
7th May 2007

The 2007 Australian Hop Crop

The 2007 Australian crop came in well below long term average yields in almost all growing areas. Early spring brought very cold temperatures to all regions with many plants showing frost damage and slow growth at training time. The hardest hit areas were Scottsdale in Tasmania and the King Valley in Victoria. Bushy Park Estates in southern Tasmania also experienced very windy weather early in the season which played havoc with some varieties. Young bines were repeatedly blown from the strings, necessitating additional training runs to return bines to the string.

The most significant affect on hop growth and ultimately yield of both hops and alpha, was simply the lack of rain. Australia generally has been suffering the crippling affects of low rainfall, with rainfall in many areas of Tasmania and Victoria at the lowest ever recorded levels.

Following are graphs of the last twelve months rainfall records from farms in north eastern Victoria and southern Tasmania. During the last twelve months Rostrevor Hop Gardens received just 39% of the average rainfall for the period, and Bushy Park Estates received 66% of average falls.



Farms with adequate dam and/or river supply were able to cope with the season and produced slightly below average crops. Those farms with insufficient storage, or those who had to rely on allocations from rivers, already critically low due to lack of winter and spring rain, suffered significantly.

Overall the Australian production (kilograms of hops) was 25% down on long-term averages, netting just 890 tonnes vs. an expected yield of approx. 1,180 tonnes. Of the Hop Products Australia owned properties, it was Rostrevor Hop Gardens that suffered the most, in this case simply due to the lack of water. Yields at Rostrevor were some 28% below





average, with alpha yield some 37% below average. The most notable shortfall was in the variety Topaz which has been the mainstay of Rostrevor production for many years. Over the last five years Topaz has yielded average alpha results of 16.7% in the bale, whereas this year average alpha was just 13.8%.

Whilst the cold weather and wind hampered bine growth early in the season at Bushy Park, the season ended with some surprising results. Yields were somewhat variable between varieties, but with ample water, courtesy of the Derwent and Styx rivers, overall farm yield was just above average and α levels slightly exceeding expectations. This higher than expected α content is considered partly due to slow early growth and a nice open canopy during crop maturation, along with a number of significant changes to hop husbandry. The alpha yield at Bushy Park was spearheaded by a record 17.1% average bale alpha in Super Pride, (vs long term average of 14.3%), which partially offset decreased yields in some other varieties.

In contrast to the fine outcome at Bushy Park some other growers in Australia also suffered some very low yields. One grower in Victoria and two at Scottsdale were down 60% on their 5-year average, once again almost entirely due to lack of rainfall and irrigation.

For details on the Australian harvest by variety, please see the following table.

Australian 2007 Hop Crop

2007 Area and Production

Variety	Tasmania			Victoria			Totals		
	Hectares	Yield T/ha	Production (Tonnes)	Hectares	Yield T/ha	Production (Tonnes)	Hectares	Yield T/ha	Production (Tonnes)
Cluster	9.0	1.67	15	10.0	1.50	15	19.0	1.58	30
Millennium	38.9	2.73	106				38.9	2.73	106
Others	16.9	2.02	34	5.7	2.04	12	22.5	2.03	46
Pride of Ringwood	84.9	1.86	158	29.5	0.85	25	114.4	1.60	183
Super Pride	96.1	1.93	186	56.7	1.94	110	152.8	1.93	295
Topaz				67.7	2.57	174	67.7	2.57	174
Victoria	12.3	2.93	36	13.2	1.46	19	25.5	2.17	55
Total 2007	258	2.07	535	183	1.94	355	441	2.02	890
Total 2006	255	2.79	712	116	2.85	332	372	2.81	1,044

We now look forward to some replenishing rainfall in preparation for Australia's crop 2008.