

In this edition

- **Get Set Early With Phosphates and Get the Early Bird Discount**
- **Tamworth Rural's Wheat Trials**
- **Sulphate of Ammonia in Short Supply**
- **Distributor Profile: Murrindindi Fertilisers**
- **BioAg Hosts South Australian Study Group**

BioAg COUNTRY

Get Set Early With Phosphates and Get the *Early Bird Discount*

As one can imagine, forecasting international reactive phosphate rock (RPR) prices exercises our minds quite a bit as BioAgPhos and its associated products which are made from RPR represent an important part of our business. This year, prices have been more volatile than ever.

First we had the Arab Spring with uprisings right across North Africa, the principal source of the world's phosphates, including Egypt where the RPR for BioAgPhos comes from. Fortunately, conditions in Egypt have stabilized and production is returning to normal. China is the largest consumer of fertiliser in the world and is emerging as a net exporter of MAP, DAP and urea, but is an extremely volatile supply source as the Chinese government seeks to regulate exports by means of an export tax which it applies and removes at will. India, the second largest consumer, is now a huge net importer, accounting for some 10 million tonne of MAP and DAP annually. International fertiliser prices also follow grain prices up and down, but the signals can become confused by reserve stocks (the stock-to-use ratio); however the grain prices do provide a good indicator as to whether fertiliser prices are likely to rise, remain steady or fall.

For all of these reasons, the price quotations we have been receiving over the past three

months for RPR have tended to be 50-70%, and in some cases as much as 100% higher than when we brought in our last shipment late last year, despite being offset by a stronger Australian currency. The cost of seafreight has also risen for various reasons including tighter vessel availability and piracy risk loadings.

Taking account of all of these factors, we will be obliged to impose a small \$10 per tonne increase in our phosphate fertiliser prices this season to take account of the replacement and holding costs of our phosphate rock. However, we will be running our "early bird specials", as we do before the start of each season to reward those who have a desire to get set early and are able to pay in advance.

This season's prices are shown below. Last year the BioAgPhos blends of Pasture Primo (BioAgPhos and lime), Superb (BioAgPhos and gypsum) and BioAgPhos S10 (BioAgPhos and elemental sulphur) all proved popular so we'd recommend that you discuss your situation with your BioAg distributor or agronomist to select the product and application rate that will perform optimally for you.

The discounted prices apply for payment in the months shown; delivery can be effected whenever the product is needed.



Spreading BioAgPhos on pasture in Victoria

For BioAgPhos and BioAgPhos S10 only, we are also offering a volume discount of 2% per 100 tonne ordered and paid for under the early bird arrangements, up to a 10% maximum discount for 500 tonne or more.

Domestically, we anticipate that ammonium phosphates (MAP and DAP) will retail in the range of \$780 to \$850 and single superphosphate between \$300 and \$330 per tonne ex works. At these levels BioAgPhos and its blends are very competitively priced when compared with the soluble alternatives, particularly on a cost per kg P basis. At the midpoint of the "early bird" offer, with BioAgPhos at \$365 per tonne, at 13% phosphorus, the cost per kg of phosphorus is \$2.80. This compares favourably with MAP at \$3.25 (\$815 per tonne less \$100 nitrogen credit at 22% phosphorus) and single superphosphate at \$3.40 (\$315 per tonne less \$15 sulphur credit at 8.8% phosphorus).

Product	%N	%P	%K	%S	%Ca	Price per tonne for each month of payment						
						Dec. 2011	Jan. 2012	Feb. 2012	March 2012	April 2012	May 2012	June 2012
BioAgPhos		13		1	35	\$350	\$355	\$360	\$365	\$370	\$375	\$380
BioAgPhos S10		12		10	31	\$375	\$380	\$385	\$390	\$395	\$400	\$405
Pasture Primo		4			34	\$125	\$127	\$129	\$131	\$133	\$135	\$137
BioAg Superb		9		6	31	\$250	\$253	\$256	\$259	\$262	\$265	\$268
RPR		13		1	35	\$335	\$340	\$345	\$350	\$355	\$360	\$365

All prices are ex Batesford Quarry, Geelong, in full truck loads and exclude GST. Prices are subject to change. Fertiliser analysis may vary slightly.

Tamworth Rural's Wheat Trials Show an Increase in Nitrogen Use Efficiency and Soil Carbon

In 2010 and again this year, Tamworth Rural agronomist Russell Ison has been conducting trials of various nutrient systems on wheat on Brett and Jane Mason's property *Allawah*, on the Oxley Highway at Somerton, west of Tamworth.

The trials on Durum wheat in 2010 and bread wheat this year, have been conducted on the same site. The aim of the trial was to evaluate the effectiveness of alternative sources of nutrients for cropping and to compare fertiliser programs including liquid fertilisers, a biological programme and composted manure. The control consisted of the traditional district system which involved banding granular nitrogen, phosphorus and sulphur fertilisers at planting or broadcasting during the season.

The control and BioAg plots were treated with 75kg/ha DAP and 120kg/ha urea in the 2010 trial. In addition, the BioAg treatment comprised an application of Soil & Seed at sowing and another of Fruit & Balance pre-flowering. In this year's trial, the application rates of the BioAg treatments were 3 l/ha Soil & Seed at sowing, 2 l/ha Balance & Grow during the vegetative growth phase, and 2 l/ha Fruit & Balance pre-flowering.

Last year's trial showed increased organic matter and higher available nitrogen in the BioAg plot. "Initial trial results indicate the compost and BioAg treatments had a positive effect on soil microbial activity, soil carbon and N balance," reported Russell. "Under a biological programme the crop appears to have increased nitrogen use efficiency as indicated by an increase in soil N after harvest when compared to the control treatment." He noted that the increase in soil N from the BioAg treatment amounts to around \$12/ha in increased N availability for the next crop.

His summary of the BioAg Soil & Seed and Fruit & Balance performance is as follows: "The BioAg treatment was the healthiest with reduced leaf disease and nutrient deficiency symptoms in a wet year. The grain quality was also higher with increased protein and lower screenings compared to other treatments. Utilising the BioAg programme and using compost lead to the highest increase in soil organic carbon and sequestration. With appropriate changes to land

management, agricultural soils have the capacity to sequester and store large volumes of carbon, thus improving microbial content, biological activity, fertility, structure, stability, resistance to erosion and ultimately biodiversity, productivity and profitability."

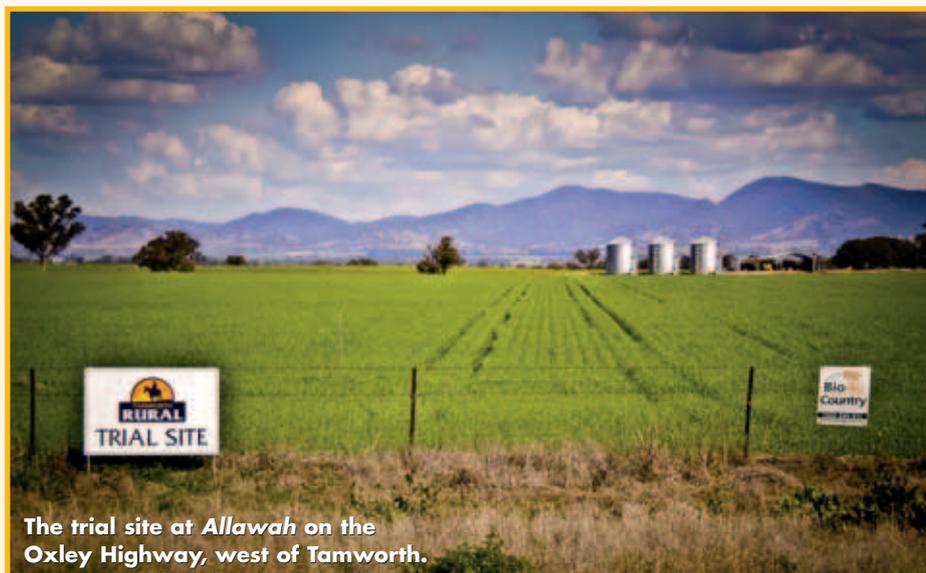
With this year's crop not yet ready to harvest, it's too early for quantitative results, but the observations are encouraging. Russell's comments on this year's crop are that there is more biomass in the wheat in the BioAg plots and less disease than in the control.

BioAg's Northern NSW Territory Manager, Arron O'Connell visited the site last month, and was delighted with the visual appearance of the BioAg plots. "There are obvious differences in colour and vigour" he recounted.

Tamworth Rural (formerly Tamworth Co-op) has been servicing the farming population of

the region since 1941. It operates from two locations (Tamworth and Moonbi) and focuses on high quality agronomic advice, and specialist skills in animal and equine health and nutrition. The business provides agronomic advice, animal health products, fertilisers, crop protection chemicals, stockfeed and general rural merchandise.

For further information on the wheat trials reported on here, contact Russell Ison on 0428 654 487, or BioAg's Arron O'Connell on 0429 820 360.



The trial site at *Allawah* on the Oxley Highway, west of Tamworth.



Part of the *Allawah* trial site showing the BioAg plot near the top left corner, and the control plot bottom right. The differences in colour and vigour stand out.

Sulphate of Ammonia in Short Supply

The much publicised reduction in Australian steel production by BlueScope Steel has resulted in a one third reduction in sulphate of ammonia production compared with this time last year, and corresponding supply constraints. BioAg has managed to secure an allocation of 400 tonne per month, and is now taking bookings for delivery in December and January. Supply will be tight, and it's a case of "get set or miss out". The price is \$260 per tonne ex Port Kembla excluding GST; there is no stockpile, so there can be no discounts. Call us and place your order now.

Distributor Profile: Murrindindi Fertilisers



Murrindindi Fertilisers shareholders Chelsea and Matt Helder, and Phil and Annie James, and Henry the dog.

Phil James had a vision of providing high quality agronomy services and advice to farmers in the Murrindindi Shire (Vic.). At the time he and wife Annie operated Glenburn Rural Contracting, an agricultural contracting services business in the shire. In pursuit of the vision, he teamed up with agronomist Matt Helder and his wife Chelsea in 2008 to form Murrindindi Fertilisers Pty Ltd which offered the synergies of the contracting business and the agronomy advisory services they were seeking, and enabled them to cover a wider area outside Murrindindi Shire.

Based at Glenburn, the business services an area from Mansfield in the North through the Murrindindi Shire to the Yarra Valley in the south, offering fertiliser sales and application, seed sales and liquid injection pasture renovation. Ninety percent of the business is based on broadacre farming.

After observing the results of BioAg programs for some time, and discussing the possibility of a business relationship with BioAg's Area Manager and Agronomist Richard Chibnall, Murrindindi Fertilisers was appointed a BioAg distributor at the beginning of the 2011 season.

"We believed that the BioAg products provided us with a cost effective range that supported our philosophy of sustainable farming practices. The technical work and support that BioAg offered to provide was also extremely important to our business, and our decision to become a distributor as it provides us with additional strength in our commitment to our clients," said director Matt Helder.

Director Phil James observed "At the start of the 2011 season we experienced abundant feed and high prices for stock, and feared that farmers would chase high profits and put inputs on hold. However, with the BioAg products we were able to put together the cost effective maintenance programs that our clients wanted.

"The flexibility of the BioAg programs allowed us to achieve results for the 2011 season that I don't think we could have otherwise delivered to our clients or our business. Going forward with the BioAg range provides us with great confidence in tackling the changing agronomy mindset demanded by our existing and new clients.

"Murrindindi Fertilisers' business is based on fusion farming practices. We believe the biological approach to farming to be the best available method of sustainable soil and plant growth inputs. Unfortunately there are no silver bullets to cure all ills, which is why we still combine conventional chemical practices with biological inputs. The upside in what we have achieved in a combination of programs is a 60-65% reduction in chemical purchases while still servicing all of our clients' needs and managing pest pressures. Quite a few of our clients have given us positive feedback this season about the application of programs incorporating the BioAg products.

"We see a strong future for agribusiness in general. We believe that the biological market share will increase, particularly in light of the changing attitudes to sustainable practices and awareness brought about by the carbon debate. There will be a greater focus on technologies, science and trial data given the changes being forced on to farming communities."

BioAg Hosts South Australian Study Group



Corobimilla farmer, Drew Vidler (left) with Mid North Ag Services' Rob Calaby in a paddock of Garnet canola grown under a BioAg plant nutrition program. The crop subsequently yielded 2 tonne/ha at 43% oil content.



Mid North Ag Services' Rob Calaby (left) and BioAg's Anton Barton (back row, centre) with the study group at BioAg's Narrandera Headquarters.

In early September this year Rob Calaby, Director of Mid North Ag Services at Clare in SA, and a group of growers took a road trip east along the Sturt Highway to the Riverina region of southern NSW. The first stop was at BioAg's Narrandera Head Office where Managing Director Anton Barton described the company's history and talked about the various facets of the business. From there it was out to the manufacturing plant, where Technical Director Jep Gates showed the group the fermentation process for the liquid cultures and explained why the different products are used at the various plant growth stages.

The group took a trip out to Corobimilla, a cropping district between Narrandera and Jerilderie to talk to a couple of growers who began implementing BioAg programs across their properties several years ago. It was great to hear the experiences of the two growers, and how they had implemented the BioAg approach in the phases of their crop rotation. This included a 200 kg/ha capital application of BioAgPhos prior to planting canola, a 500 kg/ha application of lime at across all paddocks, the use of Soil & Seed (generally mixed with herbicides) prior to planting, and Balance & Grow applied as a foliar treatment at mid tillering.

It's fair to say that the differences in growing conditions between Corobimilla and the Mid North area of South Australia, particularly in growing season rainfall, proved to be a topic of conversation for everyone. The methods by which growers handle soil fertility issues, fertiliser inputs and crop rotations were discussed at length.

It was at this time last year that Rob Calaby first witnessed a BioAg Soil & Seed strip trial conducted by BJ Dall at 'Woodlands Hill', and it was the yield response obtained from the Soil & Seed application that decided Rob on offering BioAg products to his clients. As a consequence, Mid North Ag Services has become a distributor of the BioAg range in the mid north area of South Australia, with store locations at Clare, Balaklava, Crystal Brook, Renmark, Loxton, Kimba and Meningie.

"Mid North Ag Services in Clare opened its doors in March, 2010", says owner Rob Calaby, "and supplies an extensive range of broadacre, pasture and forage seeds, fertilisers, chemicals, stock feeds, general merchandise and animal health products. It also provides a strong agronomic support service offering soil testing, rotation planning, crop monitoring, product recommendations, variety trials, and research and development activities".

In the Mid North area of South Australia, BioAg has undertaken two independently conducted replicated field trials to evaluate the application of Soil & Seed at planting as well as foliar applications during the growing season. BioAg is also cooperating with Mid North Ag Services in a large number of grower field trials where the various BioAg liquid products are being evaluated on various crops, soil types and management practices. Yield mapping data, spatial data analysis and harvester sub sampling will be used to assess the outcomes.

Christmas Message

The Directors and Staff of BioAg Pty Ltd wish all of our Customers and Friends a very Happy Christmas and Prosperous New Year.

Our Head Office and Narrandera liquid products factory will close at noon on Christmas Eve. The Head Office will re-open on Tuesday 3rd January and the factory on Monday 9th January 2012. The solid products operation at Batesford Quarry will close at noon on Thursday 22nd December and re-open on 4th January 2012.



Better soils. Better crops. Better stock.™

**For more information,
phone 02 6958 9911 or visit www.bioag.com.au**

©Registered trademarks of BioAg Pty Ltd, ABN 58 086 880 211 ™Trademark of BioAg Pty Ltd, ABN 58 086 880 211