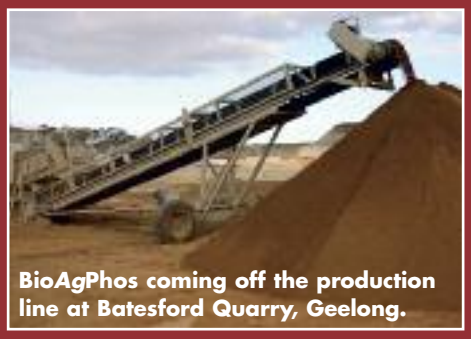
December 2010

In this edition

BioAg COUNTRY

DON'T MISS OUT on the Early Bird Phosphate Fertiliser Special



BioAgPhos coming off the production line at Batesford Quarry, Geelong.

In November we mailed you an invitation to participate in our Early Bird pre-payment special on our phosphate fertilisers **BioAgPhos**, **BioAg Superb**, **BioAgPhos S10** and RPR. As an example BioAgPhos, paid for in December and delivered when required, will cost $340 per tonne ex Geelong (excl. GST and delivery) compared with the list price of $365, a saving of $25 per tonne. Each month, the price increases by $5 per tonne, until the list price is reached in May.

Based on the mid-point price, this represents a return on cash invested of 17%. If you have the cash, or access to funds at a cost of less than 17%, it will be well worth your while to consider taking advantage of this discount.

In addition, 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.

Contact your BioAg distributor to do a deal.

	Dec.	Jan.	Feb.	Mar.	Apr.	List
BioAgPhos	**$340**	$345	$350	$355	$360	$365
BioAg Superb	**$243**	$246	$249	$252	$255	$258
BioAgPhos S10	**$365**	$370	$375	$380	$385	$390

Consider Stubble Digestion

For the first time in some years, the climatic conditions favour stubble digestion, which offers quite a few benefits in preparing for next season's crop.

As in the process of composting, microorganisms involved in the digestion of stubble require moisture to do their job. As a general rule a 20 mm rainfall event provides enough moisture to warrant a stubble digestion program.

Typically, the average summer rainfall over the last 15 years in NSW and Victoria has provided sufficient moisture for the digestion process to take place. The key is timing applications with coming rains and gaining sufficient stubble contact with the soil.

Some of the benefits associated with a well managed and timed stubble digestion program are listed below:

- During preparation and planting, there is better trash clearance and less "balling up".
- The stubble is more completely broken down, providing a source of nitrogen to better balance the carbon:nitrogen ratio. This improves the breakdown process and reduces nitrogen immobilization (draw down) during the critical early growth stage of the crop.
- Sequestration of atmospheric nitrogen occurs during the decomposition process which means that there is less competition for nitrogen overall, resulting in less dependence on manufactured nitrogen fertilisers. Furthermore the improved biological activity has the ability to hold onto more nitrogen which is released in a more balanced manner during mineralisation and symbiotic plant biological processes.
- Well digested stubble decreases the hosts for fungal diseases and improves the soil biology habitat, offering better natural plant protection.

Good tilth is a term referring to soil that has the proper structure and nutrients to grow healthy crops. Soil in good tilth is loamy, nutrient-rich soil that can also be said to be friable because optimal soil has a mixture of sand, clay and organic matter that prevents severe compaction. Stubble digestion aids tilth by creating more humus, resulting in a superior soil structure.

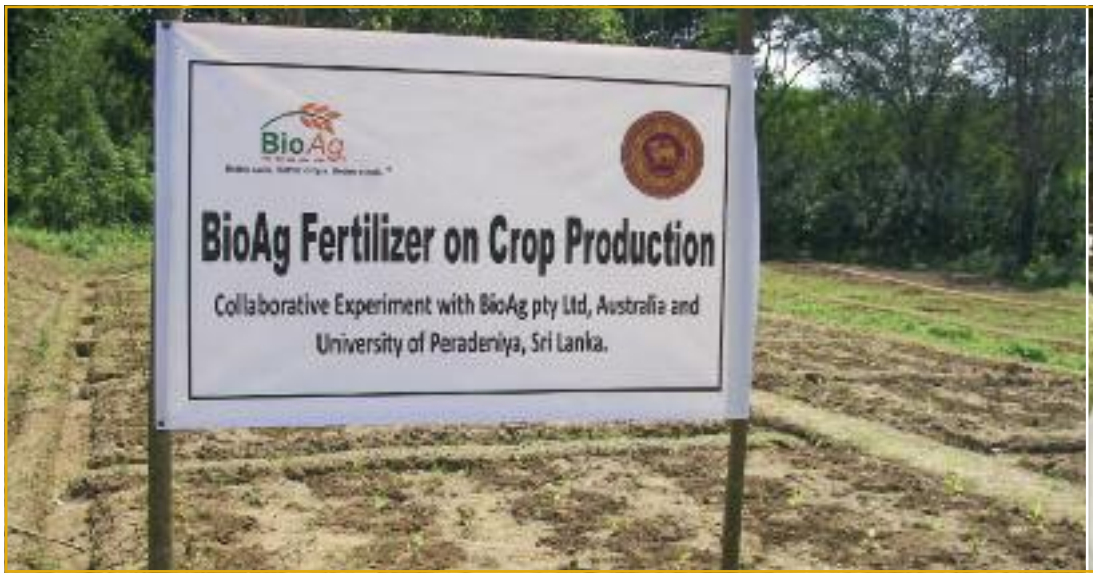
Beneficial fungi on Digest-it treated stubble during the break-down process.

BioAg's Digest-it® has been formulated to rapidly digest and convert stubbles and crop residues into humus and plant food, as well as increase soil microbial activity. It eliminates the need for stubble burning, reduces the carry-over of soil-borne pathogens, reduces the reliance on herbicides to control fallow weeds and improves soil tilth and workability.

Increased soil moisture this year has set up perfect conditions for stubble digestion, so now is the time to think about applying Digest-it after harvest. As the Japanese man in the Mitsubishi commercials in the early 90s used to say: "Please consider!".

Contact your BioAg agronomist or distributor about applying Digest-it this Autumn. Call us on 1300 599 911 or visit www.bioag.com.au

BioAg takes its first steps in the Indian sub-continent



BioAg's Guna Gunawardena – managing the Sri Lankan efficacy trials

After participating in an Austrade Trade Mission to India, followed by a visit to Pakistan, in 2008, BioAg identified the Indian subcontinent as a potential market for its products. There were big hurdles to be overcome, however, not the least of which were the human resources and agronomic support necessary to establish markets for relatively complex fertilisation systems in quite different soils and climatic conditions. During that year, also, the siege of the Taj and Oberoi Hotels occurred in Mumbai, in which a number of Australian business people were held hostage and some killed, causing pause for thought as to how we should service the markets.

Another hurdle was that of the requirement in India for independent in-country trial data over several seasons before the products can be registered for commercial use. How would we get the trials done, and how would we control the application protocols?

Preparing the trial site at University of Peradeniya, Sri Lanka

Early in 2010, we engaged a horticulturalist, Guna Gunawardena, a Sri Lankan by birth and a Masters Graduate in Horticulture from University of Western Sydney – Hawkesbury. In a previous role, he had worked for an Australian company for a number of years in the horticultural sector in China, India and Sri Lanka.

He introduced us to the South Asian Association for Regional Cooperation (SAARC), a group of seven countries in the region, with common agricultural objectives, and cooperation on agricultural projects (for those interested, the members of SAARC are Afghanistan, Bangladesh, Bhutan, India, Maldives, Pakistan and Sri Lanka; our immediate focus is on Sri Lanka, India and Pakistan).

He recommended Sri Lanka as a point of entry into these markets, and a suitable place in which to carry out our validation trials.

Sri Lanka is a relatively small country (pop. 20 million), and the agricultural sector is quite compact, with a small land mass (2 million ha), and concentrated on rice, tea, coconuts, rubber and fruit and vegetables (curiously, Australia's principal exports to Sri Lanka are agricultural - vegetables, milk products and wheat). With Guna's local knowledge, it is an ideal country in which to run our trials.

We are collaborating with the Department of Crop Science at the University of Peradeniya, which is well known in the agricultural sector. Three scientists from the University are involved in the trial management and analysis of the results. We are testing the efficacy of several of our products on rice, maize, brinjal (a variety of eggplant), cabbage and chilli. The trials commenced in November and the results are expected in February 2011.

As the trials progress, delegates from other countries in the SAARC community will be invited to visit the sites in the expectation that dissemination of the trial data and visual examination of the produce will facilitate our pathway into these exciting new markets.

We are grateful to the NSW Government (Industry & Investment NSW) for the assistance provided during our initial market visit to the region, and in establishing these trials, and to Austrade (the Australian Trade Commission) for its in-country support.

Spring - The Field Day Season

First there was Henty in September, then Elmore in early October. Not content with that, in collaboration with some of our farmers, we ran three field days of our own during October and November to show how crops and pastures treated with BioAg's programs were faring.

The first was run on 15th October at BioAg agent Adrian Hocking's and Colin Falls' properties at Dingee in North Central Victoria, 40 km north of Bendigo. What a day that was. After a dry spell of a couple of weeks, the skies opened up, dumping 50 mm rain on us as we trudged around wet paddocks in the biting cold.

The crops were good though. All had been run under BioAg programs for the past 10 years. We saw a paddock of forage oats which had low inputs and been grazed. It showed heavy vegetation and has since been cut for hay, yielding 13 tonne to the ha. The mustard also had low input levels. It was a healthy and very productive crop.

The wheat crops at Colin Falls' "Yaralla" were magnificent, and all going well, should yield 4-5 tonne per ha, including one experimental paddock where he has been growing wheat on wheat for 17 years. His canola was also excellent, forecast to harvest 2.5-3 tonne to the ha.

At Corobimilla on 21st October, under much better weather, we were hosted by Drew Vidler on "Coro" and Andrew "Rooster" Forrest on 'Columbia Park. Again, these properties have been under BioAg programs for the last 9-10 years. Drew's canola was very healthy, and looked set to yield about 2 tonne per ha. His wheat crop was nothing short of "fantastic". On Rooster's place, the highlight was his canola crop, grown with higher levels of inputs than on "Coro", and looking set to produce 2.4 tonne per ha.

We were due to be at "Nioka", a grazing property at Pulletop near Holbrook the same week, but more rain fell, making the paddocks impossible to drive into, so the field day was postponed until 16th November. "Nioka" is a 1,050 ha breeding and growing operation, owned by Tim Arnott and managed by David Pugh, turning off 400 kg Angus steers for feedlots.

We started with a paddock that had been grazed very heavily and then bounced back after only three weeks. The soil, after two applications over four years of a combination of BioAgPhos and lime, showed a profile where the humus had more than doubled over that time.

The second paddock was one that had been treated for the first time in 2009. It had fertiliser applications in 2009 and 2010 as the issues were significant. It was typical of paddocks in the region that had been pushed to the limit and produced very little pasture of poor quality. What we saw was an abundance of healthy, vigorous clover with healthy nodules. Grasses were beginning to grow more vigorously and beginning to out-compete the weeds. Native grasses are also being closely monitored to try to promote more productive pastures over the warmer summer months.

The third paddock had two fertiliser applications three years apart. At an estimated average input cost over that time of just $20per ha including application costs, the paddock we saw had been grazed down to lawn height just twelve weeks before. We saw a paddock that had a mix of clovers, a mix of grasses and a few weeds, but a pasture that was about five feet high and thick enough to trip us up as we tried to walk through.

What did we learn? When times are tough as they have been, we can put programs together to suit most budgets. At Nioka, we have been very frugal and yet we haven't sacrificed yield. In fact, according to David, the cattle are doing better in terms of weight gain off less feed. None of the paddocks have been re-sown in this period.

BioAg agent Adrian Hocking in the oat crop

The discussion at Corobimilla Fire Shed.

BioAgPhos treated pasture on "Nioka" compared with no treatment in the next paddock.

Sampling the soil in the pasture at "Nioka"

Welcome to Say & Co. Rural Pty Ltd

Say & Co. Rural's retail store at 118 Wentworth Avenue, Glen Innes.

BioAg welcomes its newest distributor Say & Co. Rural Pty Ltd, serving the area around Glen Innes in Northern NSW. The present owners acquired the well-established CRT store a bit over two years ago, and sell fertilisers, agricultural chemicals, seeds, animal health products and farm hardware – in short, everything needed on the farm.

BioAg products are now part of their range, and they are building a new concrete pad at their Gleninda Industrial Estate bulk storage facility on which to store BioAgPhos. They also have a lime and gypsum dump there, and plan to offer custom BioAgPhos blends.

Say & Co. Rural are expecting good autumn sales of BioAgPhos, especially with the value proposition offered by BioAg's Early Bird Specials.

For further information, contact Will Newberry on (02) 6732 2287 or saycorural@bigpond.com.

BioAg's Territory Manager, Arron O'Connell (L) with Say & Co. Rural part owner, Will Newberry and local spreading contractor Howard Whan.

New Appointment

We welcome Daniel Hill, a horticulturist who joined us last month. Daniel holds a Bachelor of Applied Science (Agriculture) from Melbourne University. He has spent much of his agronomic career in the irrigation country in Northern Victoria and in the Murrumbidgee Irrigation Area, and has undertaken a number of major consulting projects in the Riverina and Capital Regions. He is based in Ballarat, and services new and existing customers in horticulture in Central and Northern Victoria.

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 will close at noon on Christmas Eve, and open again on Tuesday 4th January 2009.

Organisation FERTCARE®

BioAg®
Better soils. Better crops. Better stock.™

For more information, phone 1300 599 911 or visit www.bioag.com.au