

1. Quarterly Progress Summary: October to December 2016

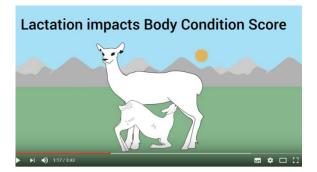
Summary of progress during this quarter

Marketing Premium Venison

- The review of the 2016 Cervena promotion in 2016 indicated changing attitudes toward venison among chefs, potential for extra venison sales over summer and satisfied distribution partners.
- Marketing companies have agreed to progress to year three of the Benelux promotion and nonseasonal trial, exporters will present their preliminary plans for year three of the trial in early 2017.
- Marketing companies agreed to support product development work in China, using contacts of Mountain River Venison. Chef workshops, menu development work and market development activities conducted over the quarter.
- Marketing companies are considered additional non-seasonal market for collaborative markets development.
- Launch of the Red Meat Profit Partnership (RMPP) Farm Assurance Programme including deer, and incorporating venison processing companies.

Market-Led Production

- Twenty four Advance Parties now in operation with over 240 farmers involved.
- Four deer farming Regional Workshops completed in the quarter with 80 people attending the first workshop in the Hawkes Bay.
- The 'Breeding, Feeding, Healthy Deer' monthly enewsletter introduced in October.
- Three Fact Sheets were completed and distributed in the quarter, topics being Copper, Growing Weaners Faster with Better Autumn Feeding and Exotic Diseases
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- Replacement hind growth curve web-based tool produced and distributed to allow farmers to plan and monitor growth rates to achieve desired pregnancy rates.
- Trials of Annual Health Reviews well received by participating farmers and vets. Programme for the production of support material and roll-out agreed.



- Elk Sire breeding values added to the DeerSelect sire reference lists.
- Farm Systems Description presented, to guide decision making for differing farm types.
- First animated video on deer management topic produced and distributed to farmers.

Key highlights and achievements

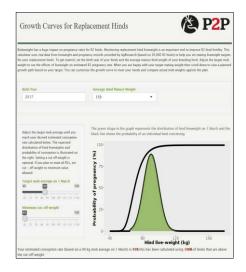
- Report on Cervena trial in Belgium in 2016 indicates change in targeted chefs' attitudes to venison in the summer and satisfaction with the programme among distribution partners.
- Marketing companies agree to progress to year three of the non- seasonal promotion in the Benelux.
- Launch of the Red Meat Profit Partnership Farm Assurance Programme including deer.
- Distribution of the 'Breeding, Feeding, Healthy Deer' e-newsletter achieving 38% open rates and 10% click rates, versus industry averages of 21% and 3% (see image).
- Good exposure of QA and Cervena marketing story in rural media reinforcing deer industry's willingness to embrace collaborative change.

Collaboration with other PGP programmes

- Integration of the Deer QA On-Farm standard with the RMPP Farm Assurance Programme.
- Discussions on data requirements for monitoring Advance Party farm data with FarmIQ.

Collaboration with other Government Agencies

- Co-funding for Advance Parties from the MPI Sustainable Farming Fund for 24 Advance Parties.
- NZTE co-funding the New Market Development Project and offering assistance of Chinese based staff and resources.



Upcoming

- Exporters to present their plans for year three of the current non-seasonal trial in early 2017.
- Implementation of year three of the Benelux Promotion.
- Marketing companies to agree a second non-seasonal market for collaborative market development.
- Roll out of tailored reports to individual farmers by Johne's Management Limited.
- 9 Advance Parties have confirmed topics and dates for upcoming regional workshops.

Investment

| Investment period | Industry contribution | MPI contribution | NZTE Contribution | Total investment |
|----------------------|-----------------------|---------------------|----------------------|---------------------|
| During this Quarter | \$191,766 | \$166,595 | \$14,097 | \$372,458 |
| Programme To Date | \$1,307,070 | \$1,192,052 | \$73,996 | \$2,573,117 |