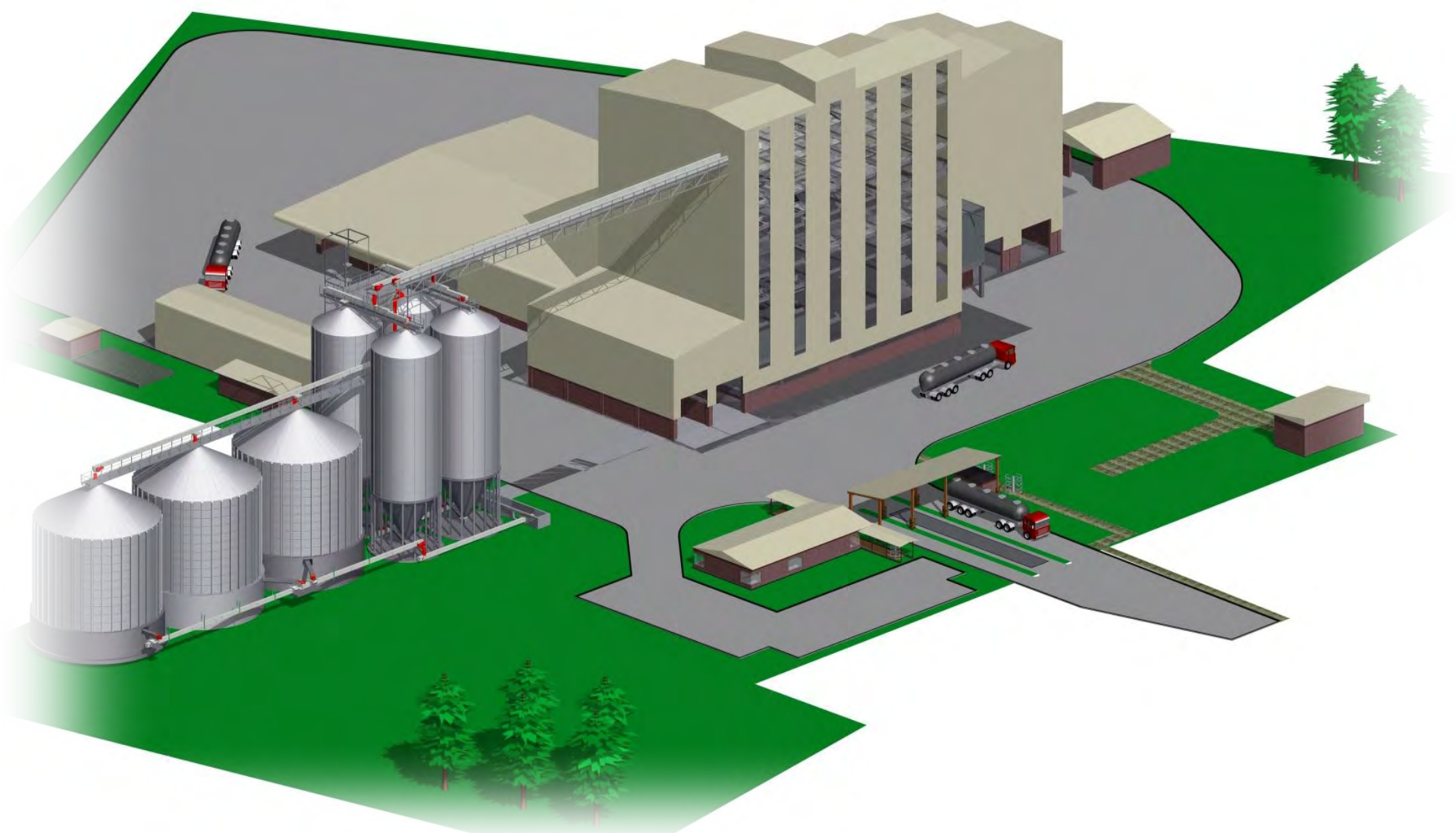


# Standerton Feed Mill

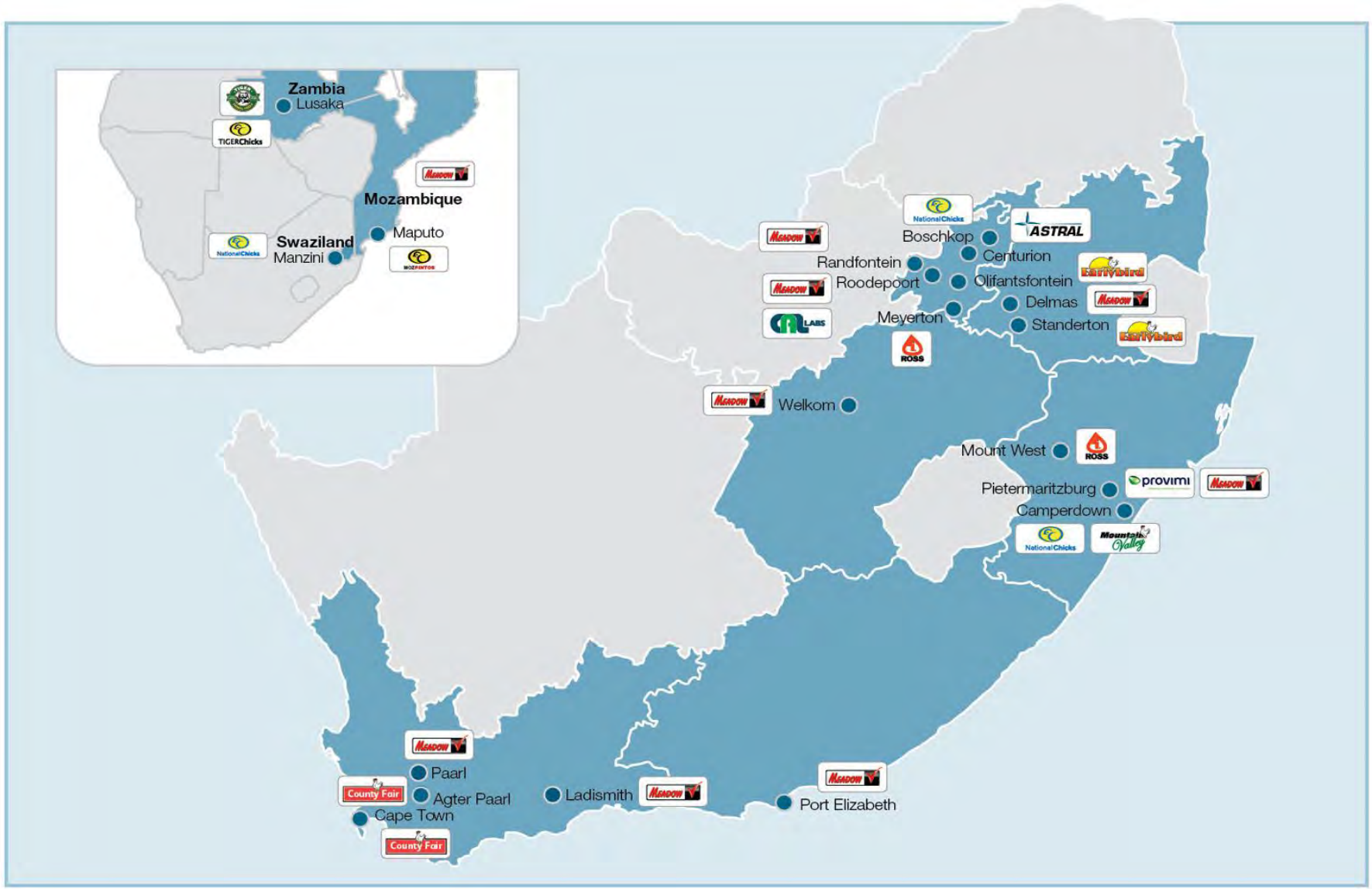
**Site Visit**

**18 July 2014**

# ASTRAL AT A GLANCE – QUICK FACTS

- Largest producer of broiler chicks in South Africa
- Second largest in number of chickens processed
- Represented in 4 Southern African countries
- In excess of 11 000 full-time and contract employees
- 7 000 hectares of agricultural and industrial land
- 4 poultry processing plants
- 5 610 000 day old chicks hatched per week
- 4 350 000 broilers processed per week (Oct 2014 ≈ 5 million)
- 1 300 000 tons of animal feed manufactured per annum
- 715 000 tons of maize used per annum
- Six feed mills in South Africa (now seven!)

# NATIONAL AND REGIONAL FOOTPRINT



# ASTRAL POULTRY PRODUCTION CHAIN

1 Parent Rearing 1,1 million pullets per breeding cycle

2 Parent Laying 2,1 million breeders per breeding cycle

3 Egg Production 41,1 million eggs per broiler cycle
*(81% Hatchability)*

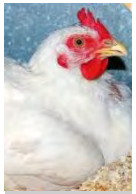
4 DOC to Broilers 32,2 million broilers on farm

5 Processing 4,35 million slaughtered per week

6 Storage 7 Distribution 8 Customer 9 Consumer

# ASTRAL AS AN INTEGRATED POULTRY PRODUCER

## Grand parent operation

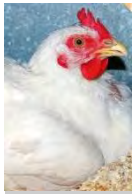




| 22 weeks | 40 weeks | 3 weeks |
|---|---|---|
| Rearing | Laying | Hatching |

**Grand parent farms**

ROSS

## Breeding and broiler operations

| 22 weeks | 40 weeks | 3 weeks | 35 days |
|---|---|---|---|
| Rearing | Laying | Hatching | Growing |

**Parent farms**

**Broiler farms**

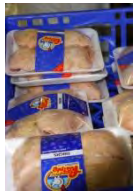
National Chicks

Early bird Great South African Chicken Every Day!

County Fair Great South African Chicken Every Day!

## Processing






**4 Processing plants**

Early bird Great South African Chicken Every Day!

County Fair Great South African Chicken Every Day!

Standerton | Olifantsfontein | Camperdown | Agter Paarl

## Feed supply




provimi

MEADOW More than just feed

LABS

## Brands

GOLDI Chicken

festive

Supa Star

County Fair Great South African Chicken Every Day!

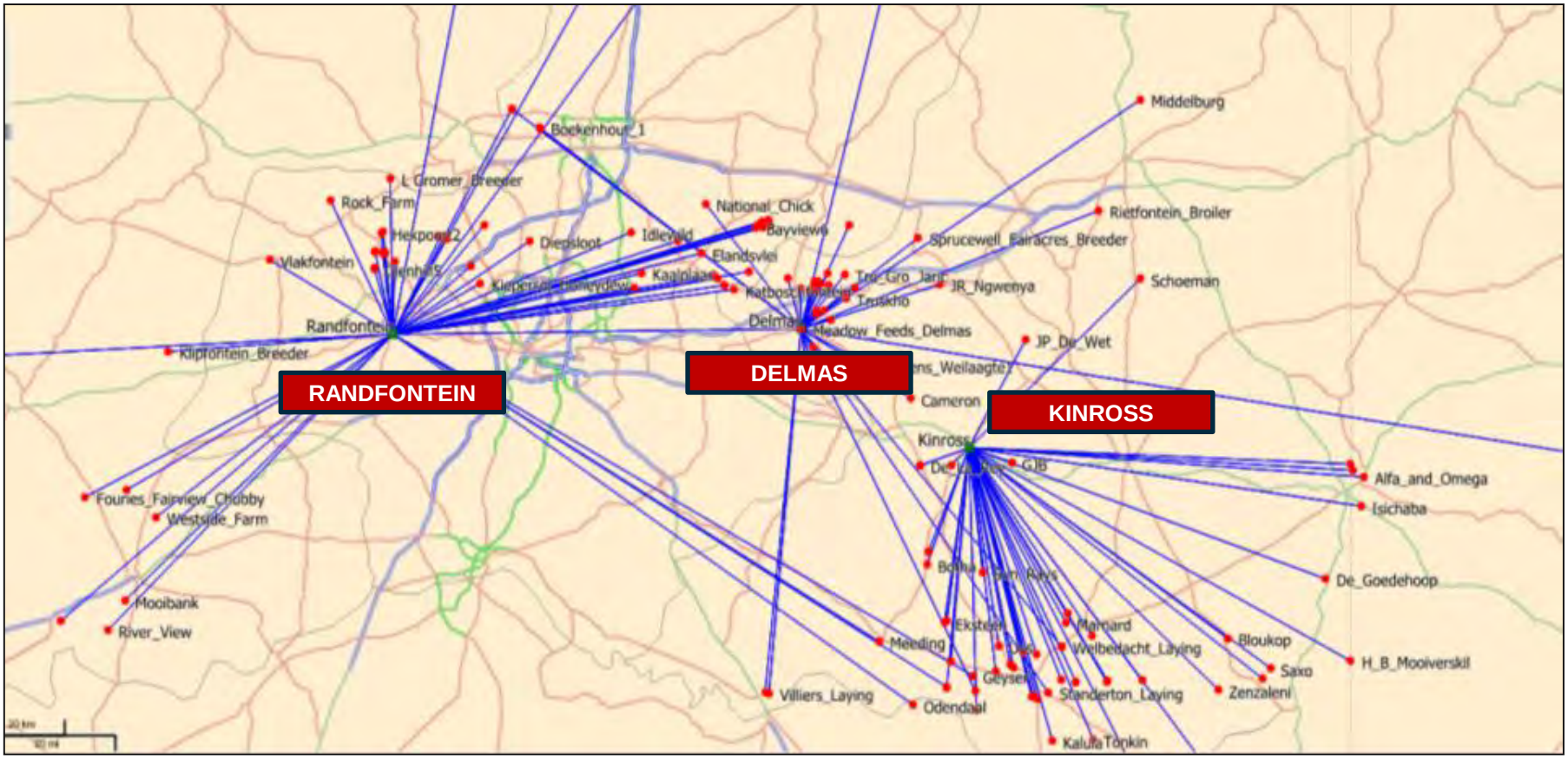
Mountain Valley

"Astral's strategy is to be the best cost integrated poultry producer in selected African countries"

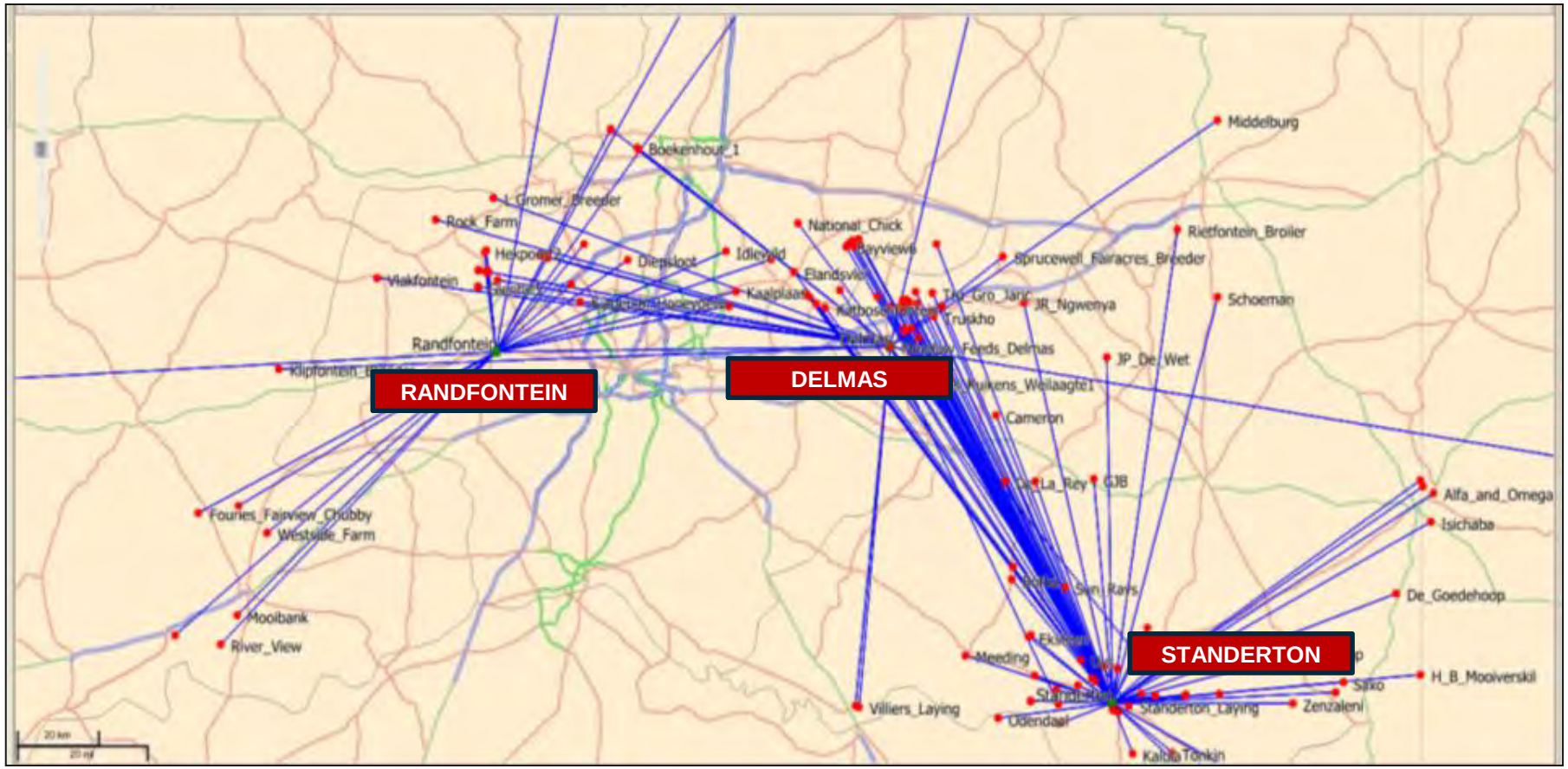
# RATIONALE FOR NEW FEED MILL

- Goldi in Standerton supplied feed from Afgri Kinross – 15 208 tons per month from 2004 (10 year agreement following acquisition)
- Astral processes 1,9 million chickens per week at its Goldi operation in Standerton
- The new feed mill was placed in Standerton due to the close proximity to the poultry farms operated by Astral in the region; and
- Standerton is centred in the maize and soya growing region of the country
- Guarantees for the supply of power to the plant were received from the Lekwe Municipality and Eskom
- In May 2012 the Astral Board approved the construction of a 40 000 ton per month feed mill in Standerton
- The new feed mill has been positioned so as to benefit from the Noble Resources Group who have built an oil seed crush plant on a neighbouring property

# CURRENT SCENARIO



# POULTRY FEED - MILLS OPTIMISED



# FEED MILL SITE

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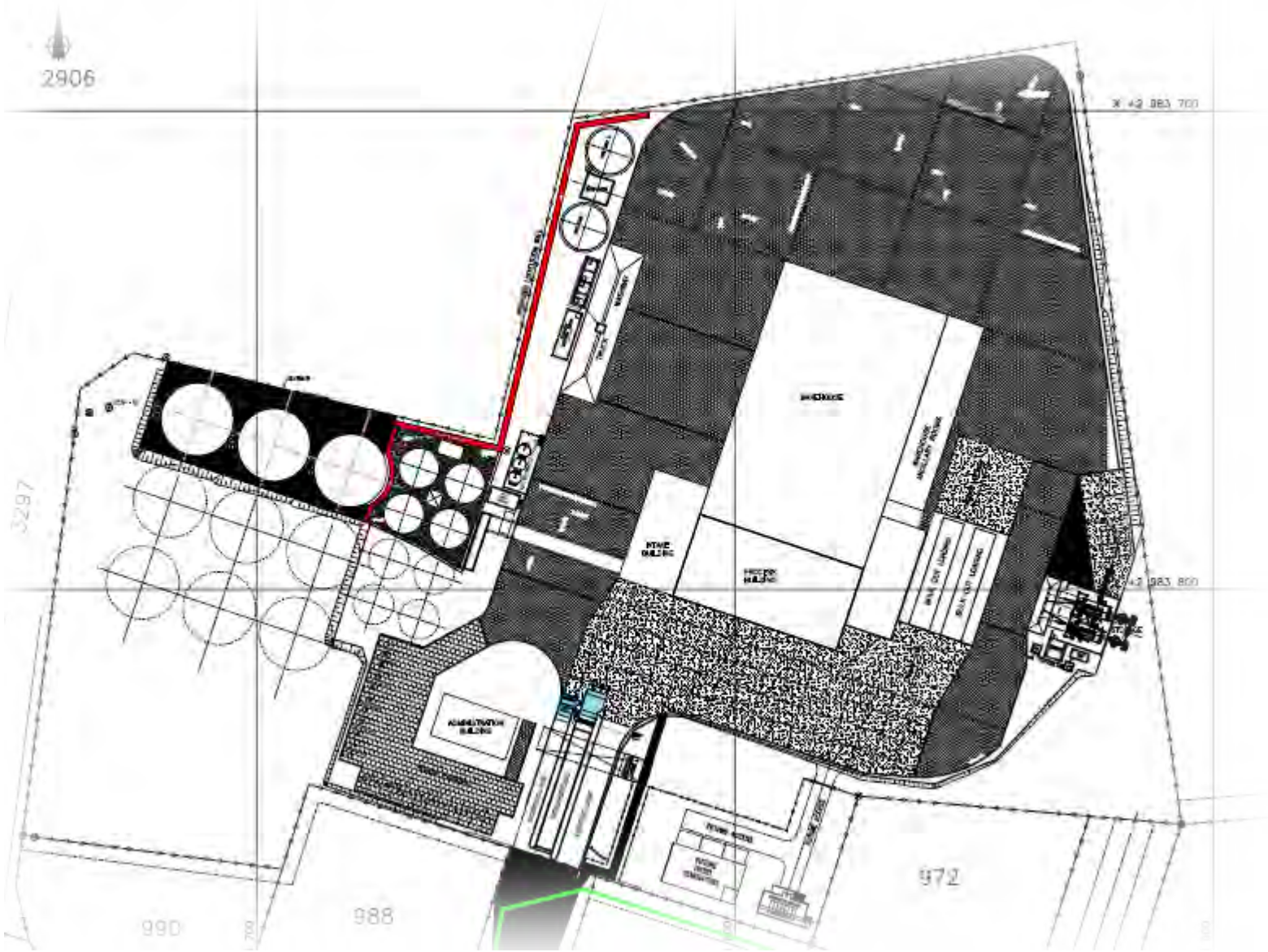


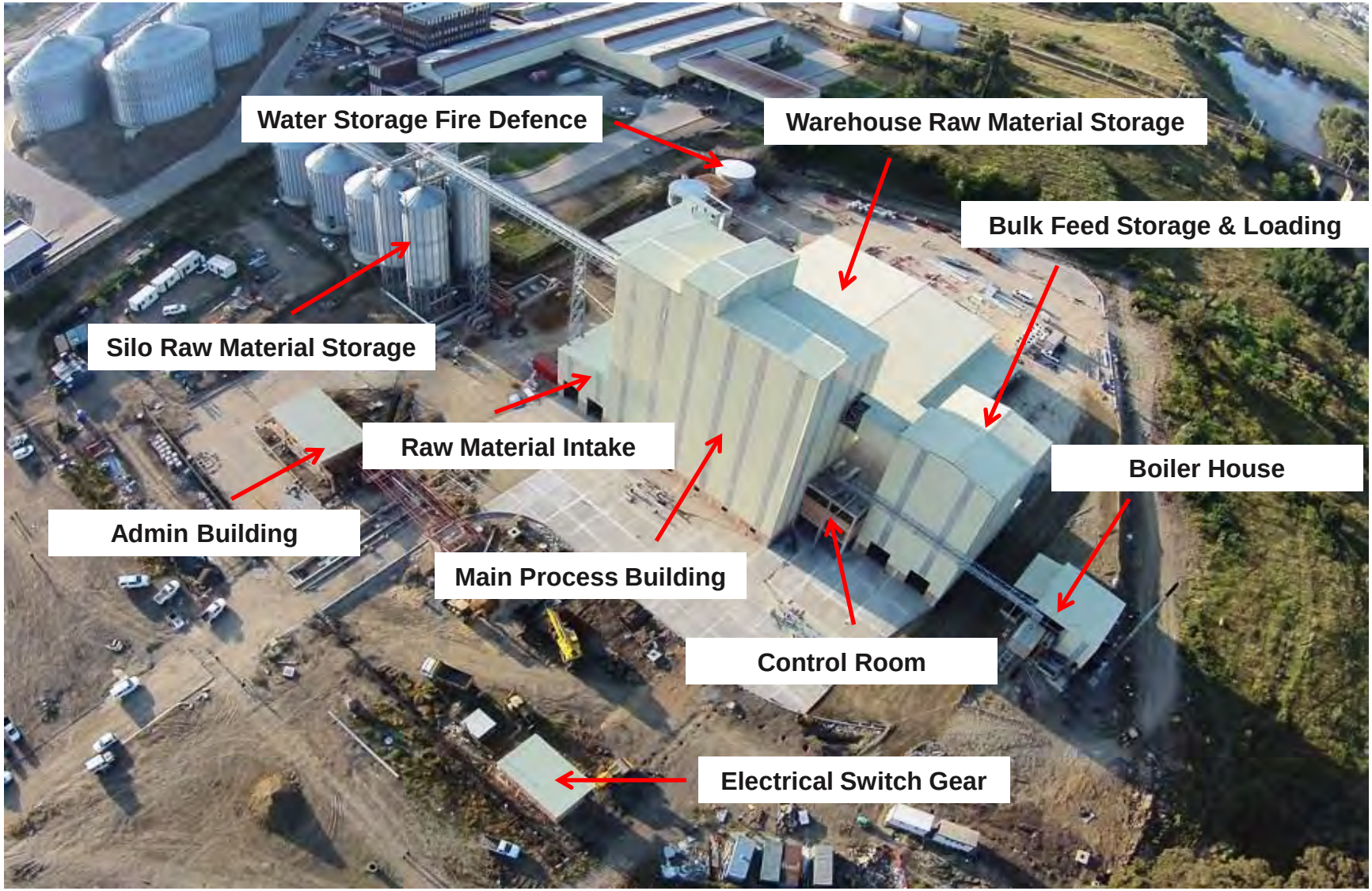
# PROJECT OVERVIEW

- The new feed mill has a design capacity of 80 tons per hour or 40 000 tons per month
- The feed mill has been designed and built with ample spare capacity to facilitate expansion of the poultry business in the Standerton region in the future
- Construction work on the feed mill commenced in November 2012
- The mechanical equipment installation commenced in August 2013
- Plant commissioning commenced in June 2014
- Feed production has commenced with production of all Afgri volumes from August 2014
- Producing 28 000 tons by October 2014 (capacity utilisation – 70%)
- Project budget of R200 million
- Addition to scope – broiler breeder building for future rationalisation

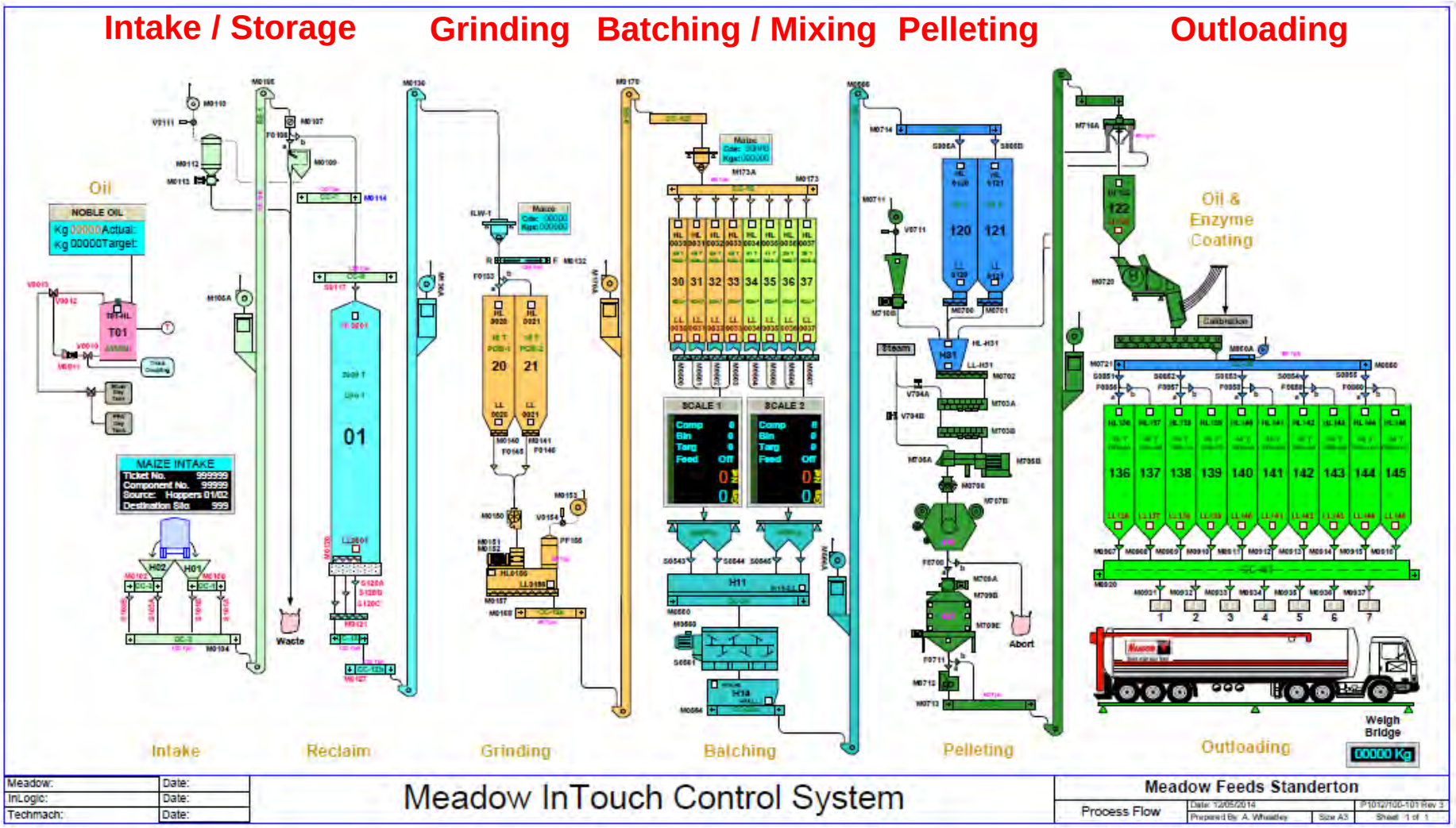
# PROJECT OVERVIEW

- A maximum of 180 people have been employed on the construction project at any one point (excludes material suppliers such as steel fabrication off site)
- 54 permanent jobs to be created when operational
- 20 of these people will not be employed by Astral directly but by service providers such as the security company and outgoing bulk transporters
- A DTI Manufacturing Investment Programme Grant of R30 million was approved in October 2013
- The new feed mill makes use of the latest technology and is more energy efficient compared to the older feed mills in South Africa
- The new feed mill will reduce the cost of producing poultry feed due to lower labour requirements and efficient cost of production

# SITE DESCRIPTION



# PROCESS FLOW



# FEED PRODUCTION

- Numerous ingredients are used to produce poultry feed
- These raw materials are received, stored and processed for use as required
- The respective ingredients are held in proportioning bins before batching across scales
- The weighed ingredients are then transferred to the mixers
- The ingredients are processed through a set mixing cycle
- The mixed feed is then transferred to pre-pelleting bins for storage prior to pelleting
- The feed is processed through a conditioning cycle where steam and heat treatment of the feed takes place
- The feed will then pass through a pelleting die where the pellets are formed under a process of applied pressure and heat
- Following cooling the pelleted feed is transferred to storage bins prior to loading into the bulk delivery vehicles

# AVERAGE BROILER FEED FORMULATION

| | |
|---|---|
| MAIZE | 65% |
| FISHMEAL | 5% |
| SOYA OILCAKE MEAL | 12% |
| FULL FAT SOYA | 9% |
| SUNFLOWER OILCAKE MEAL | 5% |
| OTHER | 4% |
| TOTAL | 100% |

# “OTHER” INGREDIENTS

MACRO MINERALS (Limestone, Monocalcium Phosphate, Salt, Sodium Bicarbonate)
VITAMINS AND MICRO MINERALS
SYNTHETIC AMINO ACIDS (Lysine, Methionine, Threonine)
ENZYMES
MEDICATION

*VITAMINS:*

Vitamins A, B, C, D, E, K, Niacin, Folic Acid, Biotin

*MICRO MINERALS:*

Molybdenum
Selenium
Manganese
Copper
Zinc
Iron

# STANDERTON FEED MILL SITE – EARLY 2012

# GROUND BREAKING CEREMONY – OCTOBER 2012

# PROJECT PROGRESS – DECEMBER 2012

# PROJECT PROGRESS – DECEMBER 2012

# PROJECT PROGRESS – FEBRUARY 2013

# PROJECT PROGRESS – FEBRUARY 2013

# PROJECT PROGRESS – FEBRUARY 2013

# PROJECT PROGRESS – FEBRUARY 2013

# PROJECT PROGRESS – MAY 2013

# PROJECT PROGRESS – MAY 2013

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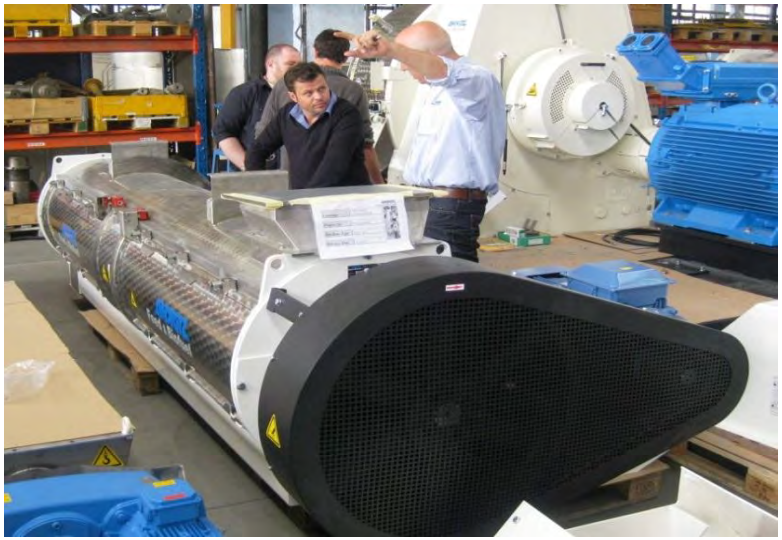


# PROJECT PROGRESS – MAY 2013


# PROJECT PROGRESS – MAY 2013




# PROJECT PROGRESS – AUGUST 2013

# PROJECT PROGRESS – AUGUST 2013

# PROJECT PROGRESS – AUGUST 2013

# PROJECT PROGRESS – NOVEMBER 2013

# PROJECT PROGRESS – NOVEMBER 2013

# PROJECT PROGRESS – NOVEMBER 2013

# PROJECT PROGRESS – DECEMBER 2013

# PROJECT PROGRESS – DECEMBER 2013

# PROJECT PROGRESS – DECEMBER 2013

# PROJECT PROGRESS – DECEMBER 2013

# PROJECT PROGRESS – JANUARY 2014

# PROJECT PROGRESS – FEBRUARY 2014

# PROJECT PROGRESS – FEBRUARY 2014


ASTRAL

# THANK YOU