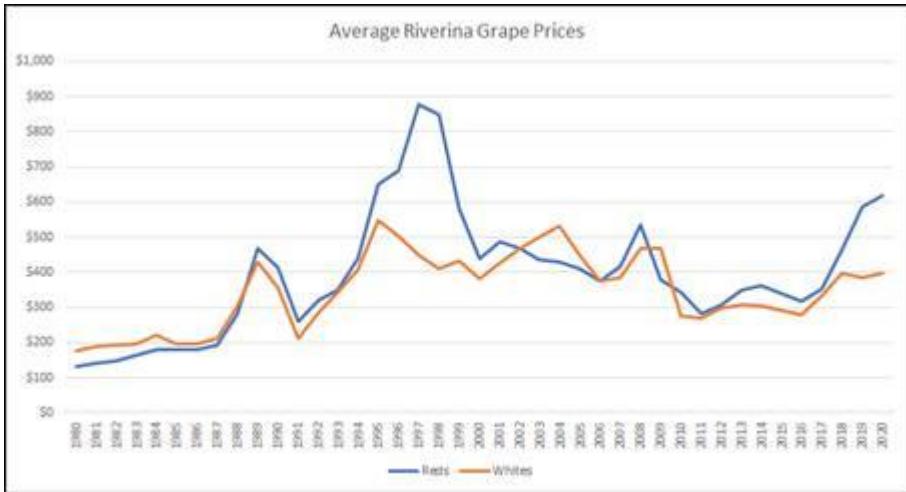


Riverina 2020 Vintage Report

The 2020 season was difficult for many growers with low yields causing financial difficulty. Regional Weighted District Average Prices for both red and white winegrapes rose slightly on the prior year (5-4% respectively).



Tonnages in the region dropped markedly for white winegrapes, approximately 10% less than the prior year. Chardonnay was the most impacted with a drop of around 20% in yield from 2019 (12,000 tonnes). Despite a downward trend Pinot Grigio increased its production on the back of new plantings starting to produce.

Vintage	2019	2020
White	173,299 tonnes	156,741 tonnes
Red	149,932 tonnes	146,316 tonnes
Est Value	\$97 million	\$93.5 million

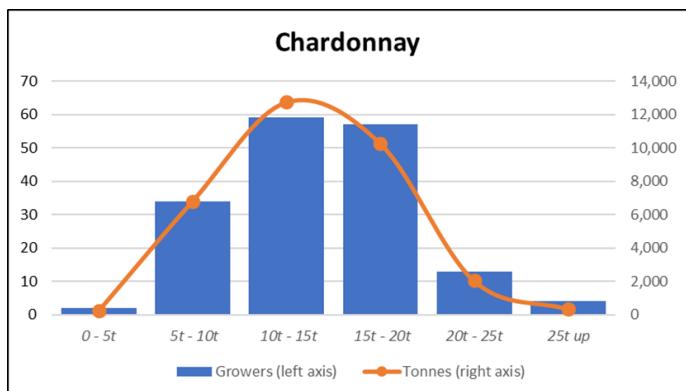
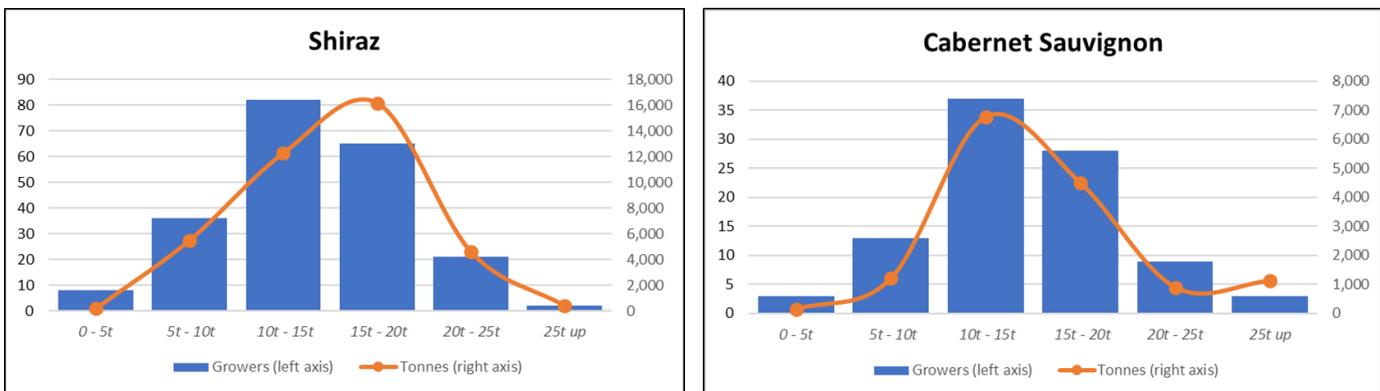
The vintage wasn't impacted by COVID19 but export markets have since slowed, particularly those to China. Nationally a decline in production to around 1.52 million tonnes represents a 12% decline from 2019 and a 13% drop below the 10 year average yield of 1.75 million tonnes.

Besides the growing conditions in the Riverina impacting yields which is likely due to the dry winter, other parts of Australia had the issues of smoke impact on their winegrapes, leading many regions to not harvest the winegrapes. Smoke can impact on winegrapes to create volatile compounds within the wine that become present once they are fermented and bottled. A great deal of testing was undertaken across the country and while the Riverina indicated a presence of the volatile compounds the levels were deemed insignificant to impact overall wine quality.

Growers biggest challenge now is to influence crop yields as demand for winegrapes is still strong despite market conditions.

Following the 2020 vintage Riverina Winegrape Growers undertook a full yield analysis of the grower base to determine how our members are performing. Based on the results the Board holds grave concern for many individual growers if yield cannot be maintained at levels above 15 tonnes per hectare. The following graphs show a large portion of our members are not producing a yields sufficient to remain profitable.

The blue columns indicate the number of growers and the yield in tonnes per hectare they produced in 2020. The Orange line shows the amount of winegrapes in tonnes produced across the growers surveyed.



Kind Regards

Brian Simpson

Chief Executive Officer

Riverina Winegrape Growers