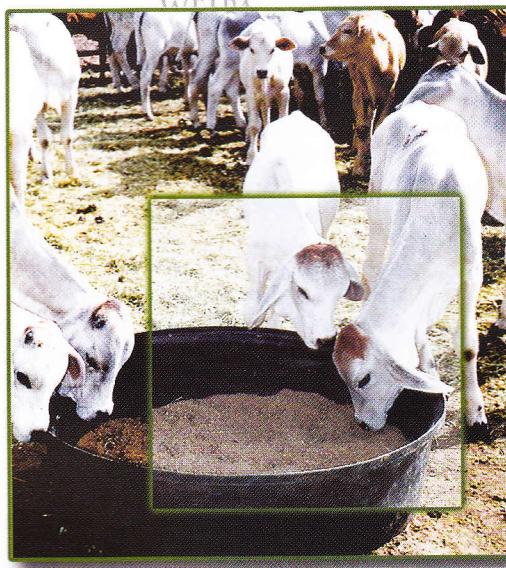


CAUSEWAY PRODUCE AGENCY

YOUR RURAL INDEPENDENT

GULF
OF
CARPENTARIA



COOKTOWN

CAIRNS

NORMANTON

TOWNSVILLE

MT ISA

CLONCURRY

JULIA CREEK

RICHMOND

CHARTERS TOWERS

HUGHENDEN

WINTON

LONGREACH

BARCARLDINE

ROCKHAMPTON

**BATCHING PLANT SETS
NEW STANDARDS**

**33 YEARS INVOLVEMENT IN
MERCANTILE**

**20-YEAR TRACK RECORD IN
SUPPLEMENTS**

The total solution for beef cattle producers!
QUEENSLAND

20-year track record in supplements

Causeway Produce has been at the forefront of the revolution in cattle supplementation in extensive areas of North Queensland for the past 20 years, turning over more than \$14 million in product sales last year. Rather than competing solely on price, Causeway has always marketed its supplements on the basis of product performance, built around quality ingredients and advanced mixing

systems designed to deliver a consistent, reliable performance in livestock nutrition. Another factor in the company's success has been in the cultivation of strong personal and working relationships with customers across the north.

The business takes great pride in the fact that it does not produce any generic commercial lick products – every order is batched specifically to suit individual customer requirements. Rations are fine-tuned as seasonal conditions and other circumstances change during the year. The business can trace its origins back to 1971 when Gordon McHugh, the father of current owners Peter and Tim McHugh, took up a share in Causeway Produce

Agency on Charters Towers Road.

Peter joined the business the same year. At that stage,

Causeway's stockfeed business comprised a small manufacturing plant mixing piggery and poultry rations, and horsefeed. Tim joined the business in 1979 after a period with the Coopers Animal Health company and Australian Estates, to develop the merchandising and livestock agency side of the business.

Causeway began manufacturing Fermafos cattle supplements under an agency arrangement during the early 1970s, although the 1974-78 beef slump saw this early push into paddock supplementation disappear as livestock prices collapsed and producers went into survival mode. In 1981 Tim and Peter bought out the remaining 50 percent share held by Gordon's partners, ultimately buying their parents' interest in 1992.

By the early 1980s, producers had again started mixing their own crude dry season supplements on-property. It soon became obvious that a dedicated, centralised mixing plant could produce dry licks more cost-effectively and time-effectively than mixing on-property, and during 1985, Causeway started custom-mixing supplements for clients.

Many of the original customers are still regular users of Causeway Produce licks – a testament to the close personal relationship the business has cultivated within the beef producing community. Upgraded mixing equipment was installed in 1985, which was used basically unchanged right through to 1998.

"The basic science of feeding loose licks was formulated in the period during the 1960s and 70s, and the principles have not changed that much since, apart from some fine-tuning," Peter McHugh said.

The next major change came in 1998 when, limited by production capacity of about 20 tonnes a day using the original mixing equipment, Causeway installed a new horizontal ribbon-type mixer - doubling production capacity to about 40 tonnes a day, which was still limited by not having a computerised batching plant. Most lick

manufacturers in the north have since



adopted similar mixing technology, with their own forms of batching. With continued expansion in demand for custom-mixed supplements and the business outgrowing its original premises on inner-city Charters Towers Road, a decision was made to relocate to new premises at the Stuart industrial area which offered far more space and better access for dispatch of mixed ration and delivery and storage of raw materials.

The move to the new factory took place in May 2003, and the new batching equipment (details elsewhere in this feature) was commissioned progressively over the next few months.

Since being commissioned, the factory has gradually increased output with up to 500 tonnes of lick being produced weekly during the extreme dry period towards the end of 2003 for clients across North, Northwest, Central Queensland, the Gulf and the NT.

The new system has delivered on its design promise with major improvements in ingredient accuracy, cost savings and a 45pc increase in daily production capacity.

QUALITY FOCUS DRIVES CAUSEWAY'S SUCCESS

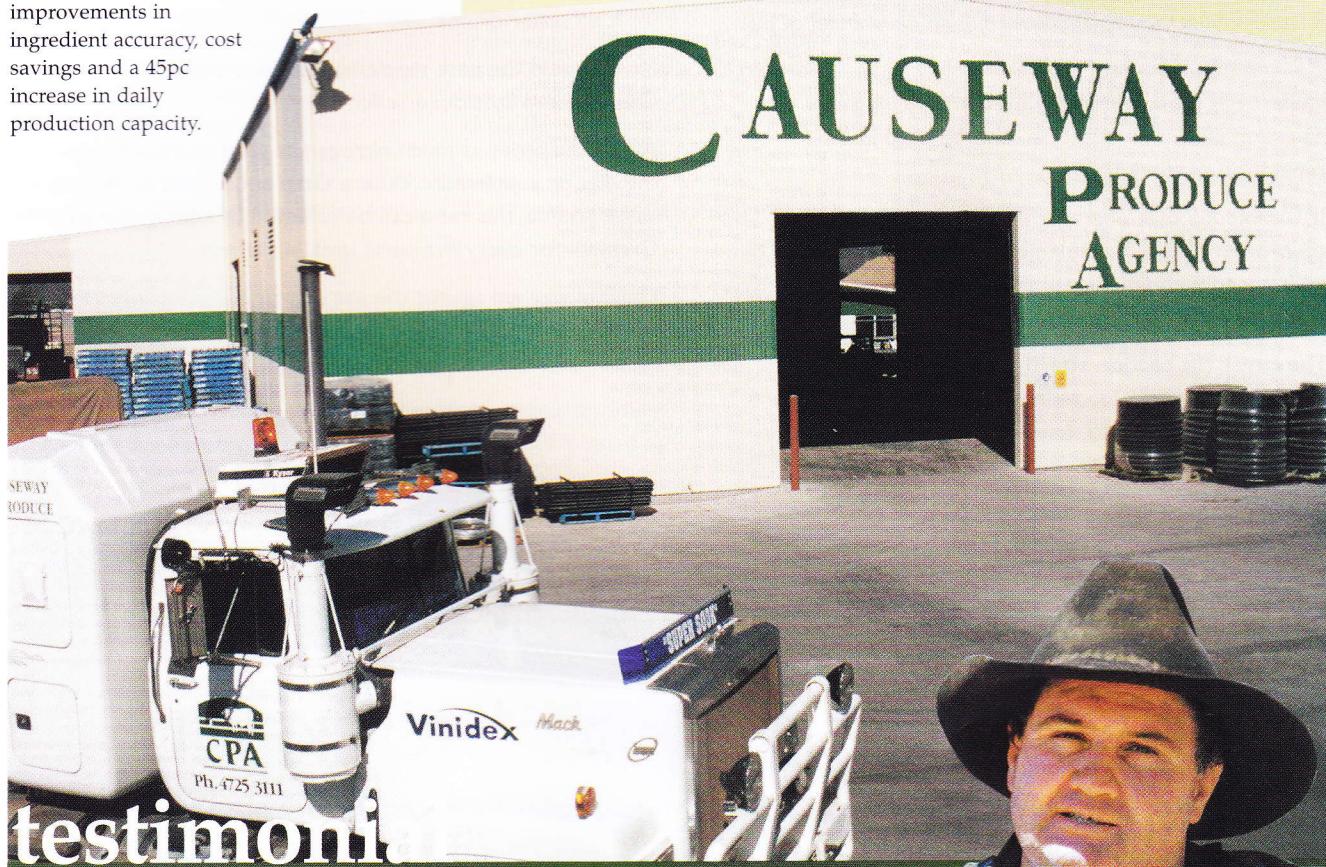
One of the major manufacturers of custom-blended cattle supplements in North Queensland has entered an exciting new business phase, driven by the commissioning of a new factory designed to deliver unparalleled product quality. In response to growing demand across the north for quality production and dry season supplements, Causeway Produce last year enlarged and modernised its operations, shifting to a spacious new manufacturing and sales complex at Stuart, on Townsville's western outskirts. The site houses a new state-of-the-art dry mix batching system installed at a cost of \$360,000.

The newly installed batching equipment has not only allowed production volumes to be scaled-up, but delivers a

batch-to-batch consistency previously unheard of in the supplement manufacturing industry. Importantly, this also delivers cost-efficiencies, providing savings in other areas.

Whereas many other dry lick manufacturers market products with variations in key, expensive ingredients which can be worth as much as \$120 a tonne, the advanced batching and mixing process used at Causeway Produce eliminates this 'lottery' from the equation. This publication provides an insight into Causeway Produce - the company, its business philosophy, and the advanced production systems used to deliver superior, reliable supplement products to the Queensland and Northern Territory cattle industry.

CAUSEWAY PRODUCE AGENCY

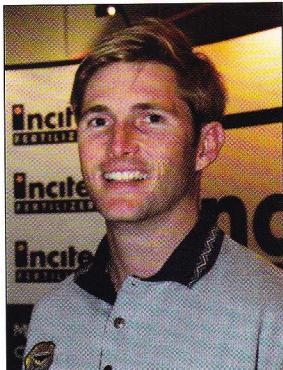


Raymond Murphy has been on the land for 16 years and knows that Causeway Produce works for his cattle. On Woodstock Station, 220km north of Richmond, Mr Murphy is required to feed dry lick all year round. Mr Murphy said he relies on Causeway Produce for its professional opinions but also likes the fact that Causeway listens to his own ideas. Using Causeway's assistance since 1993, Mr Murphy finds the staff and services more than satisfactory. "I have wandered off from Causeway Produce in the past but have always come back. They are dependable and have very good staff and service," Mr Murphy said.

Mr Murphy said he knows that Causeway produce is vital to maintaining his cattle and his business, and he will continue to use their services with satisfaction.

Effective mineral supplements

Incitec Pivot



Fertilisers are often used as direct livestock supplements in licks and dry rations, due to their ready availability and competitive price.

According to Andrew Cox, Incitec Pivot's Area Sales Manager, Townsville, the most commonly sought after

products are urea, sulfate of ammonia and Liquifert P.

He said Liquifert P was a soluble fine grade of MAP, of high purity.

Liquifert P is most commonly used in agriculture in fertigation programs, but it can also be used in the preparation of stock licks.

Mr Cox added that all grades of urea could be used as non-protein nitrogen supplements, but problems could be experienced with granular urea being dissolved in molasses, on account of its large particle size.

"The larger the particle size, the longer it takes to dissolve when preparing licks for roller drums. Extra agitation and time may be required to make sure the urea has fully dissolved," he said.

"Prilled grades of urea and Stockfeed Urea, which have a smaller particle size than granular urea, will dissolve more quickly."

He said while urea poisoning could be attributable to accidents, poor management or faulty equipment, the most common causes were:

- increasing the supplementation rate too quickly, especially when the stock were hungry,
- stock drinking concentrated solution off the top of dry licks after rain,
- urea not being properly dissolved in wet licks, and
- stock being able to drink liquid mixture instead of licking it off roller drums.

Mr Cox said the best supplementary sources of sulfur were Gran-am and Stockfeed Sulfur.

About ten times as much nitrogen as sulfur is required in the diet or supplement. Where Gran-am is used as the sulfur source, this ratio can be achieved by adding one part Gran-am for every five parts urea in the mix.

Mr Cox warned against the use of granular phosphorus fertilisers such as MAP and triple superphosphate, as they contained too much fluorine and could harm stock.

Fluorine toxicity, otherwise known as fluorosis, can be induced if these fertilisers are used as a livestock supplement.

Incitec Pivot's premium range of stockfeed fertilisers is available from Causeway Produce. For more information contact 07 4729 0666.

TOP FERTILISERS FOR STOCKFEED

Incitec Pivot supplies a range of premium feed-quality fertilisers for your stock.

- For phosphorus choose Liquifert P, a soluble fine grade of MAP of high purity.
- For nitrogen choose prilled or Stockfeed Urea, small particle size fertilisers that are easy to dissolve.
- For sulfur choose Gran-am or Stockfeed Sulfur, top quality products that can be blended with nitrogen supplements.

Contact Causeway Produce today on 07 4725 3111