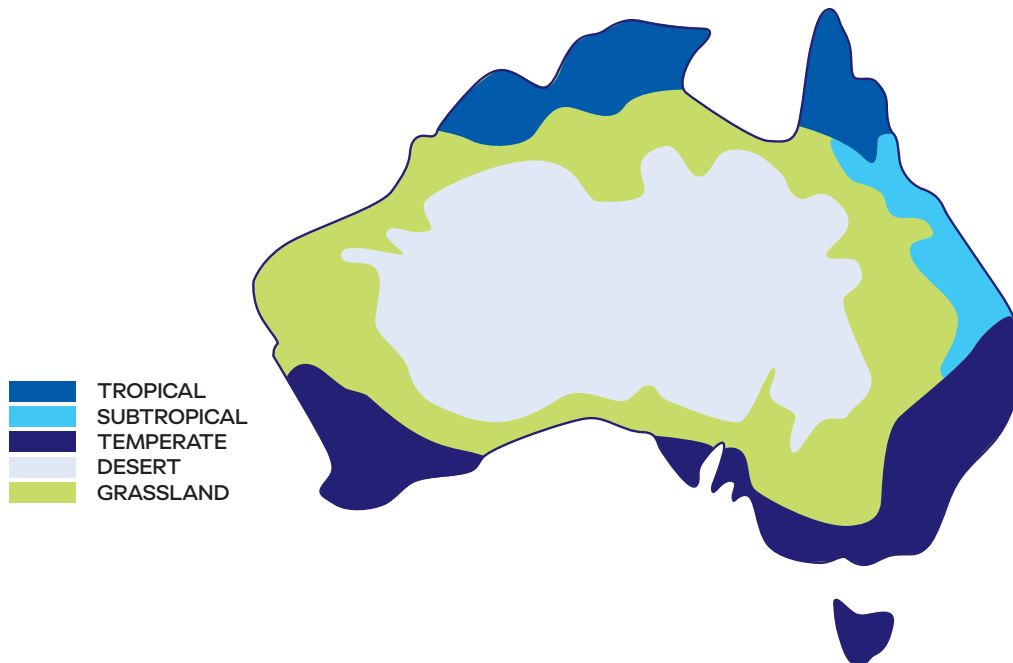




AUSTRALIAN BEEF PRODUCTION ENVIRONMENT



Australia produces 3% of the world's beef and is the third largest beef exporter in the world.

Our unique climate, wide open spaces and natural environment allow animals to live in their natural habitat and helps provide consistent supply all year round.

As Australia is the world's largest island, animals are naturally protected from diseases and thanks to our strict government-run border protection and biosecurity systems, the integrity of the Australian red meat industry is maintained year-round. As a result, the Australian red meat industry has one of the highest animal health statuses in the world.

Only 3% of Australia's agricultural land is suited to cropping, the vast majority of land used for beef production in Australia is non-arable – making it perfect for beef production.

The Australian beef industry is broadly grouped into northern and southern production areas.

The Northern production system which is predominantly tropical, has a relatively small number of large properties with high cattle numbers. The dominant breeds are *Bos Indicus* (eg Brahman) or *Bos Indicus* cross (eg Droughtmaster), which are better suited to these environmental conditions.

The Southern production system which is predominantly temperate, has a large number of smaller properties which have lower cattle numbers. The dominant cattle breeds are *Bos Taurus* (eg Angus or Hereford), which are better suited to these environmental conditions. Our strategically located facilities and broad variety of branded beef programs enables JBS Australia to source and supply consistent, reliable quality beef, year round.