An artist's impression of Happy Valley Nutrition's proposed $280m plant.

# Happy Valley announces another supply deal

**HAPPY VALLEY** Nutrition (HVN), the company behind a new $280 million milk plant in South Waikato, says it has secured another supply agreement.

The prospective buyer is "a respected European multi-national distributor of dairy products", says HVN.

It says as a result, 34% of the spray drying plant's total production capacity and 50% of anhydrous milk fat (AMF) production capacity has now been committed.

Once operational, the new milk plant will have capacity to produce 35,000 metric tonnes of nutritional powders and 6,000 MT of AMF.

In June, HVN had announced that it had secured two conditional supply agreements for up to 9,800 MT of nutritional milk powders for export markets.

In a statement to the Australian Stock Exchange, HVN says it continues positive discussions with a range of potential financers, including strategic equity investors, industry participants and debt providers.

Additional supply agreements are also being actively pursued with new and existing parties.

HVN chief executive officer Greg Wood says there are four key pillars that form the basis for delivery of this state-of-the-art facility – customer certainty, milk supply, financing, and product quality.

He says the latest supply agreement clearly reflects progress of this strategy.

"Our main priority at this time is securing the necessary finance to commence plant construction. The announcement assists us in this regard."

The project has been in the pipeline for several years as HVN sought resource consents and funding. Covid-19 has also delayed the project by a few years.

In February, Happy Valley announced that it had taken out a $13m loan and secured $7.4m through secured private placement of convertible notes. The money was used to buy strategic farmland to irrigate wastewater from the plant.

HVN plans to develop a single dryer facility with the site masterplanned to allow for the addition of an extra drier as well as a blending and canning plant.

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Adam Heath takes over as FMG's new chief executive in December.

# FMG appoints new CEO

**RURAL INSURER** FMG has appointed Adam Heath as its new chief executive officer.

Heath is currently the executive general manager, insurance solutions with Suncorp New Zealand.

He will start in the role on December 20th, replacing Chris Black.

FMG board chair Tony Cleland says the board is thrilled to have secured someone of Heath's calibre.

Cleland says Heath comes with a strong background in general and life insurance, banking and telecommunications.

"Added to this, Heath is a leader who empowers those around him, shares FMG's values and has empathy for the mutual model and the rural sector. We know Heath will be a great fit for FMG and ably lead the organisation through its next chapter," says Cleland.

In accepting the role Heath says he's long admired FMG from the outside as an iconic New Zealand and rural brand.

"I'm really looking forward to joining FMG and being part of the mutual's long and proud history of supporting rural communities. It has an ambitious growth strategy and wants to improve further to support clients and members in an increasingly digitalised world."