

Goal setting is the key to intentional action at Aqualoo

Mitch and Danille Koster own Aqualoo, a 4,407-hectare property located northwest of St George on the boundary of Queensland's Maranoa and Balonne shires. On Aqualoo, they manage a beef breeding, backgrounding and trade cattle operation. The property has an average annual rainfall of 500 mm and has a mix of land types, including alluvial soils and lightly timbered areas.

Previously, the Kosters operated a farm near Gatton in Southeast Queensland, where they started with a small breeder herd and opportunity hay production. In 2017, they acquired Aqualoo with support from Danille's family. Initially, their breeder herd was predominantly Brangus, but over time they have transitioned to Angus females and use of Angus bulls. After six years at Aqualoo, the Kosters have significantly diversified their business with the purchase of Euchlan, a 2,337-hectare property with 200 hectares of leucaena. They now manage breeders, heavy feeders, and trade cattle on agistment. Their operation produces between 400 and 700 Angus cross calves annually, depending on the season and availability of agistment. The Kosters retain a select group of heifers as future breeders, while the rest are sold as weaners or feeders. Their breeders are used to produce steers that are either destined for domestic feeder weight (380-400kg) or a 100-day steer weight (480kg). A portion of their herd are high marbling Angus cows which they use for replacement heifers and first cross Wagyu progeny to achieve a premium price at market.

The Kosters stay well-informed about market opportunities by monitoring saleyard and AuctionsPlus sale reports, and maintaining a close relationship with their livestock agent. Risk mitigation is central to the Kosters approach, and the flexibility in their operation allows them to capitalise on opportunities as they arise.



The Koster Family

"By having multiple different stock classes on hand, it allows us to pivot the business depending on what is in demand," said Mitch.

Business planning

Prior to starting their Farm Business Resilience Plan in 2023, the Kosters participated in their local Balonne Business Mentoring Program. During 2022-2023 Mitch was also a participant in Advancing Beef Leaders Program (ABL). They feel as though these two programs have helped them immensely with their goal setting and planning. The programs proved invaluable in helping them translate their aspirations into specific, measurable targets.

"We worked with a mentor to put numbers on our goals, so we could be more intentional with our actions" Danille shared.

Mitch, known for his proactive approach, often discusses his ideas with a broad network of people, further enriching their planning process. *"When Mitch has an idea, he does a lot of homework talking to others for their experiences, feedback or advice."* said Danille. With this blend of strategic advice and collaborative input, Mitch and Danille feel

The Farm Business Resilience Program is jointly funded through the Australian Government's Future Drought Fund and the Queensland Government's Drought and Climate Adaptation Program.

Farm Business Resilience Program

confident in their plan, and prepared for the future, showcasing the value of goal setting and guidance in achieving long-term success.

The Kusters are big supporters of local extension events and seek to gain knowledge and skills whenever possible. After attending local Farm Business Resilience Program events, Mitch and Danille took the initiative to start a conversation with local extension staff and they began drafting their farm business resilience plan. The couple utilised support from Rural Solutions Queensland (RSQ) and the Department of Agriculture and Fisheries (DAF) to refine their plan.

Mitch and Danille emphasise that effective planning is crucial to their success, utilising various tools to streamline their efforts. They use shared notes and a centralised calendar to keep track of important dates and tasks, while a whiteboard in their office helps them monitor ongoing tasks. Their excellent communication is vital to their smooth operation; by regularly discussing their strategies and progress, they ensure they are aligned and informed. Additionally, having a business plan on paper added another level of clarity, *“It was nice to see all of Mitch’s thoughts on paper,”* Danille noted.



Feeder steer at Aqualoo



Weaners at Aqualoo

Understanding our production

The couple have incorporated various management tools into their business to make early and informed decisions when necessary. These tools include a trading calculator, a Farmbot water monitoring system, Optiweigh to monitor when livestock reach specific weights, Cibolabs to monitor the feedbase, a Tru-Test indicator to collect and store individual animal data and Black Box Co for analysing trade animal options. By utilising these resources, the Kusters can effectively manage their livestock production, ensuring they maximise value and efficiency in their management.

Supplementary feeding through the winter feed gap is crucial for maintaining cash flow from livestock sales. By providing supplementary feed during periods when natural forage has lower nutritional value, the Kusters ensure that their cattle maintain steady growth. This strategic approach prevents the need to offload animals prematurely or at reduced prices due to not meeting market specifications. As a result, they can continue to generate revenue even during challenging times. *“Turnover is key to our business,”* Mitch said as he explained the importance of supplementary feeding through the winter feed gap, *“There is money to be made in dry times too...”*

The Farm Business Resilience Program is jointly funded through the Australian Government’s Future Drought Fund and the Queensland Government’s Drought and Climate Adaptation Program.

Farm Business Resilience Program

Building resilience through infrastructure

During the 2019-2020 drought at Aqualoo, the Kosters managed first calf heifers with twice-weekly feeding and trade cattle on pellets and dry feed. It took about two full days to feed the approximate 500-600 AE of cattle distributed across the property. When the opportunity arose to secure funding through a Drought Preparedness Grant, the couple were motivated to launch a fodder storage and containment feeding program. Containment feeding is when stock are confined in either small paddocks or pens for full hand feeding and management during drought.

Implementing containment feeding as a drought strategy aligned perfectly with Aqualoo's daily operations. For the busy couple with a young family, centralising stock reduces labour costs and allows them to efficiently manage pasture health by pulling cattle out of paddocks at optimal times, ensuring the pastures are prepared for the next rainfall. Additionally, having a storage shed will allow Mitch and Danille to purchase fodder in bulk at a cheaper price and store it long-term. *"Whilst monetary savings aren't the main goal for building the shed, it will certainly add resilience to the farm budget. It will allow us to hold onto our high marbling Angus cows for longer and have their first cross Wagyu progeny still meet market specifications,"* Danille explained.

As a family business with small children, Mitch and Danille have always prioritised establishing infrastructure and processes to ensure maximum efficiency, safety, and productivity. For the Kosters, having a detailed business plan and establishing clear goals provided a strong sense of readiness and drought preparedness. Implementing strategies such as containment feeding, and infrastructure improvements is crucial for maintaining resilience during periods of low rainfall and feed availability. These proactive measures ensure that their farm business can effectively navigate challenging conditions and sustain long-term viability.

Created by: Billie Standfield, Leanne Hardwick and Tim Emery, Department of Agriculture and Fisheries.

Date: October 2024.

The Farm Business Resilience Program is jointly funded through the Australian Government's Future Drought Fund and the Queensland Government's Drought and Climate Adaptation Program.