



15 July 2019

Dear Shareholder,

RE: SunRice 2019 AGM Details and Notice of Meeting

Please find enclosed the Notice of Annual General Meeting for Ricegrowers Limited (SunRice). The 2019 SunRice Annual Report, which covers the period from 1 May 2018 to 30 April 2019 (FY19) can also be found at <https://investors.sunrice.com.au/investors/?page=annual-reports> or enclosed, depending on how you opted to receive this document.

As previously communicated, SunRice achieved consolidated revenue of \$1.2 billion, up 1.3% on the previous year; with net profit after tax of \$32.8 million, which while slightly above the midpoint of guidance, was down 27% on last year. Despite the significant headwinds faced by our business during the year, we declared a fully franked dividend of 33.0 cents for our B Class Shareholders and paid our growers a C18 paddy price of \$411.19 per tonne for medium grain (Reiziq).

It was a significant year for SunRice, which included our listing on the Australian Securities Exchange (ASX). It was also one in which we demonstrated our ability to adjust and adapt to changing and challenging conditions while continuing to build momentum across our profit businesses through embracing our 2022 Growth Strategy. These results will be presented at the SunRice Annual General Meeting, to be held at the Jerilderie Civic Hall, Jerilderie, at 10.30 am on Thursday, 22 August 2019.

As set out in the enclosed Notice of Annual General Meeting, A Class Shareholders will be asked to pass resolutions to:-

- Increase the overall fee pool for the Non-Executive Directors for the first time in six years, from \$1.1 million to \$1.5 million. This increase will cover the appointment of the additional Non-Executive Director voted in by A Class Shareholders in September 2018 and provide headroom for gradual fee increases over time to bring SunRice Director fees into line with the bottom quartile of comparable companies. This change is also intended to reflect the increased workload and responsibilities of Non-Executive Directors as a result of the Company's expanded international operations and regulatory requirements following our ASX listing;
- Remove the restrictions on ownership of B Class Shares for our SunRice employees and Non-Grower Directors. Currently, SunRice employees and Non-Grower Directors who have acquired B Class Shares under the Employee Share Plan are unable to acquire additional B Class Shares outside of an Employee Share Plan. In addition, employees and Non-Grower Directors are collectively not able to hold more than 5% of all B Class Shares on issue. These restrictions are out of step with SunRice's ASX listing, which allows other shareholders to buy and sell B Class Shares freely, up to a 10% cap per individual or entity; and
- Allow the Board to enable shareholders to exercise their vote on resolutions at a general meeting or class meeting through a direct vote facility, including an electronic voting facility. This change is in line with corporate best practice and is intended to increase shareholder participation, as it means you will be able to vote on matters directly without attending a meeting or appointing a proxy.

If you are an A Class Shareholder, your personalised proxy forms are enclosed for use. B Class Shareholders are also welcome to attend the AGM, although in accordance with the Constitution, do not have a right to vote at General Meetings of the Company. Further information is attached.

As you may be aware, a postal ballot vote of the A Class Shareholders for the election of Grower Directors is being held prior to SunRice's AGM. The ballot closes at 12 noon, 19 August 2019. The results will be announced following the vote count and will also be noted at the AGM.

On behalf of the Board, I would like to thank you for your ongoing support and participation over the past year. The Board looks forward to working with you all in FY20, as we continue to strengthen SunRice and navigate the challenges ahead.

I hope to see you at our Annual General Meeting on 22 August.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Laurie', with a stylized flourish at the end.

Laurie Arthur
Chairman