



ASX ANNOUNCEMENT

11 March 2020

A Class Share Redemptions

The SunRice Board is aware that NSW Riverina rice growers have been impacted by low water availability and high water prices in the lead up to and during the 2019-20 rice growing season, and there have been concerns that certain current shareholders may lose their A Class Shares due to smaller crops.

SunRice has previously announced that the 2019-20 Riverina rice crop currently growing is expected to be smaller again than the 2018-19 crop harvested in April-May 2019 which, at 54,000 tonnes, was already the second-smallest crop on record.

Accordingly, the SunRice Board has determined that it does not intend to redeem an A Class Share in July 2020 if the share is held by a person or entity that:

- ceases to be an Active Grower as a result of their failure to deliver the minimum quantity of paddy rice to the Company; and
- is nevertheless able to satisfy the Company that it intends to recommence growing and supplying the minimum quantity of paddy rice to the Company in the future.

The SunRice Constitution contains specific requirements relating to holding an A Class Share and A Class Shares may be redeemed if the holder of those shares ceases to be an Active Grower. To be an Active Grower, a minimum amount of 200 tonnes of paddy rice (being the produce of that grower and not acquired for delivery) needs to have been supplied to the Company during the two most recent delivery periods (being the period from 1 July to 30 June) before the date on which the assessment is made.

The Constitution also provides the SunRice Board with a discretion to defer the redemption of A Class Shares, which, as previously advised to the market, may be exercised in circumstances such as low water availability.

Authorised by Mandy Del Gigante, Company Secretary, SunRice Group.

Investor Inquiries:

Ben Walsh
Morrow Sodali
0452 077 042 / b.walsh@morrowsodali.com

Media Inquiries:

Julian Luke
Head of Corporate Affairs, SunRice
0414 548 504 / jluke@sunrice.com.au

About SunRice's structure

The structure of Ricegrowers Limited (SunRice) contains non-standard elements including its dual class share structure comprising A Class Shares and B Class Shares.

A Class Shares confer on their holders the right to vote at general meetings but no right to dividends. A Class Shares are not quoted on ASX and may only be held by Active Growers. The right to vote is based on one member, one vote and no person may hold more than 5 A Class Shares. In practical terms the voting rights held by A Class Shareholders give those shareholders the right to control the election of directors and any changes to SunRice's constitution.

B Class Shares are quoted on ASX and confer on their holders the right to receive dividends, as determined by the directors from time to time. Holders of B Class Shares do not have the right to vote at general meetings of SunRice and may only vote on proposals involving a variation to their class rights or if required for the purposes of the ASX Listing Rules. This means B Class Shareholders have no right to vote on the election of directors of SunRice. No person may hold more than 10% of the total number of B Class Shares on issue.

For more details of the non-standard elements of SunRice's structure see <https://corporate.sunrice.com.au/investors/>