



ASX ANNOUNCEMENT

1 March 2022

Letter to A Class Shareholders and Riverina rice growers – update on CY21 and CY22 pool ranges

We attach a copy of a letter being sent to A Class Shareholders and other Riverina rice growers, regarding an update on the CY21 pool, and providing the estimated range for the CY22 pool.

Authorised by Kate Cooper, Group General Counsel and Company Secretary, SunRice Group.

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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 the ASX and may only be held by Active Growers. A Class Shareholding Limit: a person must not 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 the 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/>.



1 March 2022

Dear fellow rice growers

UPDATE ON CY21 AND CY22 POOL RANGES

I am writing to provide an update on the current CY22 Riverina rice season and on the estimated pool ranges for that crop, and also the CY21 crop currently being processed and marketed.

Despite continuing global challenges, I am pleased that the recovery in the Rice Pool Business is supporting a further update to the estimated range for the CY21 pool. The range for medium grain Reiziq is now \$410 to \$435 per tonne, the lower end of which is up from \$405 per tonne. Given the increase in the lower end of the range, a one-off payment of \$5 per tonne will be made to participating growers on Friday 4 March 2022.

The Board has also approved the release of an estimated range for the CY22 crop which is about to be harvested, and then marketed between 1 May 2022 and 30 April 2023, of \$390 to \$450 per tonne for medium grain Reiziq. We will be basing the first PaddyPay payment for the CY22 crop on the lower end of the range. For example, for a grower who has elected to receive the PaddyPay 60% at harvest option – this will result in a payment of 60% at \$390 per tonne being made at harvest, followed by a further 15% payment in September 2022, 8% in February 2023, 7% in April 2023 and 10% in July 2023. We will be providing growers with an updated table of the payment options for the CY22 crop in coming weeks, so that you can see the payment schedule depending on the option you have selected.

Global challenges, and particularly the significant disruptions to the global shipping industry caused by the COVID-19 pandemic and other factors, are expected to continue into Financial Year 2023. Given this ongoing supply chain volatility may impact the range, it remains broad at this stage. The larger volume of Australian rice to be harvested in the CY22 crop will underpin the Australian Rice Pool's exports to premium markets through until 30 April 2023, which is expected to support positive returns to our A Class Shareholders and growers.

I will be in attendance at meetings with growers across all our main growing regions today and tomorrow – along with our CEO Rob Gordon and other Board Directors and senior members of the SunRice management team. I look forward to meeting with growers who are able to attend those meetings, and wish you all well for the upcoming harvest.

Sincerely,

A handwritten signature in black ink, appearing to read "Laurie Arthur".

Laurie Arthur
Chairman
SunRice Group