

27 June 2023

SunRice Group enters into new Sole and Exclusive Export Licence

Ricegrowers Ltd (SunRice) today announces it has entered into a new Sole and Exclusive Export Licence Agreement (SEEL) with the Rice Marketing Board for the State of New South Wales (RMB).

Under the SEEL, the RMB grants a new sole and exclusive licence to SunRice to sell and supply NSW rice outside of Australia for the term commencing on 1 July 2023 and ending on 30 June 2027. This term corresponds with the NSW Government's announcement last year that rice vesting arrangements under the Rice Marketing Act 1983 (NSW) would be renewed until 30 June 2027.

Rice vesting and the SEEL help SunRice obtain the highest possible price premiums and freight scale advantages for the export of NSW-grown rice through its Australian Rice Pool Business.

Commenting on the signing of the new SEEL, SunRice Group CEO Mr Rob Gordon said:

"The vesting and single desk marketing arrangements position SunRice to deliver significant price premiums and freight scale advantages, which ultimately lead to higher farmgate prices for the ~98 per cent of Australian rice growers who farm in the NSW Riverina region.

"International rice markets are highly complex and have significant trade restrictions. This is why our Riverina rice industry has had a coordinated approach to market access in the form of vesting or single desk arrangements for many years. These arrangements enable Australian rice farmers to compete globally by collectively marketing under a premium brand, returning export price premiums directly to our rice growers.

"The SEEL positions SunRice to deliver significant scale benefits for growers, with the integrated supply chain increasing efficiencies of scale and lowering operating and freight costs.

"I would like to thank the RMB for granting the Sole and Exclusive Export Licence and we look forward to continuing to strengthen the contribution the rice industry makes to the communities of Regional NSW.

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

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About SunRice's structure

The structure of 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 rice growers who meet the production quotas prescribed by the SunRice constitution. 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 generally have the right to vote at general meetings of SunRice. 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/>

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