

9 October 2024

Letter to Riverina rice growers

Enclosed is a letter from the Chairman to Riverina rice growers regarding changes to the CY25 Pool Arrangements.

Authorised by Kate Cooper, General Counsel and Company Secretary

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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/>

9 October 2024

Dear fellow Rice Growers,

SunRice now implementing a single pool system in CY25

On 1 August, SunRice announced the decision to create a two-pool system for CY25. This followed a period of extensive consultation between Growers and SunRice commencing in May 2024, and was necessary to balance a unique set of factors impacting the CY25 growing season in an effort to maximise grower returns. Those factors were outlined in previous letters to Growers and in grower meetings held in June and August 2024 across the Riverina.

Throughout the consultation period, and since announcing the two-pool system, we have said we would continue to monitor conditions and come back to Growers with any updates.

The relevant growing conditions have become much drier over the last three months. The Bureau of Meteorology has reported that the River Murray System inflows for September were 267 gigalitres (GL), well below the long-term average for September of 1,536 GL. In comparison with the historical record since 1896, 95% of previous monthly September totals have been higher than the inflows observed in September 2024¹. As a result, static water allocations and the need for additional cereal crop waterings have contributed to seed orders for the CY25 crop year being currently lower than originally expected in May/June.

In addition, poorer than expected CY24 milling yields has reduced expected carryover volume. Due to the combination of these factors, SunRice has formed the view that the anticipated CY25 crop size is unlikely to exceed our network and milling infrastructure capacity and our premium market demand, reducing the need for the use of a second pool.

After careful consideration of these and other factors, as well as ongoing consultation with the Rice Marketing Board, RGA and other industry stakeholders, SunRice **will no longer implement a two-pool system** in CY25 and will revert to a single pool system for all Growers.

Impact of changing the CY25 pool system

SunRice will continue to accept seed orders for both medium grain and specialty varieties throughout October and beyond. SunRice will not close seed orders without prior reasonable notice.

We have updated our CY25 Seed Circular to reflect the changes to the pool system. Please read the revised CY25 Seed Circular carefully to review the changes to the CY25 pool system. We have attached a copy of the updated CY25 Seed Circular to this letter and it will also be available on our website soon.

We have also set out the practical effects of not proceeding with the two-pool system for Growers below given that many of you may have commenced this year's summer crop plantings. In particular:

¹ [River Murray Weekly Report 2 October 2024 \(mdba.gov.au\)](https://www.mdba.gov.au/river-murray-weekly-report-2-october-2024)



- All allocations to Pool 1 for medium grain varieties will no longer apply **and Growers can choose to increase or change their seed orders (including for specialty varieties).**
- All volumes of medium grain produced and delivered back to SunRice will go into Pool 1 which will be the only available pool. This includes all volumes of paddy that Non-Supplying Growers choose to return to SunRice as the Buyer of Last Resort.
- All Transfer of Allocations will no longer apply.
- For any changes to share farming arrangements, please contact Grower Services.
- New Growers will no longer have an allocation limit and can now increase or change their seed orders.

Next steps

We understand that the CY25 seed ordering process has been more complex than in recent years. Thank you for your patience as we have continued to navigate the impacts of a number of external factors, including weather conditions and water allocations, outside of our control. SunRice continues to focus on maximising your returns from growing rice and we appreciate your continuing support.

As always, we will continue to collaborate with you as we navigate the changes to the CY25 process. If you have any questions regarding this letter, please do not hesitate to contact me on 0428 500 232, or feel free to reach out to Grower Services on 1800 654 557 or growerservices@sunrice.com.au.

Sincerely,

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

Laurie Arthur

Chairman

2024/25 - Revised Crop Seed Circular following decision to revert to a single pool system

9 October 2024

Dear Grower,

As set out in our letters to supplying growers and Non-Supplying Growers, each dated 9 October 2024, we have revised arrangements for the 2025 (**CY25**) Riverina crop. This updated CY25 Crop Seed Circular (**Seed Circular**) sets out details of those revised arrangements.

Updated CY25 Pool Arrangements

Following the announcement that SunRice will no longer implement a two-pool system and will revert to a single pool system in CY25, SunRice will accept all paddy supplied to it by both supplying growers and Non-Supplying growers in New South Wales (outside of the Northern Rivers region) into a single pool.

1. Additional materials included with the Seed Circular:

You should read the following important documents to ensure you understand all of the requirements and responsibilities associated with supplying rice to SunRice:

Documents attached to this Seed Circular:

- Supplying Grower Rice Seed Purchase and Rice Paddy Supply Terms 2024/25;
- SunRice Group Personal Information Collection Statement; and
- NSW Department of Primary Industries (DPI) Native Game Bird Management (Owner/Occupier) Licences

Other materials referred to in this Seed Circular can be found online using the relevant links:

- 2024/25 Quality Specifications and Discounts:
https://www.sunrice.com.au/media/documents/2024_25_Quality_Specifications_and_Discounts.pdf
- NSW DPI Rice Variety Guide 2024-25:
https://www.dpi.nsw.gov.au/__data/assets/pdf_file/0005/1563080/Rice-variety-guide-2024-25.pdf
- MapRice GIS Seed Order User Guide:
<https://www.sunrice.com.au/media/documents/MapRice-GIS-Seed-Order-Guide.pdf>
- MapRice GIS Manage Farms Guide:
<https://www.sunrice.com.au/media/documents/MapRice-GIS-Manage-Farms.pdf>
- SunRice Group Supplier Sustainability Code:
https://investors.sunrice.com.au/FormBuilder/_Resource/_module/2weQNICYSUy13FE_jxQXvg/file/corporate-governance/policies-documentation/SunRice%20Supplier%20Sustainability%20Code%202020_Version%201.pdf

2. Updated arrangements for seed ordering for CY25

(a) Medium Grain Varieties

Seed ordering for Medium Grain Varieties opened on **Monday 9 September at 9.00am** for all supplying growers. To ensure that supplying growers can take advantage of the revised CY25 arrangements, SunRice will keep seed ordering open. SunRice will not close seed orders without providing growers with reasonable prior notice.

The Grower Services team has already started to confirm seed orders that it has received.

Growers whose orders were confirmed prior to the date of this updated Seed Circular can contact the Grower Services team if they would like to revise their seed orders.

The seed ordering process for Non-Supplying growers is set out in section 6 below. Seed Orders can be submitted via the Grower Portal – go to <https://www.sunrice.com.au/corporate/grower-services/> and log in. Then click the “MapRice GIS & Seed Ordering” tile. If you do not have access to the Grower Portal, please contact Grower Services directly on 1800 654 557.

The Grower Services team, led by Grower Services and Agronomy Manager Mark Groat (mobile 0419 174772) looks forward to working closely with you in the planning, preparation and planting of the CY25 crop and we remain available to assist you as needed.

(b) Specialty Varieties

SunRice has offered an Expression of Interest to all growers, for a total of up to circa 50,000 paddy tonnes. Priority allocation for specialty varieties will be given to those growers who have grown the relevant variety in the past three years and they will receive 100% of their 3 year average of seed order hectares. Any remaining hectares will be allocated on a fair and transparent basis to be determined and communicated at the relevant time.

The date for responding to the Expression of Interest (EOI) was **26 August**, with Grower Services informing growers of their allocations by **9 September**, from which time growers can place your seed order. Growers whose orders were confirmed prior to the date of this updated Seed Circular can contact the Grower Services team if they would like to revise their specialty variety seed orders.

(c) Important Dates

16 August	Initial CY25 Seed Circular sent to growers.
26 August	Growers submitted EOI for specialty varieties (hectare based): Koshihikari, Topaz, Opus, Langi, Doongara and Illabong.
9 September	Medium grain seed orders opened. Grower Services allocated hectares for specialty varieties (seed orders then placed).
10 September	If volumes for specialty varieties are not filled, unfilled specialty varieties will be re-offered to all growers from 10 September until filled.
20 September	Existing medium grain seed orders confirmed by Grower Services and seed issuing starts.
9 October	Revised CY25 Seed Circular sent to growers.

3. Specialty Variety premiums

The table below outlines the specialty varieties offered in the CY25 pool with premiums or discounts to base grade V071.

Variety	Variety Premiums (V071 base)
V071 ^A	Base
Sherpa ^A	Base
Langi	\$100/t
Topaz ^A	\$150/t
Opus ^A	\$50/t
Koshihikari	\$190/t
Doongara	\$85/t
Illabong	Base

Please note there is limited volume in some varieties, and consistent with past practice, SunRice reserves the right to close offers for any specific varietal at any time and without prior notice.

SunRice will continue to monitor market conditions and reserves the right to offer additional varieties, dependent upon those conditions.

4. Seed ordering through MapRice GIS

You can order your CY25 seed using MapRice GIS, which can be accessed securely via the Grower Portal. If you have any issues with accessing the Grower Portal, please contact the Grower Services team.

Your seed orders will be linked to your MapRice GIS account, offering you greater visibility across all your on-farm operations in one handy location.

To assist you in using the online seed ordering tool, the Grower Services team can provide support to all users of the Growers Portal, including a user guide and one-on-one demonstrations. An online tutorial on mapping farm and paddock boundaries is also available here:

<https://www.youtube.com/watch?v=JFT9tmDFWO4>

Online seed ordering will be available from 9:00am Monday 9 September 2024.

Grower Services is able to provide Rice Seed Order forms to growers without access to the Grower Portal. Please call 1800 654 557 to request a form we will send one to you via mail.

5. Wash-out clause for CY25

Given the importance of growers planting and delivering the CY25 crop that they commit to the pool, and the impact and costs of any non-delivery on other pool participants and SunRice, we have retained a wash-out clause which will apply to all seed orders. If growers commit to participate in the pool, and then fail to follow through (i.e. by not growing and supplying rice), it impacts on the returns of the pool as a whole, and therefore other growers. Overall returns in the pool are sensitive to a range of factors including the total volume received (as this impacts the overheads of our assets in the Riverina), and also the ultimate supply of particular varieties.

The wash-out clause for medium grain varieties requires growers to deliver at least 50% of the 5-year Regional Variety Average yield multiplied by the Hectares (outside the Tolerance of within 2 Hectares). The wash out fee will be \$50/Mt multiplied by the volume shortfall below 50%. The CY25 Regional Variety Averages are published on the SunRice website <https://www.sunrice.com.au/grower-services/documents-for-rice-growers/>.

Growers should carefully consider the number of hectares they intend to order before placing orders and only order seed for the hectares they intend to sow. **Placing a seed order initiates a contract with SunRice to sow the hectares that seed is ordered for and growers will be held accountable under the contract if the minimum tonnage required from the relevant number of hectares is not delivered to SunRice.**

6. Seed ordering process for Non-Supplying Growers

The seed ordering process for those growers who may look to supply the harvested rice paddy to an authorised buyer other than SunRice (**Non-Supplying growers**) can be accessed through the Non-Supplying grower website. The website includes:

- the Non-Supplying Grower Rice Seed Form 2024/25 which will need to be filled out in accordance with any Expression of Interest submitted in 2023; and
- the Non-Supplying Grower Expression of Interest to Purchase Seed Form 2025/26 which will be limited to PBR varieties.

Non-Supplying growers who wish to submit one or more of the above forms were able to do so from **9.00am on 23 September 2024** by accessing the forms on the following website: <https://www.sunrice.com.au/non-supplying-grower-seed-ordering/>.

If you are a grower supplying to SunRice, but also wish to supply some harvested rice paddy to an entity other than SunRice, you will need to fill out both a seed order form and a Non-Supplying Grower Rice Seed Order Form.

7. Late Harvest Delivery Fee for CY25 Season and other update to Rice Seed Purchase and Rice Paddy Supply Terms for 2024/25 (Terms).

Consistent with the approach taken last year, the CY25 Terms will have a late harvest delivery fee (**Late Delivery Fee**). Additionally, all seed will be allocated based on an equitable seed allocation methodology (rather than a first-in-first-served).

The Late Delivery Fee enables us to better manage associated costs which impact grower returns by fairly allocating the cost of late deliveries to growers who deliver late to a receival site.

The Late Delivery Fee will be charged at the following rate (per paddy tonne) on all deliveries received on or after 15 June 2024 for both supplying and Non-Supplying growers:

- 15 June – 30 June 2025: \$40/paddy tonne
- 1 July – 15 July 2025: \$80/paddy tonne
- 16 July 2025 onwards: \$120/paddy tonne.

Based on historical receivals, >99% of all deliveries occur in the first 13 weeks of harvest with delivery of the <1% remaining occurring in the following 11 weeks. It is expected less than 1% of deliveries will be impacted by this fee.

If unforeseen weather events impact the region, the dates will be reviewed.

8. 2024/25 pure seed price, seed issue depots and collection arrangements

Please note that seed orders will only be filled by bulk supply. Very limited stock of bagged seed will be available for re-sows only.

2024/25 Pure Seed Price Bulk \$/t excl GST (Prices applying to growers who contract to supply all paddy to SunRice)									
SEED ISSUE DEPOTS					VARIETY	SEED PRICES			
Whitton	Coleambally	Finley	Deni	Burraboi		EX GRADING DEPOTS (Whitton & Deniliquin)		EX ISSUE DEPOTS (Finley, Coleambally & Burraboi)	
						Cash	Credit	Cash	Credit
X	X	X	X	X	V071 ^A	\$710	\$731	\$735	\$757
		X	X	X	Sherpa ^A	\$710	\$731	\$735	\$757
X					Langi	\$785	\$808	n/a	n/a
X					Topaz ^A	\$820	\$844	n/a	n/a
			X		Opus ^A	\$730	\$752	n/a	n/a

			X		Koshihikari	\$875	\$901	n/a	n/a
X					Doongara	\$760	\$783	n/a	n/a
			X		Illabong	\$710	\$731	n/a	n/a

Seed collection arrangements – including booking in requirements:

- There will be no access to any weighbridge office or testing stand.
- Growers must make a booking for seed issue with the issuing depot. Please phone the seed issue point on one of the numbers below at least two days prior to the planned collection date. Contact details for each site are:
 - Whitton 02 6955 2727 Weighbridge
 0428 264 318 Graham Smith
 - Deniliquin 03 5881 2499 Weighbridge
 - Coleambally 0428 418 486 Bill Volleberg
 - Burraboi 0447 180 720 Martin Stevens
 - Finley 03 5883 1760 Weighbridge
 0428 831 544 Richard Fox

9. Variety integrity is critical for all SunRice markets

It is important to consider paddy quality when placing your seed order.

If you plan to sow on the stubble of last season's crop, please order seed of the same grain type or an approved variety to avoid admixture. Admixture between long and medium grain varieties must be avoided. Also, note the low tolerance of admixture in short grains. If in doubt, please contact one of the SunRice Field Extension Officers to discuss your options.

Please consult the Quality Specifications document referred to below for additional details.

10. Quality specifications for CY25

Quality specifications are enclosed with this Circular and are available at the "Grower Services" section of www.sunrice.com.au.

The following applies for CY25:

- PaddyVision will be used to determine grain quality. A Quality Score will be given on each load at the testing stand. This quality score will be used for quality payments based on the following:
 - The grower's Quality Score will be compared to the seasonal quality score average for the variety.
 - A premium of \$2.00 per tonne per point variation from the seasonal average for the variety will be applied in a linear scale commencing at 0.10 above the average. For example, if the average is 8.5, a quality score of 9.5 would be paid \$2.00 per tonne.
 - A discount of \$2.00 per tonne per point variation from the seasonal average for the variety will be applied in a linear scale commencing at 0.25 below the average. For example, if the average is 8.5, a quality score of 7.5 would receive a discount of \$2.00 per tonne.
- High trash levels slow receivals and burden pool returns due to increased costs

- **Discounts will continue to be applied for trash on a load-by-load basis.** A discount for trash will begin above 5.5%, with a second threshold at 15% based on results of the **Model S** with the following discount applied:
 - For each 0.1% above 5.5% trash, a discount of \$0.10 will apply (\$1.00/1% per tonne)
 - For each 0.1% above 15% trash, a discount of \$0.20 will apply thereafter (\$2.00/1% per tonne).

When trash levels are impacting operations, AGS is authorised to discuss alternate delivery options with growers to ensure efficient harvest receivals for all growers.

11. Indicative harvest receival plan

An indicative harvest receival plan is included below. P= Paddy, S = Seed

Organic and biodynamic deliveries will be taken at Yenda and Burraboi respectively by appointment only.

MURRUMBIDGEE REGION				
Receival Depot	V071 ^A	Doongara	Topaz ^A	Langi
Gogeldrie	P	P	P	P
Murrami	P			
Whitton	S	S	S	S
Benerembah	P			
Willbriggie	P			
Yenda	P		P	P
Hay	Closed – Storing Carryover			

COLEAMBALLY REGION			
Receival Depot	V071 ^A	Topaz	Langi
Emery	P	P	P
Walsh	Closed – Storing Carryover		

MURRAY REGION					
Receival Depot	Sherpa ^A	V071 ^A	Koshi	Opus ^A	Illabong
Hogan	P	P			
Finley	Closed – Pending Demand				
Blighty	Closed – Pending Demand				
Deniliquin	P&S	P&S	P&S	P&S	P&S
Caldwell	Closed – Storing carryover				
Burraboi	P	P			
Moulamein		P			

12. Purchasing seed and other crop inputs on credit or cash terms

To assist growers with their rice planting program, SunRice may provide rice seed and rice crop insurance on credit terms to growers who contract to supply the rice they grow to SunRice. In the case of seed purchase, it is a requirement that the grower does not have an outstanding seed debt.

If seed is purchased on cash terms, payment can be made by cheque at the issuing depot, by BPay or by EFT to the SunRice account detailed on the seed invoice. If paying by BPay or EFT, **payment must be received within 7 days from date of collection.**

13. GrowRice and PaddyPay

To assist growers in production in CY25, SunRice is again offering:

- Our GrowRice facility, which provides input funding for approved growers of up to \$2,000 per hectare
- The PaddyPay Harvest Payment option, where growers can elect to access up to 90% of the estimated pool return (lower end of the range), paid within 5 days of the end of week of delivery. Growers using PaddyPay for CY24 payments will not need to sign up again.

Materials regarding PaddyPay will be forwarded to growers not already signed up during November.

14. Rice crop insurance program

Rice crop insurance will again be available for CY25. **To enrol in the program a grower will need to tick the relevant box when placing your seed order.** Enrolment details will be confirmed in late November when there will be an opportunity to opt out or change the excess level applying to the policy.

At this stage, insurance premiums for the 2024/25 season are being finalised. All growers will be notified of the final insurance rates as soon as they are made available.

15. Native Game Bird Management (Owner/Occupier) Licences

SunRice and the Ricegrowers' Association of Australia (**RGA**) in collaboration with Department of Primary Industries and Regional Development have streamlined the application and issue of Native Game Bird Management (Owner/Occupier) Licences. Growers who anticipate problems with ducks can now apply for a licence and a total allocation by ticking the relevant box on the seed order form and indicating the allocation required.

When you apply in this manner you are acknowledging that you have read the important information about Native Game Bird Management (Owner/Occupier) Licences and that you meet the requirements set out in the declaration in that information.

16. Varieties protected under Plant Breeders Rights Legislation

The varieties Reiziq^A, Viand^A, Opus^A, Sherpa^A, V071^A and Topaz^A are protected under Australia's *Plant Breeder's Rights Act 1994*. SunRice holds exclusive licences to commercialise these varieties. Unauthorised commercial propagation or any sale, conditioning, export, import or stocking of propagating material of PBR protected varieties is an infringement under the *Plant Breeder's Rights Act 1994*.

17. SunRice Group Supplier Sustainability Code

As an Australian grower, you as a part of the Riverina community of growers, occupy a unique part of the SunRice Group supply chain. The SunRice Group's sustainability commitments can be found in the SunRice Group ESG Commitment ([accessible here](#)), and our expectations for how the SunRice Group and all of our suppliers will achieve these commitments, are outlined in the SunRice Group Supplier Sustainability Code ([accessible here](#)). The Supplier Sustainability Code outlines the standards and business practices that we expect our suppliers to agree to and to work towards aligning themselves with. It includes topics such as labour standards, worker health and safety, efficient resources use and bribery and corruption.



If you have any questions or comments please feel free to contact your SunRice Group representative in the Grower Services team or email our Group Head of Sustainability Kylie Porter, at suppliersustainability@sunrice.com.au. For now, we ask that you 1. Familiarise yourself with the Supplier Sustainability Code. 2. Conduct a review of your current practices against the Supplier Sustainability Code and consider any gaps in practice, and 3. Continue to work with the SunRice Group Grower Services team and the RGA on the best approach to improve sustainability performance over time.

If you require further information regarding the information in this circular, including the use of MapRice GIS for seed ordering, please do not hesitate to contact Grower Services on 1800 654 557.

A handwritten signature in black ink, appearing to read "Nicole Griffin".

Nicole Griffin
Head of Agribusiness
SunRice

Personal Information Collection Statement

Ricegrowers Limited, together with its associated entities and complementary businesses (collectively “SunRice”, “us” and “we”) is committed to fulfilling its obligations under the Privacy Act 1998 (Cth) (“Privacy Act”) and the Australian Privacy Principles (“APPs”). The purpose of this collection statement is to notify you of certain matters as required under the APPs.

This collection statement should be read in conjunction with our Privacy Policy (found at <https://www.sunrice.com.au/privacy-policy/>), which sets out how we handle your personal information.

If you are providing personal information about or on behalf of an individual, you must ensure the relevant individual is made aware of this collection statement.

How we collect Personal Information

We collect personal information from you directly, if it is practical to do so, in the following ways:

- when submitting forms to us (either in hard or soft copy) for matters such as registering as a new grower with SunRice, updating personal details or ordering goods; and
- submitting a request or query to us face-to face, in writing (by letter, email or fax) or by telephone.

Purpose of the collection of personal information

We collect personal information for the following reasons:

- screening and assessing new rice growers.
- making contact with individuals and organisations that SunRice deals with or wants to deal with.
- undertaking research development and extension relating to rice crops.
- processing and administering payments.
- forming agreements for the supply of goods or services; and
- provision of information relating to shareholdings, including issuing and redemption of shares.

Collection of your personal information from third parties

We may collect personal information about you from a third party if you have been nominated as a representative or a contact person of that entity in its dealings between us and the relevant third party.

Consequences if personal information is not collected

If you do not or are unable to provide us with the requested personal information, we may not be able to provide you with the information, goods or services which you have requested or finalise payment for goods that you have supplied to SunRice.

Disclosure of personal information

We may disclose your personal information to our related bodies corporate, contractors, agents and third parties in order to provide goods, services or information requested. We may also provide your personal information to our third-party service providers who provide services in connection with the operation of our business. You may choose not to consent to the disclosure of your personal information to third-party service providers either by contacting SunRice Grower Services on 1800 654 557 or in the SunRice Pre-Delivery Declaration for the 2023-24 Crop.

Complaints, access and correction



SunRice's privacy policy contains information about how you can access personal information we hold about you, seek correction to that information and submit a privacy complaint and our process in dealing with such complaints.

Disclosure overseas

We do not disclose your personal information overseas unless we have otherwise specified.