SunRice Shareholder Meeting

December 2010

The Rice Food Experts

Important Notice

- This presentation gives very brief and targeted information
- The Board is committed to transparent and open communication with shareholders so that you have the relevant information required to consider the Scheme
- The Scheme Booklet will give shareholders all the information they need to make a decision on how to vote
- Shareholders must read the Scheme Booklet
  - It will contain other reasons why shareholders may decide to vote in favour of the proposal as well as reasons they may consider voting against it

The Rice Food Experts

Contents

Section	Description	Page
1	Indicative Timeline	4
2	Summary of Scheme Implementation Agreement	5
3	Evolution of Industry Debt	13
4	Paddy Price Comparison	14
5	Conclusion	16

The Rice Food Experts

1. Indicative Timeline

	Date	Event
2010	25 November	Scheme Implementation Agreement signed
	Early December	SunRice and Ebro to meet shareholders
2011	Early February	First Court hearing to ask the Court to call a meeting of SunRice shareholders
	Mid February	Despatch Scheme booklet (including Independent Expert Report – Lonergan Edwards appointed as Independent Expert)
	February/ March	Third round of shareholder meetings with SunRice and Ebro
	Mid March	Shareholder meeting to vote on the Scheme
	Late March/ Early April	If Shareholders approve the Scheme: ▪ Second Court hearing ▪ Scheme implementation date and shareholder payment

The Rice Food Experts

2. Summary of Scheme Implementation Agreement

Value	$600m Enterprise Value ▪ A Class Share: $50,000 each ▪ B Class Share: $5.025 each (not including possible franking credits of 60.3 cents each)
Paddy Purchase Commitments	▪ Purchase all paddy rice as “buyer of last resort” under RMB agreement, if exclusive export right is retained ▪ 5 year Medium Grain price, from 2012 (details on next page) – Premium Pool 400,000 tons – Pool 2 next 400,000 tons – Pool 3 >800,000 tons ▪ Purchase up to 100,000 of non Medium Grain varieties at prices determined by Ebro ▪ Rolling 5 year terms, which are automatically renewed unless Ebro gives notice to terminate them during the third year of any 5 year term ▪ Grower deliveries pro rated over all pools so each grower receives same pro rata price per ton ▪ 2010 Pool 2 price and 2011 indicative paddy price will be determined as per current practices and communicated prior to the shareholder vote ▪ Current payment schedule to be retained

SunRice
The Rice Food Experts

2. Summary of Scheme Implementation Agreement

Medium Grain Pricing Mechanism Scenarios based on RMB Licence

Scenario 1 – Exclusive Export Rights Retained

- Premium Pool price based on California benchmark
  - 60% based on average of 2 California Pools
  - 40% based on cash price
  - USD/AUD converted on daily average exchange rate
  - Pools and pool / cash weight to be annually reviewed by Grower Advisory Board
- Pool 2 price at US$50-90 discount to Premium Pool
  - Discount based on actual discount in market from Pool 1
- Pool 3 price will be the prevailing market price in locations where the pool is sold
  - This includes estimated future prices where the pool is held back for sale in a later period

Scenario 2 – Non Exclusive Export Rights

- Premium Pool price as per Scenario 1
- Pool 2 and 3 price commitments as per Scenario 1 for two years after loss of exclusive export rights

SunRice
The Rice Food Experts

2. Summary of Scheme Implementation Agreement

Rice R&D	▪ Ebro undertakes to support rice research and development through RRAPL equivalent to the average annual amount contributed by SunRice over the past 3 years prior and indexed annually by CPI
Rice Industry Support	▪ Continue annual support of industry and RGA consistent with SunRice past practice
Regional Community Support	▪ Continue annual sponsorship and support of regional communities consistent with SunRice past practice

The Rice Food Experts

2. Summary of Scheme Implementation Agreement

Ebro's commitments are enforceable	▪ Ebro's paddy purchase and other commitments are enforceable by – Each individual grower; and – RGA

Grower Advisory Board will be the forum for cooperation on grower issues

- R&D
- Pure Seed Scheme
- Crop Planning
- Appraisal
- Paddy Pricing
- Payment Methods e.g. "Board Orders"
- Growers Services

The Rice Food Experts

2. Summary of Scheme Implementation Agreement

Structure of Grower Advisory Board

- Operates in perpetuity, not just 5 years
- Three grower representatives and three Ebro representatives
- Chairman must be a grower representative (but no casting vote)
- First grower representatives to be agreed by Ebro and SunRice
  - SunRice to consult with the RGA
- Elections for future grower representatives with three year term
- Ebro to provide adequate funding and administrative support for the Grower Advisory Board

The Rice Food Experts

2. Summary of Scheme Implementation Agreement

Role of Grower Advisory Board – Paddy Pricing	
Medium Grain Premium Pool	▪ Determine the two appropriate Californian pools for reference ▪ Determine the most appropriate cash price reference ▪ Determine appropriate weighting of pool and cash price references ▪ Determine the final price for premium pool
Medium Grain Pool 2	▪ Determine the discount to premium pool
Medium Grain Pool 3	▪ Consider the market price determined by Ebro (Ebro must justify the price to the Grower Advisory Board) ▪ Consider supporting materials ▪ Determine if Ebro has acted in good faith in setting the price or has made any error (Grower Representatives only) – If the Grower Representatives on the Grower Advisory Board form the view that Ebro has not acted in good faith or has made a manifest error, then Ebro must reconsider the price – If the Grower Representative concerns are not addressed, the matter is referred to the Independent Expert for determination

SunRice
The Rice Food Experts

2. Summary of Scheme Implementation Agreement

Role of Grower Advisory Board – Pricing (contd.)

2011 Prices	▪ Provide guidelines consistent with past practice ▪ Indicative price communicated prior to the shareholder vote

Decisions

- Majority vote of the Grower Advisory Board
- Independent adjudicator to determine outcome if Grower Advisory Board is deadlocked
- Independent adjudicator decision is final and binding

The Rice Food Experts

2. Summary of Scheme Implementation Agreement

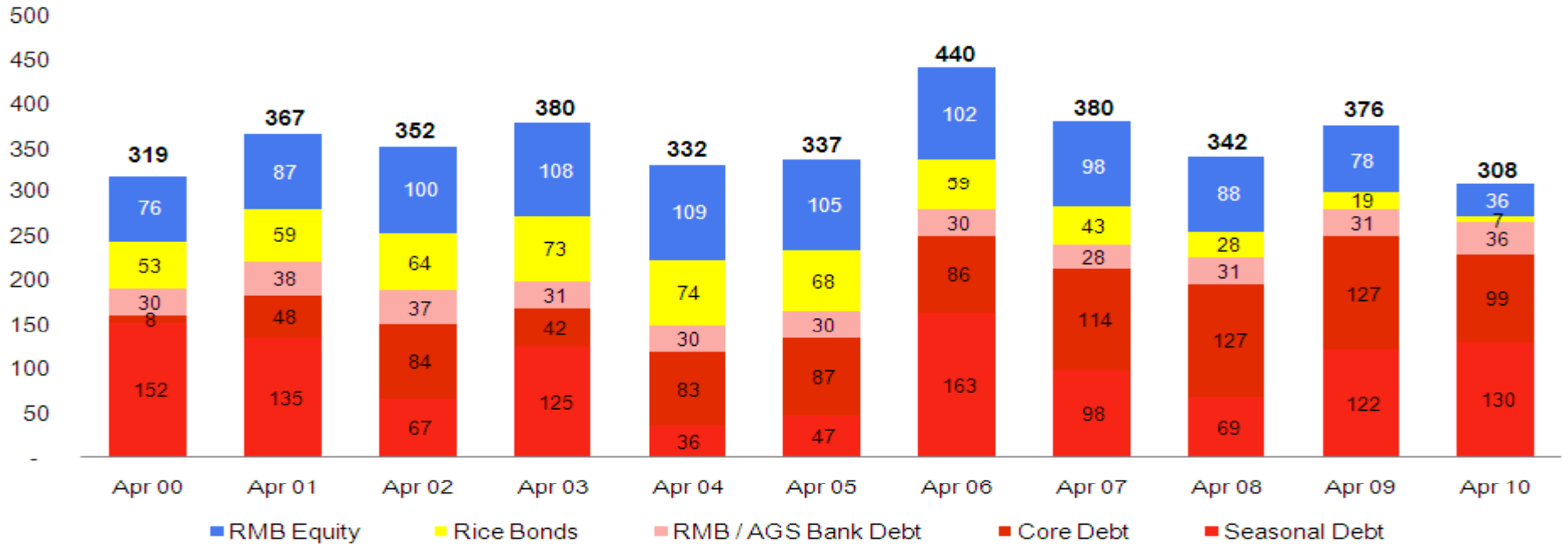
Role of Grower Advisory Board – Consultation

Industry and Regional Support	▪ R&D investment ▪ Industry and RGA support ▪ Regional sponsorship and support
Grower Services	▪ Payment options e.g. Board Orders, forward financing facility ▪ Procurement of crop inputs e.g. fertiliser, chemicals ▪ Harvest management e.g. receival shed schedules
Industry Planning	▪ Pure Seed Scheme ▪ Annual crop planning e.g. specialty varieties ▪ Appraisal regime

SunRice
The Rice Food Experts

3. Evolution of Industry Debt

Consolidated Industry Debt: 2000 – 2010 (A$m)

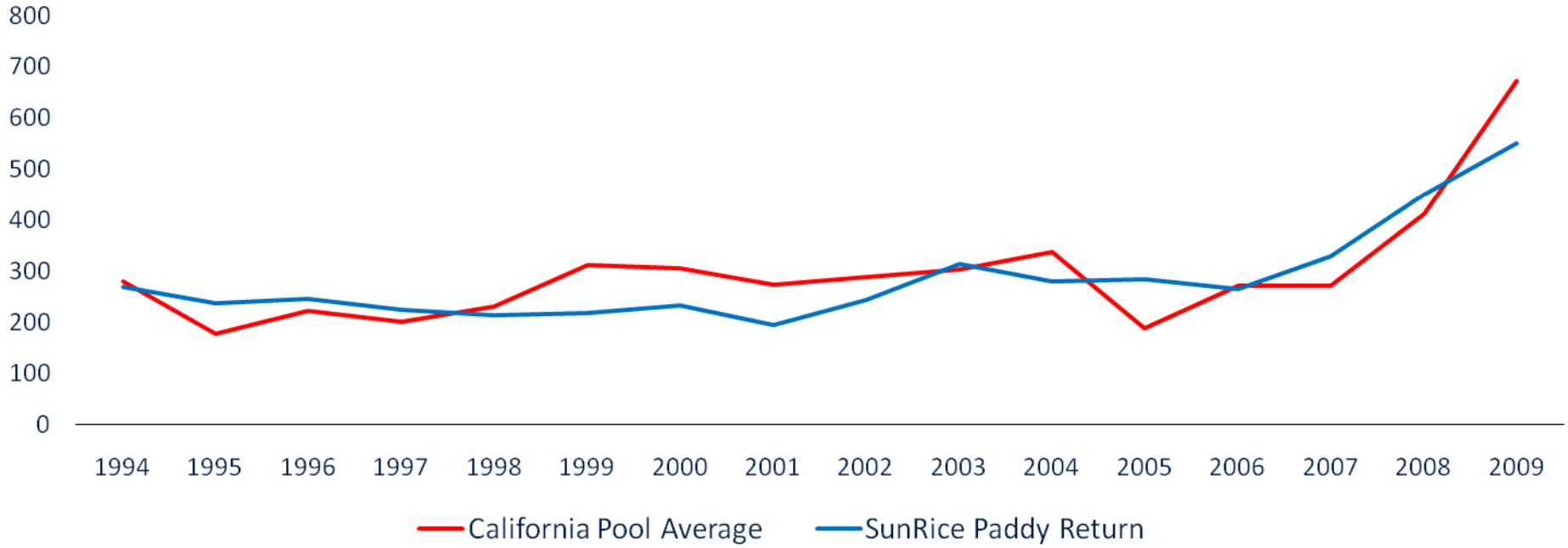


- Total industry debt has not changed and remains between $300m – $400m
- Now all debt resides within SunRice
  - Banks provide 86% of debt at April 2010
- Banks provide >90% of Debt after $13m payment in July 2010

The Rice Food Experts

4. Paddy Price Comparison

Average California Pool Returns vs. SunRice (A$/paddy ton)



Notes:

1.The years reflect Australian crop years and the prior California crop year

2.Available California pool prices for the major California millers has been used to get California Pool Average – this includes Premium over Loan, Loan and deducts a cost for drying and warehousing incurred by growers

3.Australian crop year average foreign exchange rate used to convert California prices (as per Ebro scheme)

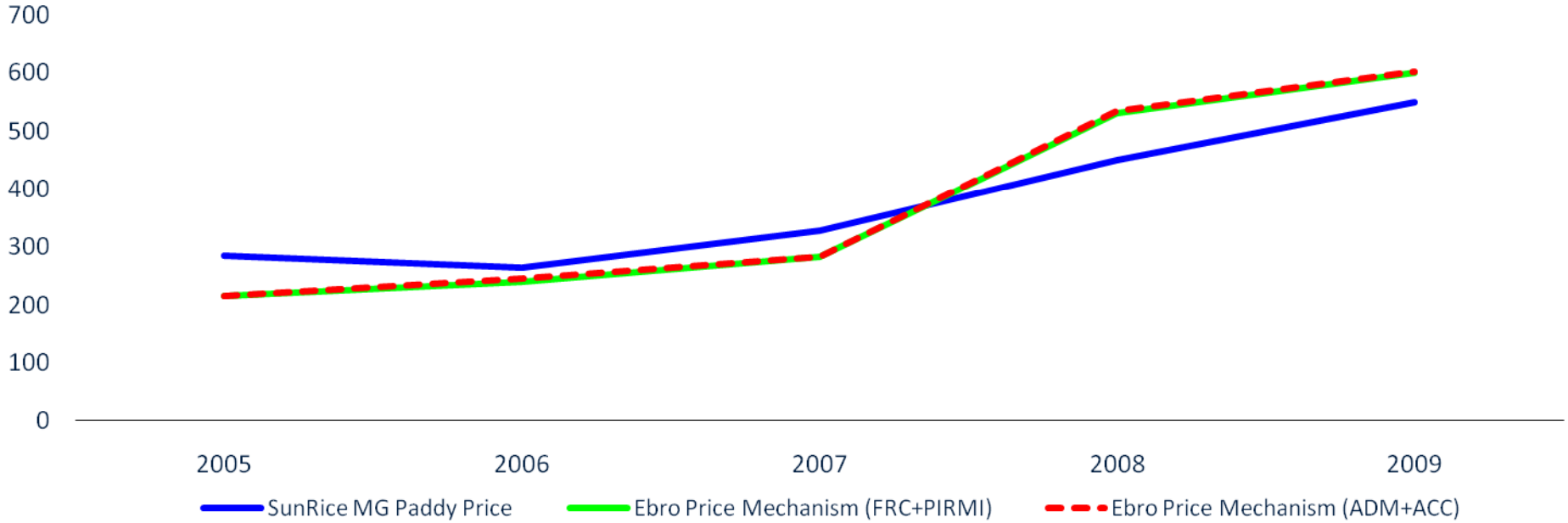
4.The drought affected Australian crop since 2003, has impacted prices paid by SunRice

- SunRice's 2009 price was a contract price for $550 pmt

The Rice Food Experts

4. Paddy Price Comparison

Ebro's Historical Pro Rata Pool Price vs. SunRice – Total Paddy Return (A$/paddy ton)



Notes:

1. The years reflect Australian crop years and the prior California crop year
2. Available California pool prices for the major California millers has been used to get California Pool Average – this includes Premium over Loan, Loan and deducts a cost for drying and warehousing incurred by growers
3. Cash prices in California are based on average of weekly prices from a well known rice industry analyst
4. Australian crop year average foreign exchange rate used to convert California prices (as per Ebro scheme)
5. The drought affected Australian crop since 2003, has impacted prices paid by SunRice
   - SunRice's 2009 price was a contract price for $550 pmt

The Rice Food Experts

5. Conclusion

- The Board has worked hard to develop a proposal which it believes is attractive to shareholders

- Shareholders must read the Scheme Booklet in full before deciding whether or not to vote in favour of the proposal

The Rice Food Experts