



NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Members of Ricegrowers Limited (ABN 55 007 481 156) ("the **Company**") will be held at Jerilderie Civic Hall, 33 Jerilderie Street, Jerilderie, at 10.30am on Thursday, 20 September 2018 with registration commencing at 9.30am.

AGENDA

Ordinary Business

1. Financial Reporting

Consideration of the Financial Report, Directors' Report and Independent Audit Report for the year ended 30 April 2018.

2. Remuneration Report – Resolution 1

To adopt the Remuneration Report for the year ended 30 April 2018.

Explanatory Notes

The Remuneration Report forms part of the Directors' Report. The vote on this resolution is advisory only and will not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

Voting Notes

Voting exclusions apply. Please see the "Voting exclusion statements" section of the Notes.

3. Election of External Director – Resolution 2

To consider, and if thought fit, pass the following resolution as an ordinary resolution at the Annual General Meeting:

"That Ms Luisa Catanzaro be elected as a Director of the Company for a period of three years."

Explanatory Notes

Following the retirement of Mr Grant Latta a vacancy will exist on the Board. The Board recommends that Ms Luisa Catanzaro be elected as an External Director (being a Non-Grower Director who is not an employee of the Company). The Board is satisfied that Ms Catanzaro fulfils the qualification requirements applicable to an External Director.

Ms Catanzaro, being eligible, offers herself for election. It is proposed that Ms Catanzaro be elected for a period of three years. Ms Catanzaro's qualifications are set out below.

Ms Luisa Catanzaro BCom, FCA, GAICD

Ms Catanzaro has more than 30 years of professional experience in senior finance executive roles across a range of industries, including FMCG and agriculture sectors, and with ASX listed companies.

Most recently, she was Chief Financial Officer (CFO) of Lynas Corporation Limited for over three years, during a period of growth for the company when it was raising considerable amounts of capital and establishing operations in Malaysia. Ms Catanzaro was CFO and Company Secretary of Dairy Farmers, the former dairy farmer co-operative, for four years (2005-2009) and The Australian Agricultural Company Limited for over three years (2001-2004), including being involved in this company's Initial Public Offering on the ASX. Before these appointments, she held senior finance executive roles with Pioneer International Limited and as a senior audit manager at Arthur Andersen.

Ms Catanzaro has a Bachelor of Commerce from the University of NSW, is a Fellow of the Institute of Chartered Accountants in Australia and is also a Graduate of the Australian Institute of Company Directors.

4. Re-Election of External Director – Resolution 3

To consider, and if thought fit, pass the following resolution as an ordinary resolution at the Annual General Meeting:

“That Mr Ian Glasson be re-elected as a Director of the Company for a period of three years.”

Explanatory Notes

At the Annual General Meeting held on 26 August 2016 it was resolved that Mr Ian Glasson be elected to the Board of Directors of the Company as an External Director for the term of two years. Mr Glasson, being eligible, offers himself for re-election. It is proposed that Mr Glasson be elected for a period of three years. Mr Glasson's qualifications are set out in the Annual Report.

5. Confirmation of Appointment of Elected RMB Members – Resolutions 4(a), 4(b) and 4(c)

- a) “That the appointment of Mr John Bradford, being an elected member of the Rice Marketing Board for the State of New South Wales (**Elected RMB Member**), as a Director of the Company for the term of his office on the Rice Marketing Board be confirmed.”
- b) “That the appointment of Mrs Gillian Kirkup, being an Elected RMB Member, as a Director of the Company for the term of her office on the Rice Marketing Board be confirmed.”
- c) “That the appointment of Mr Ian Mason, being an Elected RMB Member, as a Director of the Company for the term of his office on the Rice Marketing Board be confirmed.”

Explanatory Notes

The Company's Constitution “Appointment and Removal of Directors” - Rule 11.1(f)(i) provides that the elected members of the Rice Marketing Board (who satisfy the relevant requirements under the Constitution) will be appointed as Directors of the Company by the Board, with their appointment to be confirmed by shareholders at the next Annual General Meeting. Mr Bradford, Mrs Kirkup and Mr Mason were appointed as Directors following their re-election as Rice Marketing Board members. The Sole and Exclusive Export Agreement between the Rice Marketing Board and the Company under which the Company acts as the sole and exclusive exporter of rice grown in New South Wales, requires that these appointments will be made and provides that the Rice Marketing Board may terminate the agreement if this obligation is not fulfilled. The qualifications of Mr Bradford, Mrs Kirkup and Mr Mason are set out in the Annual Report.

Special Business

6. Proposed Constitution Change – additional External Director – Resolution 5

To consider and, if thought fit, pass the following resolution as a special resolution at the Annual General Meeting:

“That the Constitution be amended by:

- a) replacing all of the words in the first paragraph of Rule 11.1(a) with the following words:

“(a) The Board will comprise up to eleven (11) Directors made up from the following categories, all of whom shall be natural persons and at least 18 years old:”; and
- b) replacing the existing Rule 11.1(a)(ii) with the following new Rule 11.1(a)(ii):

- “(ii) up to four (4) Directors who satisfy the qualification requirements of Rule 11.1(b)(ii) or 11.1(b)(iii) and are nominated for election by the Directors provided that only one (1) of such Directors may be an employee of the Company”.

Explanatory Notes

The Company's Constitution currently provides that the Board comprises up to 10 Directors, seven of whom are Grower Directors (of whom three are Elected RMB Directors) and three of whom are Non-Grower Directors. One of these Non-Grower Directors is the Chief Executive Officer. The remaining two Non-Grower Directors, or External Directors, have specific skills and experience.

As communicated to shareholders over recent months the Board is proposing that an additional External Director be elected to the Board to provide a broader range of skills, while still retaining the majority of the Board as Grower Directors.

As such, A Class Shareholders are being asked to approve amendments to the Constitution to increase the total maximum number of Directors from 10 to 11, and to increase the maximum number of Non-Grower Directors from three to four (of whom, only one may be an employee, with the remaining three being External Directors).

The Board recommends that A Class Shareholders vote in favour of the special resolution to implement this change to the Constitution.

7. Election of External Director – Resolution 6

To consider, and if thought fit, pass the following resolution as an ordinary resolution at the Annual General Meeting:

“That subject to Resolution 5 being passed, Dr Andrew Crane be elected as a Director of the Company for a period of three years.”

Explanatory Notes

Subject to the passing of Resolution 5 (Proposed Constitution Change – additional External Director) the Board recommends that Dr Andrew Crane be elected as an External Director. The Board is satisfied that Dr Crane fulfils the qualification requirements applicable to an External Director.

Dr Crane, being eligible, offers himself for election. It is proposed that Dr Crane be elected for a period of three years. Dr Crane's qualifications are set out below.

Dr Andrew Crane FAICD
PhD Agriculture
BSc (Hons) Environmental Studies

Dr Crane has more than 30 years' experience working in agriculture for a range of trading, processing and international marketing businesses such as statutory authorities, listed entities and co-operatives. He recently retired after eight years as CEO of CBH to pursue a Non-Executive Director career. CBH is one of Australia's largest private enterprises with AUD 3.9 billion turnover, running a 15 million tonne grain supply chain including 200 receival sites, ports and rail fleet and is Australia's largest grain trader and exporter. Dr Crane has more than 25 years' experience trading with and investing in Asia including as a former CBH JV Director of Interflour, one of Asia's largest flour milling businesses operating in Indonesia, Vietnam and Malaysia.

Dr Crane has been engaged as a consultant to the Company since April 2018.

8. Directors' participation in Grower Share Purchase Plan – Resolution 7

To consider, and if thought fit, pass the following resolution as a special resolution at the Annual General Meeting:

“That approval is given for each Director and each other related party of the Company who is eligible to participate in the Grower Share Purchase Plan to be issued B Class Shares under the Grower Share Purchase Plan.”

Explanatory Notes

Overview of the Grower Share Purchase Plan

In 2017, the Company established a Grower Share Purchase Plan (**GSPP**) and made offers of B Class Shares to eligible growers under the GSPP. This year, the Company again proposes to offer Eligible Growers (defined below) the opportunity to acquire B Class Shares under the GSPP (**2018 GSPP Offer**). In broad terms, the GSPP has been devised to give Eligible Growers the right to subscribe for additional B Class Shares based on the quantity of Paddy they deliver to SunRice, with the right to direct Paddy payments to pay for those Shares. Participation in the GSPP will be optional.

In relation to the 2018 GSPP Offer, Eligible Growers will be entitled to subscribe for 1 B Class Share for every 1 tonne of Paddy delivered in the 2018 Crop (**C18**), at an issue price of \$5.71 per share which is the same issue price as under the Dividend Reinvestment Plan (DRP). This represents a 2% discount to the Volume Weighted Average Price (VWAP) calculated over the five days on which B Class Shares traded on the NSX between 12 June 2018 and 28 June 2018.

The 2018 GSPP Offer will not be underwritten and will not have any minimum subscription level. The maximum number of new B Class Shares that may be issued under the 2018 GSPP Offer will be equal to the number of tonnes of Paddy delivered to the Company in C18. 623,003 tonnes of Paddy were delivered in C18 and therefore the maximum number of B Class Shares that may be issued under the GSPP will be around 623,003 B Class Shares. As at the date of this Notice of Annual General Meeting, there are 57,416,963 B Class Shares on issue and, accordingly, if a further 623,003 B Class Shares were issued, those new shares would represent 1.09% of the total number of B Class Shares.

It is proposed that all Eligible Growers will be entitled to participate in the GSPP. An “Eligible Grower” is a shareholder of the Company that has delivered Paddy to the Company in C18.

Important note: The offer of B Class Shares for issue by the Company under the 2018 GSPP Offer will be made under a prospectus, which will be made available when the B Class Shares are offered. The prospectus is anticipated to be made available in or around August 2018. Any person deciding whether to acquire B Class Shares under the 2018 GSPP Offer should read and consider the prospectus. Anyone who wants to acquire B Class Shares under the 2018 GSPP Offer will need to complete the application form that will be in, or will accompany the prospectus.

Requirement for shareholder approval

NSX Listing Rule 6.44 provides that, subject to certain specified exceptions, the Company must obtain the approval of shareholders by special resolution for any issue of shares to a related party.

A person is regarded a related party of the Company if that person is, amongst other things:

1. a Director of the Company;
2. the spouse of a Director of the Company;
3. a parent or child of any of the persons referred to in items 1 and 2 above; or
4. an entity that is controlled by any of the persons referred to in items 1, 2 or 3 above.

Accordingly, a Director of the Company or any person or entity that has a family relationship or other connection with a Director that makes them a related party of the Company would require A Class Shareholder approval to participate in the GSPP.

While there is an exception to Listing Rule 6.44 for the issue of shares under the Company's DRP, there is no exception in Listing Rule 6.44 for the GSPP. Accordingly, while the B Class Shares to be issued under both the DRP and the 2018 GSPP Offer will be calculated using the same price, there is still a technical requirement for shareholder approval under Listing Rule 6.44.

Therefore, A Class Shareholders are asked to consider and vote on Resolution 7.

Information on Directors' participation in the GSPP in respect of C18

- Related parties**

If Resolution 7 is approved, it would permit the following related parties of the Company who are Eligible Growers to participate in, and be issued B Class Shares under, the 2018 GSPP Offer on the same terms as the other Eligible Growers based on the tonnes of Paddy they delivered to the Company in C18:

RELATED PARTY NAME	NATURE OF RELATIONSHIP	TONNES DELIVERED C18
Mr Lawrence John Arthur	Chairman and Director	5,216
Andrew Arthur and Amy Lolicato	Andrew Arthur is the son of a Director (Laurie Arthur)	819
John Neil Arthur	Director's son (Laurie Arthur)	482
Mrs Roma Fay Arthur	Director's mother (Laurie Arthur)	33
GA & JA Andreazza Enterprises Pty Limited (trustee of the GA and JA Andreazza Family Trust) trading as GJA Farming	Director's company (Glen Andreazza)	2,742
Daniel Paul Andreazza	Director's son (Glen Andreazza)	318
Andreazza Management Pty Ltd (trustee of the A & GV Andreazza Family Trust)	Director's parents' Company (Glen Andreazza)	126
Mr John Michael Bradford and Mrs Julie Ann Bradford	Director and spouse (John Bradford)	851
DJ Mason & IR Mason & PD Mason trading as DJ Mason & Sons	Director, Director's mother and Director's brother (Ian Mason)	1,343
Kirkup Farms Pty Ltd	Director's company (Gillian Kirkup)	2,033
DM and MS Robertson Pty Ltd (trustee of the Newgrove Family Trust)	Director's company (Mark Robertson)	3,321
North Dale Pty Ltd	Director's company (Leigh Vial)	1,613

- Maximum number of B Class Shares to be issued**

If Resolution 7 is approved, the maximum number of B Class Shares that will be offered to related parties of the Company under the 2018 GSPP Offer will be equal to the number of tonnes of Paddy they delivered to the Company in the C18. Based on the deliveries identified in the table above, those related parties will be eligible to subscribe for up to 18,897 B Class Shares.

- Issue price of B Class Shares**

All B Class Shares will be issued at the same price to all participants in the 2018 GSPP Offer, which is \$5.71 per share.

- **Anticipated issue date of the B Class Shares**

It is currently anticipated that the 2018 GSPP Offer will be made pursuant to a prospectus to be issued by the Company in or around August 2018. The anticipated date for the issue of B Class Shares under that prospectus is in October 2018.

- **Consequences of Resolution 7 not being approved**

If Resolution 7 is not approved, the related parties of the Company who are otherwise Eligible Growers will not be able to participate in, and acquire, B Class Shares under the 2018 GSPP Offer.

Voting Notes

Voting exclusions apply to Resolution 7. Please see the “Voting exclusion statements” section of the Notes.

Resolutions to implement the ASX Proposal (“ASX Resolutions”):

9. New Constitution Resolution – Resolution 8

To consider, and if thought fit, pass the following resolution as a special resolution at the Annual General Meeting:

“That, subject to and conditional on:

- each of the ASX Resolutions being passed; and
- the Company being admitted to the official list of the ASX,

with effect from the date on which the Company is admitted to the official list of the ASX (“**ASX Listing Date**”), the Constitution contained in the document tabled at the Annual General Meeting and signed by the Chairman for the purpose of identification be approved and adopted as the Constitution of the Company (“**New Constitution**”) in substitution for the Existing Constitution of the Company (which is repealed from the ASX Listing Date).”

10. B Rights Variation Resolution – Resolution 9

To consider, and if thought fit, pass the following resolution as a special resolution at the Annual General Meeting:

“That, subject to and conditional on:

- each of the ASX Resolutions being passed; and
- the Company being admitted to the official list of ASX,

with effect from the ASX Listing Date, the rights of each B Class Share be varied (so as to be as set out in the New Constitution).”

Explanatory Notes for Resolutions 8 and 9

The “**ASX Resolutions**” comprise Resolutions 8 and 9 in this Notice of Annual General Meeting and Resolutions 1 and 2 in the accompanying Notice of B Class Meeting. All of the ASX Resolutions are interdependent and will not take effect unless each of the other ASX Resolutions is passed. Information relevant to the ASX Resolutions (including a Glossary of defined terms) is set out in the Explanatory Booklet, which accompanies this Notice of Annual General Meeting.

By order of the Board

A handwritten signature in black ink that reads "M. Del Gigante" followed by a small flourish.

M Del Gigante
Company Secretary

27 July 2018

NOTES

Material accompanying this Notice of Annual General Meeting

These notes should be read in conjunction with this Notice of Annual General Meeting (“**Notice**”) and the Voting Information Schedule which accompanies this Notice (“**Voting Information Schedule**”). This Notice should also be read in conjunction with the Explanatory Booklet of which it forms part. The Explanatory Booklet contains important information to assist you in making an informed decision as to how to vote on the ASX Resolutions.

The Voting Information Schedule includes detailed information on how to vote and how to lodge a proxy form, body corporate representative appointment or power of attorney.

Terms used in this Notice have the same meaning as set out in the Glossary of the Explanatory Booklet unless otherwise indicated.

Voting exclusion statements

A vote must not be cast on (and the Company will disregard any votes cast on) Resolution 1 (Remuneration Report) by, or on behalf of:

- a member of the Key Management Personnel (“**KMP**”) whose remuneration is disclosed in the Remuneration Report (and their closely related parties) in any capacity; and
- a member of the KMP at the date of the Annual General Meeting (and their closely related parties) acting as proxy,

unless the vote is cast:

- as proxy for a person entitled to vote in accordance with a direction on the proxy form; or
- by the Chairman of the Annual General Meeting as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

A vote will not be cast (in any capacity) on (and the Company will disregard any votes cast on) Resolution 7 (Directors’ participation in Grower Share Purchase Plan) by or on behalf of a Director or other related party who is eligible to participate in the Grower Share Purchase Plan under 2018 GSPP Offer, unless the vote is cast:

- as proxy for a person entitled to vote in accordance with a direction on the proxy form; or
- by the Chairman of the Annual General Meeting as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies even if the resolution is connected to Directors’ participation in the GSPP.

Attendance at Annual General Meeting

If you or your proxies, attorneys or representative(s) plan to attend the Annual General Meeting, please arrive at the venue at least 30 minutes before the scheduled time for commencement of the Annual General Meeting so that your shareholding can be checked against the Share Register, any power of attorney or certificate of appointment of body corporate representative verified, and you or your representative’s attendance noted.

Further information

For further information on the ASX Proposal, please call the SunRice Shareholder information line on 1800 020 806 (toll free in Australia) or +61 3 9415 4260 (if overseas) between 9.00am and 5.00pm (Local Time), Monday to Friday.