

2016 SunRice Update

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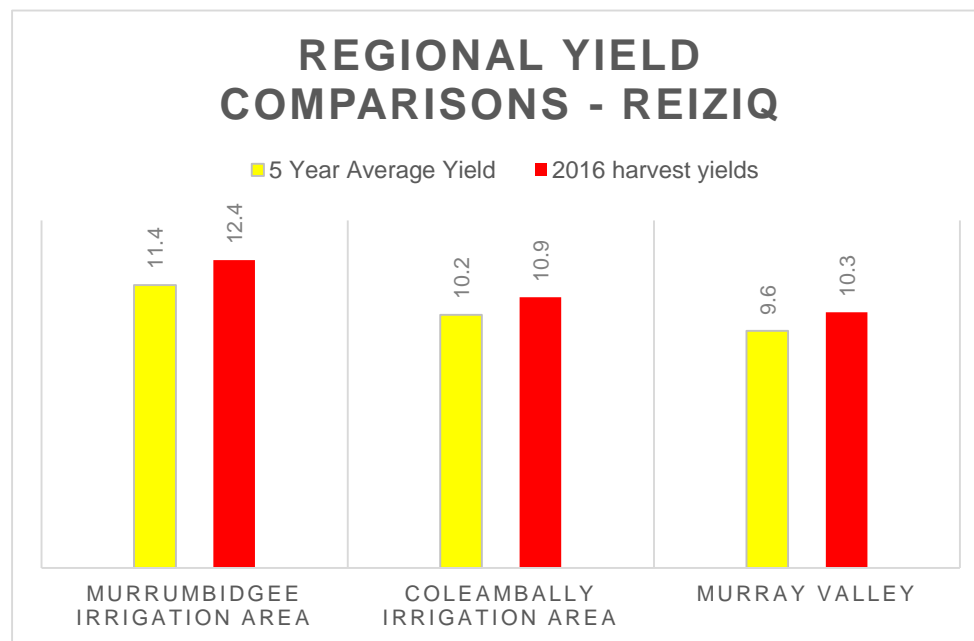
Agenda

- 2016 harvest results
- Seasonal outlook
- Positioning rice as summer crop of choice:
 - Early price signals
 - New cold tolerant, water efficient varieties



2016 Riverina Rice Harvest: Stronger Yields = Higher Grower Returns

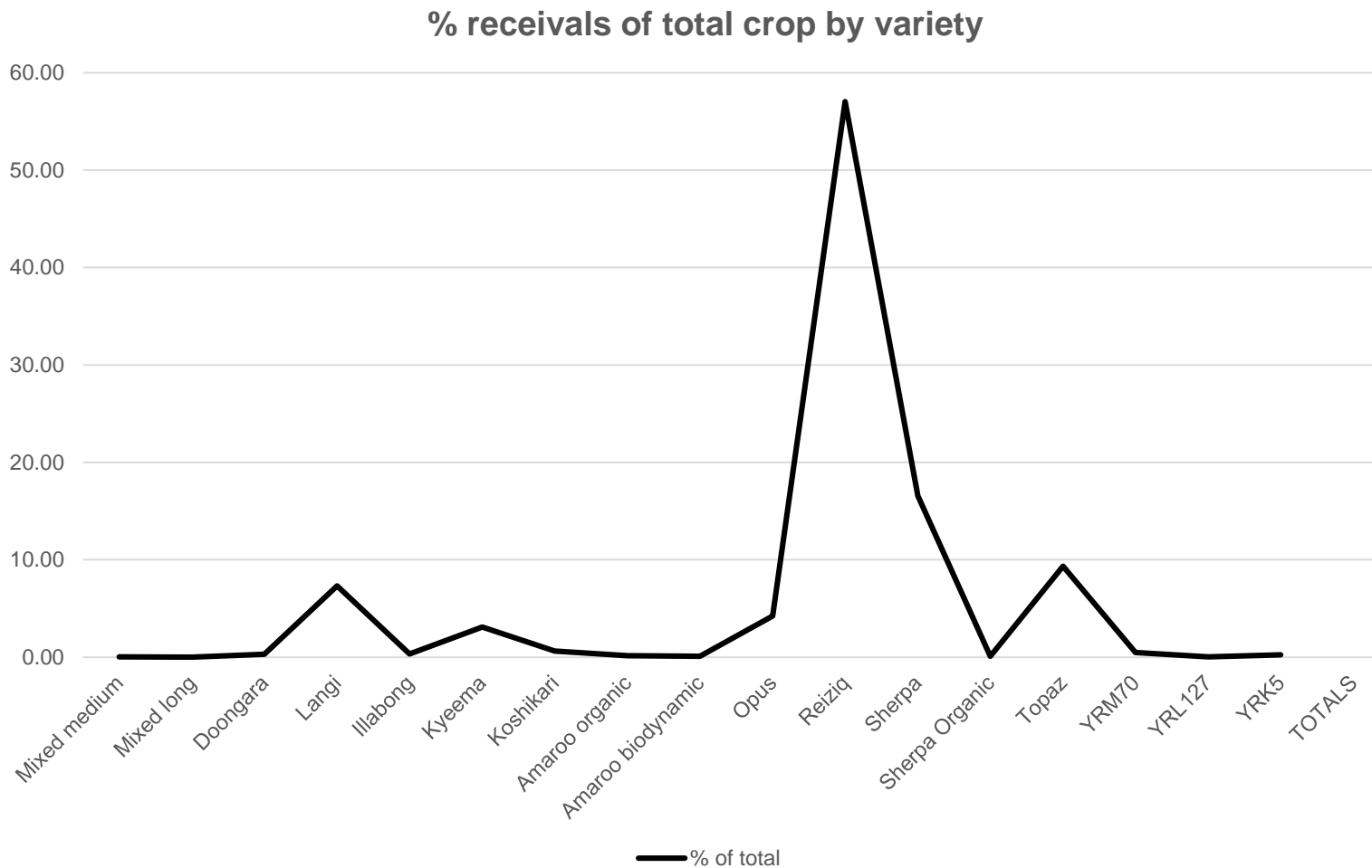
- Crop size significantly down due to low water allocations
 - 2016 crop forecast approx. 245,000 tonnes v 690,215 tonnes for 2015 crop
- However, yields outperformed five year averages across all varieties and regions:
 - 11 t/ha v five year average of 10 t/ha
 - Some MIA growers achieved over 15 t/ha for Reiziq
- Average gross margin of approx. \$3,400 per hectare and \$280 per megalitre



Yield (tonnes per hectare)	12.41
Price (A\$)	\$415
Revenue (A\$)	\$5,150
Total Variable Costs (A\$)	\$1,740
Gross Margin (per hectare)	\$3,410
Water Use (ML)	12.25
Gross Margin (per ML)	\$278



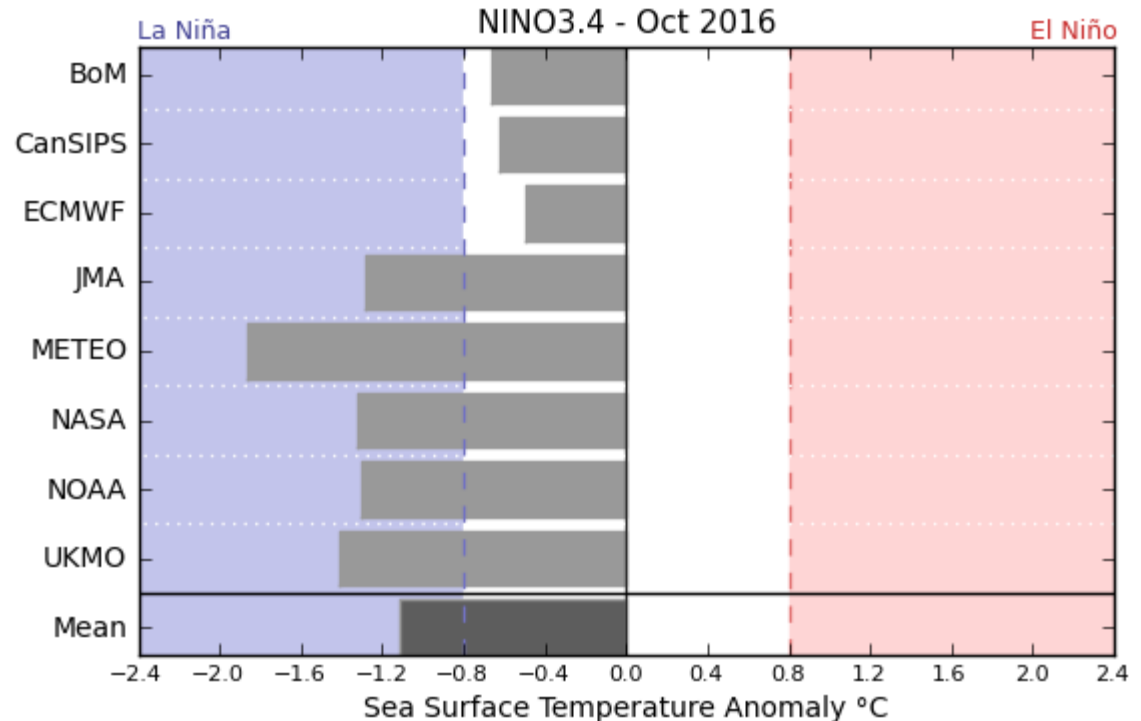
2016 Riverina Rice Harvest: receivals by variety



C16 Seasonal Outlook

Climate Model Summary May to October 2016

- Likelihood of above average rainfall if La Nina predictions prevail
- Expecting crop size to return to average



The Australian climate is influenced by temperature patterns in the Pacific and Indian Oceans. This graph provides information on Pacific and Indian Ocean outlooks for the coming six months based on a survey of international climate models.

Positioning rice as summer crop of choice

- Following grower feedback we have launched our first fixed price / fixed volume contract to provide early price signals
- Objective is to help you more confidently make planting and water allocation decisions
- Received strong interest from growers
- Contract is being operated on a first-in-first-served basis



New shorter season, cold tolerant, more water efficient rice varieties

- Three new varieties in advance stages of commercialisation:
 - New medium grain - YRM 70 showing promise to replace Reiziq in Middle East. Trials producing 12 paddy t/ha +
 - New short grain – YRK 5
 - New long grain, Doongara type - YRL127
- Developed to improve returns through delivering water efficiencies:
 - 2-3 week shorter growing season but achieving same yields
 - Cold tolerant, later sowing
- Grower package including nutritional recommendations to accompany commercial release



Questions

