

- \$355 to \$400 per tonne paddy pool range announced for C18
- Premiumisation of Riverina rice
- Larger than expected C18 Riverina rice crop



Grower Update



C18 SunRice Paddy Pool Range Announced: \$355 to \$400 per tonne (Reiziq)

On behalf of the SunRice Board, I am pleased to announce the estimated opening range for the C18 Paddy Pool is \$355 to \$400 per tonne for base grade medium grain (Reiziq), with pool payments being set from the lower end of this range.

This is a good start to the C18 Pool and continues the upward pricing trend experienced during C17, which ensured that the SunRice Pool generated strong paddy returns for Australian rice growers.

Positive global marketplace ripe for premium Riverina rice

The ongoing success of selling premium Riverina rice into high returning markets and sourcing rice offshore to satisfy demand in lower returning markets is exposing Australian growers to positive price upswings and insulating Australian growers from cyclical price downturns.

To continue promoting the expansion of premium varieties being grown across the Riverina to match global food trends, we recently opened C19 Fixed Price Contracts for premium varieties. This approach, provides our growers with additional pricing and contracting alternatives.

There has been solid interest in the contracts, which are offering \$550/t for Koshihikari, \$450/t for Doongara, \$415/t for Opus and \$400/t for Reiziq.

As part of our refreshed five-year strategy, SunRice is positioning our Low GI Doongara range in several global markets to help address the obesity and diabetes epidemic.

Short grains Opus and Koshihikari are enabling SunRice to leverage the increasing popularity of Japanese cuisine around the world.

To support growers and in recognition of their commitment to best farming practices, SunRice will continue to invest in providing the best agronomic advice, while paying premium prices to those who choose to grow specialty varieties that attract higher market returns.

We are hopeful that with a continuation of the positive movements in global markets that this pool pricing trend may continue. However, any softening in markets and a further strengthening of the Australia dollar will naturally influence the final pool result.

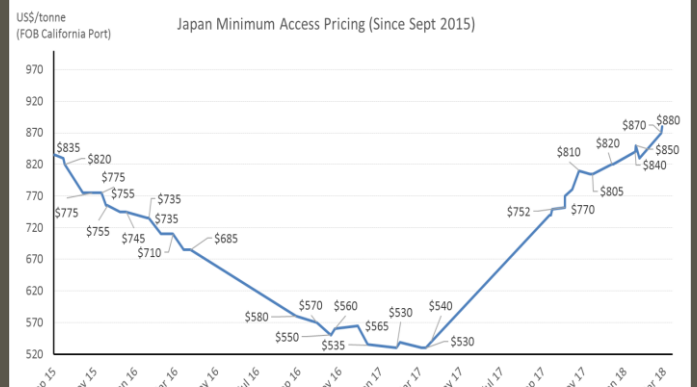
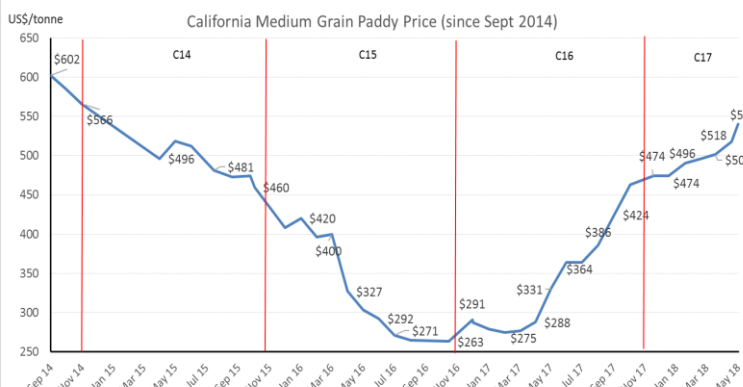
Strong yields drive larger than expected C18 Riverina rice crop

As the 2018 Riverina rice harvest nears completion, our earlier forecast of 600,000 tonnes has already been exceeded thanks to high yields across regions and varieties. While overall yields are yet to be confirmed, the standout was a 14.8t/hectare yield for a medium grain Reiziq crop grown in the Murrumbidgee Irrigation Area, outstripping the region's five-year average by 4.4t/ha. It was grown using just 9.6ML of water or 1.54t/ML.

However, the very hot weather experienced at the beginning of April will result in whole grain yields, on average, for the C18 crop being less than last year.

Congratulations on delivering such a strong harvest despite low water availability at the outset, highlighting the flexibility and positive returns offered from a rice-based farming system. As we look to C19, I know water availability will be tight and prices high, but SunRice will continue to support you in planting as much rice as possible.

Laurie Arthur
Chairman



Please note: storage and drying costs are deducted from this price.

Source: SunRice Estimates

Source: SunRice Estimates