



# PROSPECTUS 2018



**For the issue of B Class Shares under the Grower Share Purchase Plan Offer (“2018 GSPP Offer”)**

**The 2018 GSPP Offer closes at 5:00pm (Sydney time) on Friday, 21 September 2018.**

**The 2018 GSPP Offer is not underwritten.**

**THE SECURITIES OFFERED PURSUANT TO THIS PROSPECTUS ARE NOT BEING OFFERED ON THE BASIS OF THE ELECTRONIC PROSPECTUS DISPLAYED. SECURITIES WILL ONLY BE ISSUED AND ALLOTTED ON THE BASIS OF AN APPLICATION FORM TO BE ISSUED TO ELIGIBLE GROWERS TOGETHER WITH THIS PROSPECTUS.**

This document is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. It contains important information about the 2018 GSPP Offer. You should read this document in its entirety before making any investment decision. If after reading this document, you have any questions about the 2018 GSPP Offer, you should speak to your professional adviser.

# IMPORTANT NOTICE

This Prospectus is dated 27 August 2018 and was lodged with ASIC on that date. Applications will be made for listing of the New Shares offered by this Prospectus to the NSX. The fact that NSX may list the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares. The NSX takes no responsibility for the contents of this Prospectus, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon any part of the contents of this Prospectus. Neither ASIC nor any of its officers takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

It is important that you read this Prospectus carefully and in full before deciding whether to subscribe for New Shares and investing (in the case of existing Shareholders, investing further) in the Company pursuant to the 2018 GSPP Offer. In particular, you should consider the risk factors that could affect the financial performance of the Company in light of your personal circumstances (including financial and taxation issues). This Prospectus does not provide investment advice and has been prepared without taking into account your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice if you have any questions about any matter contained in this Prospectus.

Certain terms and abbreviations used in this Prospectus have defined meanings, which are explained in the Glossary at Section 7. In this Prospectus, the words “the Company”, “SunRice”, “we”, “our” and “us” refer to Ricegrowers Limited. The words “you” or “your” refer to persons to whom the 2018 GSPP Offer is made, being Eligible Growers.

No securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus, being the expiry date of this Prospectus. Application for quotation of the New Shares will be made to the NSX within seven days after the date of this Prospectus.

This Prospectus is a transaction specific prospectus for an offer to acquire continuously quoted securities (as defined in the Corporations Act). The Company is an NSX listed company whose B Class Shares have been granted official quotation by NSX. In preparing this Prospectus regard has been had to the fact that we are a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and the professional advisers who investors may consult. This Prospectus has been prepared in accordance with section 713 of the Corporations Act and does not contain all the information that an investor would find in a prospectus in connection with an initial public offering. Nevertheless, this Prospectus contains important information in connection with the rights and liabilities attaching to the New Shares and the effect of the 2018 GSPP Offer on the Company and requires your immediate attention.

No person is authorised to give any information or to make any representations in connection with the 2018 GSPP Offer that is not contained in this Prospectus. Any information or representation that is not contained in this Prospectus may not be relied upon as having been authorised by any of the Directors or by the Company.

## **Future matters and intentions**

This Prospectus contains both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. These statements may sometimes be identified by the use of forward-looking words such as “believe”, “aim”, “expect”, “anticipate”, “intending”, “foreseeing”, “likely”, “should”, “planned”, “may”, “estimate”, “potential” or similar words or phrases. Similarly, statements that describe SunRice’s objectives, plans, goals or expectations are or may be forward-looking statements. All forward-looking statements in this Prospectus reflect the current expectations of SunRice concerning future results and events. These forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements to be materially different from expected future results, performance or achievements expressed or implied by those statements. Any forward-looking statements reflect views held as at the date of this Prospectus. SunRice believes that the views reflected in any forward-looking statements are reasonable.

Please note however, that neither SunRice nor its directors or officers, or any other person gives any representation, assurance or guarantee that the events or achievement of results expressed or implied in any forward-looking statements in this Prospectus will actually occur. You are cautioned not to place undue reliance on such forward-looking statements and all subsequent written or oral forward-looking statements attributable to SunRice are qualified by this cautionary statement. Subject to any continuing obligations under law or the Listing Rules, SunRice gives no undertaking to update or revise any forward-looking statements after the date of this Prospectus to reflect any changes in expectations in relation thereto or any change in events, conditions or circumstances on which any such statement is based.



### **Restrictions on distribution**

The 2018 GSPP Offer is made to Eligible Growers that are resident in Australia. This Prospectus does not constitute an offer in any overseas jurisdiction where it would be unlawful to make the 2018 GSPP Offer. You must ensure compliance with all laws of any country relevant to your Application. We will take the return of a completed Application Form as a representation by you that there has been no breach of any laws and that you are an Eligible Grower.

Please contact us if you wish to obtain a hard copy of this Prospectus free of charge (see Corporate Directory).

A copy of this Prospectus can be downloaded from our website at [www.sunrice.com.au](http://www.sunrice.com.au). If you access the electronic version of this Prospectus, you should ensure that you download and read the entire Prospectus. The electronic version of this Prospectus is only available to Australian residents. This Prospectus (including the electronic version of this Prospectus) is not intended for, and should not be distributed to or retained by, any person other than an Eligible Grower.

### **Privacy Disclosure**

By completing the Application Form accompanying this Prospectus, Applicants will be providing personally identifiable information to the Company, its officers, employees, agents, contractors and third party service providers (including the Share Registry) (collectively, Collecting Parties). The personal information collected may include (but is not limited to) the Applicant's full name, date of birth, addresses and phone numbers.

The collection and management of the Applicant's personal information is conducted in accordance with the Privacy Act 1988 (Cth), which governs the use of a person's personal information and sets out principles governing the ways in which organisations should treat personal information. Personal information that the Collecting Parties collect from Applicants through their Application Forms is used to evaluate Applications and in the case of successful Applications, to issue securities in the Company to successful Applicants and provide services and appropriate administration in relation to those Applicants' security holdings in the Company. If the Collecting Parties are obliged to do so by law, Applicants' personal information will be passed on to other parties strictly in accordance with legal requirements. Once personal information is no longer needed for our records, the Collecting Parties will destroy or de-identify it.

By submitting an Application Form, each Applicant agrees that the Collecting Parties may use the personal information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Company and its related bodies corporate, agents, contractors and third party service providers, including the Share Registry, mailing houses and professional advisers and to the NSX and other regulatory authorities.

The Corporations Act requires the Company to include information about Shareholders (including name, address and details of the Shares held) in its public register and disclose such information to ASIC and persons inspecting the register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's registers is also used to facilitate corporate communications (including the Company's financial results, annual report and other information that the Company may wish to communicate to its Shareholders) and for the purpose of compliance with legal and regulatory requirements.

If you do not provide the information required on the Application Form, the Collecting Parties (as relevant) may not be able to accept or process your Application.

Further information about the Company's management of personal information, including how an Applicant may request access to or seek the correction of his or her personal information or submit a complaint or a general privacy-related query, is contained in our Privacy Policy, available at [www.sunrice.com.au/corporate/statements/privacy-policy/](http://www.sunrice.com.au/corporate/statements/privacy-policy/).

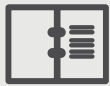
### **Currency and Time**

All references in this Prospectus to dollar, cents, "\$" or "A\$" are to Australian currency, unless otherwise indicated. All references in this Prospectus to time are to the time in Sydney, New South Wales, Australia.

# KEY DATES



## TIMETABLE OF THE 2018 GSPP OFFER



**MONDAY 27 AUGUST 2018**

Prospectus lodged with ASIC  
Announcement of GSPP Offer and  
lodgement of Prospectus with NSX



**MONDAY 3 SEPTEMBER 2018**

Anticipated despatch of Prospectus,  
Application Forms and Direction Forms  
to Eligible Growers



**MONDAY 3 SEPTEMBER 2018**

2018 GSPP Offer opens (Opening Date)



**THURSDAY 20 SEPTEMBER 2018**

SunRice 2018 Annual General Meeting  
and B Class Meeting



**FRIDAY 21 SEPTEMBER 2018**

Last date for returning Direction Form



**FRIDAY 21 SEPTEMBER 2018**

Date for determining eligibility to be  
issued New Shares under the 2018  
GSPP Offer (Record Date)



**FRIDAY 21 SEPTEMBER 2018**

2018 GSPP Offer closes (Closing Date)  
(Last date for returning Application  
Form)



**FRIDAY 28 SEPTEMBER 2018**

Issue of New Shares subscribed for  
under the 2018 GSPP Offer



**NEW SHARES COMMENCE  
TRADING ON NSX**

\* As set out in the Notices of Meetings and Explanatory Booklet released by the Company on 27 July 2018, the Company is seeking Shareholder approval to implement an ASX Proposal which involves, in general terms, the migration of the listing of B Class Shares from the National Stock Exchange of Australia (NSX) to the Australian Securities Exchange (ASX), and changes to the Constitution to enable B Class Shares to be acquired by investors generally. There is no guarantee that the ASX Proposal will be implemented or that

the B Class Shares will become quoted on the ASX.

The above timetable is indicative only and is subject to change. Subject to the Corporations Act and the Listing Rules, the Company reserves the right to vary the dates in connection with the 2018 GSPP Offer, without prior notice. This may include extending the Closing Date of the 2018 GSPP Offer or accepting late acceptances, either generally or in particular cases. The Company also

reserves the right not to continue with the 2018 GSPP Offer at any time before the allotment and issue of New Shares to successful Applicants. Eligible Growers are encouraged to submit their Applications as soon as possible.

Any material changes to the above timetable will be announced by the Company on its NSX announcements platform. The Company's announcements are accessible from NSX's website at [www.nsx.com.au](http://www.nsx.com.au) under the code "RGWB".

# CHAIRMAN'S LETTER

Dear Grower / Shareholder,

Last year, the Board introduced the Grower Share Purchase Plan (**GSPP**). The GSPP allows our Eligible Growers to build an economic interest in the Company through a B Class Shareholding and also provides us with an opportunity to raise a small amount of additional capital.

Your Board is pleased to again offer Eligible Growers the opportunity to participate in the GSPP this year, pursuant to the 2018 Grower Share Purchase Plan Offer (**2018 GSPP Offer**) made under this Prospectus. We know many of you have expressed an interest in acquiring B Class Shares and, as always, we welcome your participation in the GSPP and in SunRice in this way.

Notwithstanding that, I would like to note that participation in the GSPP is optional. It is also separate from the ASX Proposal we are asking A and B Class Shareholders to consider at the time of the SunRice AGM. The 2018 GSPP Offer will run irrespective of the outcome of the vote on the ASX Proposal.

Eligible Growers should understand that shareholders are exposed to risks associated with SunRice and that many of the circumstances giving rise to these risks are beyond the control of SunRice, including climatic factors, global commodity markets, sovereign risk and foreign exchange fluctuations. In line with these considerations, I encourage you to read the details of the 2018 GSPP Offer in this Prospectus in full and to seek your own investment or other professional advice, if required.

## Details of the 2018 GSPP Offer

Under the 2018 GSPP Offer, Eligible Growers will have the opportunity to acquire B Class Shares. An "Eligible Grower" is a person who has delivered Paddy to SunRice in C18 and holds an A Class Share or B Class Share, either in their own name or through their Approved Entity, on Friday, 21 September 2018.

Eligible Growers may, either in their own name or through their Approved Entity, subscribe for one (1) New Share for every one (1) tonne of Paddy delivered in the 2018 Crop at the Issue Price (see below).

The Issue Price for the New Shares is \$5.71 per share (**Issue Price**), which is the same issue price as offered under SunRice's dividend reinvestment plan (DRP) in 2018. The Issue Price represents a 2% discount to the VWAP of B Class Shares as traded on NSX between 12 June 2018 and 28 June 2018.

If you wish to participate in the 2018 GSPP Offer, the Application Money for New Shares is payable either:

- by payment to SunRice by cheque, bank draft or electronic funds transfer (refer to Section 2.1(e) and the instructions on the Application Form for more information); and/or
- providing a written direction (**Direction Form**) to SunRice to apply all or part of the September payment payable by SunRice to you for the Paddy delivered by you in the 2018 Crop (**2018 Crop September Payment**), which is due for payment on Friday, 28 September 2018. The Direction Form is attached to or accompanies this Prospectus.

## Purpose of the 2018 GSPP Offer

A close connection with Growers supports an ongoing, sustainable supply of rice from the Riverina region. Maintenance of this connection and supply is important to SunRice as Riverina Rice and the Rice Pool business form the foundation of the SunRice Group and is a key part of the SunRice Group's 2022 Growth Strategy.

The 2018 GSPP Offer is designed to encourage a closer connection between SunRice and our Growers by enabling Eligible Growers to apply all or part of their 2018 Crop September Payment to acquire B Class Shares. The Board considers this is particularly important to assist new (and often young) Eligible Growers to build a shareholding in the Company, especially in the context of the requirement of A Class Shareholders to acquire at least 3,000 B Class Shares. The 2018 GSPP Offer is also intended to align with the opportunity given to B Class Shareholders to acquire B Class Shares under the Company's dividend reinvestment plan (DRP) for 2018.

## How to participate if you are an Eligible Grower

Your Directors encourage Eligible Growers to read this Prospectus in its entirety before making any decision as to whether to further invest in SunRice. You should seek professional investment advice if you have any queries in relation to the 2018 GSPP Offer.

**If you are intending to direct SunRice to apply all or part of your 2018 Crop September Payment, please note you will need to return your completed Direction Form by 5.00 pm (Sydney time) on Friday, 21 September 2018.**

Please also note, if you have any outstanding deductions, your 2018 Crop September Payment will need to be applied to these deductions before it can be applied to pay the Application Money under the 2018 GSPP Offer.

If you have any questions regarding your 2018 Crop September Payment amount, please contact Grower Services on 1800 654 557.

If you have insufficient funds from your 2018 Crop September Payment after deductions, you can still submit an Application for New Shares under the 2018 GSPP Offer by the Closing Date of 5.00 pm (Sydney time) on Friday, 21 September 2018, however you will need to pay the Application Money (or part thereof) to SunRice by cheque, bank draft or electronic funds transfer as set out in the instructions on the Application Form.

In either case, to participate in the 2018 GSPP Offer, you must return your completed Application Form to the Share Registry by the Closing Date.

On behalf of the Board, thank you for choosing to grow rice and for your ongoing support of SunRice.

Yours sincerely



Laurie Arthur  
Chairman

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# 1. OVERVIEW OF INVESTMENT

## Key Terms of the 2018 GSPP Offer

Question	Answer	Further Details
Who is the issuer of this Prospectus?	Ricegrowers Limited (ABN 55 007 481 156) (NSX Code: RGWB) ( <b>Company</b> or <b>SunRice</b> ).	
What is the 2018 GSPP Offer?	<p>The Company is offering Eligible Growers the opportunity to acquire B Class Shares under the Company's Grower Share Purchase Plan (<b>2018 GSPP Offer</b>).</p> <p>Eligible Growers may, either in their own name or through their Approved Entity, subscribe for 1 New Share for every 1 tonne of Paddy delivered in the 2018 Crop (<b>C18</b>) at the Issue Price (see below).</p> <p>Participation in the 2018 GSPP Offer is optional.</p> <p>The Application Money for New Shares under the 2018 GSPP Offer is payable either:</p> <ul style="list-style-type: none"><li>• by payment to SunRice by cheque, bank draft or electronic funds transfer in accordance with the instructions on the Application Form; and/or</li><li>• by providing a written direction (<b>Direction Form</b>) to SunRice to apply all or part of the September payment payable by SunRice to you for the Paddy delivered by you in C18 (<b>2018 Crop September Payment</b>), which is due for payment on Friday, 28 September 2018. The Direction Form is attached to or accompanies this Prospectus.</li></ul> <p>The 2018 GSPP Offer is not underwritten, and has no minimum subscription level. The maximum number of New Shares to be issued pursuant to the 2018 GSPP Offer is equal to the aggregate number of tonnes of Paddy delivered to SunRice in C18 by Eligible Growers. As at the date of this Prospectus, it is estimated that approximately 623,003 tonnes of Paddy will be delivered in C18 in aggregate (including those tonnes which have already been delivered).<sup>1</sup></p>	Section 2.1
Who is eligible to participate in the GSPP Offer?	<p>The 2018 GSPP Offer is made to Eligible Growers only.</p> <p>You are an Eligible Grower if you delivered Paddy to the Company in C18 and hold an A Class Share or B Class Share, either in your own name or through your Approved Entity, as at 5.00 pm (Sydney time) on Friday, 21 September 2018. In accordance with the Constitution, New Shares can only be issued to existing Shareholders or their Approved Entities. If you are a Grower and you don't currently hold an A Class Share, you may be eligible to apply for one. If you want to apply for New Shares in your Approved Entity you will need to identify this on the Application Form.</p>	Section 2.1(a)
What is the Issue Price for the New Shares?	New Shares are being offered for issue at an issue price of \$5.71 ( <b>Issue Price</b> ) per share, which is the same issue price as offered under the Company's dividend reinvestment plan (DRP) in 2018. The Issue Price represents a 2% discount to the VWAP of B Class Shares as traded on NSX between 12 June 2018 and 28 June 2018.	Section 2.1(d)

1. Some of these tonnes may be delivered by Growers who will not be Eligible Growers and who would therefore not be entitled to participate in the 2018 GSPP Offer.



## Key Terms of the GSPP Offer (continued)

Question	Answer	Further Details
<b>Will the New Shares be quoted on the NSX or ASX?</b>	<p>The New Shares will be quoted on the NSX. The Company will make an application to the NSX for quotation of the New Shares no later than seven (7) days after the date of this Prospectus.</p> <p>Subject to approval, it is expected that normal trading of New Shares on the NSX will commence on Wednesday, 3 October 2018 (assuming the 2018 GSPP Offer closes at 5.00pm on Friday, 21 September 2018, as currently scheduled).</p> <p>As set out in the Notices of Meetings and Explanatory Booklet released by the Company on 27 July 2018, the Company is seeking Shareholder approval to implement an ASX Proposal which involves, in general terms, the migration of the listing of B Class Shares from the NSX to the ASX, and changes to the Constitution to enable B Class Shares to be acquired by investors generally. If the ASX Proposal is implemented, it is expected that the B Class Shares will be quoted on the ASX before 31 December 2018. However, there is no guarantee that the ASX Proposal will be implemented. No representation is made that the B Class Shares will become quoted on the ASX.</p>	Sections 2.4(b) and 5.3
<b>How many New Shares can I apply for?</b>	<p>You can subscribe for all or part of the number of New Shares set out in your enclosed personalised Application Form.</p> <p>However, New Shares will not be issued if it would result in you holding a number of B Class Shares which would exceed the B Class Shareholding Limit in the Constitution.</p>	
<b>What is the B Class Shareholding Limit?</b>	<p>The B Class Shareholding Limit is set out in rule 4.2 of the Constitution. It provides that a person cannot hold a number of B Class Shares that, when aggregated with any B Class Shares held by all Associates of that person, exceeds 5% of the total number of issued B Class Shares.</p> <p>New Shares under the 2018 GSPP Offer will not be allocated to a person to the extent that it would result in that person's holdings in B Class Shares exceeding the B Class Shareholding Limit. In such a case, the Company may allocate a fewer number of New Shares to the Applicant than the number that they have applied for.</p> <p>It should be noted that if the ASX Proposal is implemented, then the B Class Shareholding Limit will be increased from 5% to 10%.</p>	Sections 5.1 and 5.3
<b>What if I do not wish to subscribe for New Shares under the 2018 GSPP Offer?</b>	If you do not wish to subscribe for any New Shares under the 2018 GSPP Offer, you may do nothing and allow the 2018 GSPP Offer to lapse.	
<b>What are the minimum and maximum amounts that will be raised under the 2018 GSPP Offer?</b>	<p>The maximum number of New Shares that will be issued under the 2018 GSPP Offer is equal to the aggregate number of tonnes of Paddy delivered to the Company in C18 by Eligible Growers. As at the date of this Prospectus, it is estimated that approximately 623,003 tonnes will be delivered in aggregate (including those which have already been delivered).<sup>2</sup> Based on a figure of 623,003 tonnes, the maximum amount that will be raised under the 2018 GSPP Offer is \$3.6 million before expenses.</p> <p>There is no minimum subscription under the 2018 GSPP Offer, nor is the 2018 GSPP Offer underwritten.</p>	Section 3.3 and 3.4

2. Some of these tonnes may be delivered by Growers who will not be Eligible Growers and who would therefore not be entitled to participate in the 2018 GSPP Offer. However, as the Record Date for determining eligibility to participate in the 2018 GSPP Offer is not until after the date of this Prospectus, it is not possible to currently estimate how many tonnes of Paddy would be delivered by Growers who will not be Eligible Growers. However, it is expected that this number would not be significant.

## Purpose and effect of the 2018 GSPP Offer

Question	Answer	Further Details
<b>What is the purpose of the 2018 GSPP Offer?</b>	<p>A close connection with Growers supports an ongoing, sustainable supply of rice from the Riverina region. Maintenance of this connection and supply is important to SunRice as Riverina Rice and the Rice Pool business form the foundation of the SunRice Group and is a key part of the SunRice Group's 2022 Growth Strategy.</p> <p>The 2018 GSPP Offer is designed to encourage a closer connection between SunRice and Growers by enabling Eligible Growers to apply all or part of their Paddy Price to acquire B Class Shares. The Board considers this is particularly important to assist new (and often young) Eligible Growers to build a shareholding in the Company, especially in the context of the requirement of A Class Shareholders to acquire at least 3,000 B Class Shares. The 2018 GSPP Offer is also intended to align with the opportunity given to B Class Shareholders to acquire B Class Shares under the Company's dividend reinvestment plan (DRP) for 2018.</p>	Section 3.1
<b>How will the proceeds of the 2018 GSPP Offer be used?</b>	The proceeds of the 2018 GSPP Offer will be used to reduce debt and/or fund future growth.	Section 3.2
<b>What is the effect of the 2018 GSPP Offer on issued capital and cash reserves?</b>	<p>If the 2018 GSPP Offer is fully subscribed (and based on an estimate that approximately 623,003 tonnes of Paddy will be delivered to the Company in C18),<sup>3</sup> then the effect of the 2018 GSPP Offer on the Company's cash reserves and issued capital would be to:</p> <ul style="list-style-type: none"> <li>• increase the Company's cash reserves by \$3.6 million before the costs of the 2018 GSPP Offer; and</li> <li>• increase the total number of B Class Shares on issue from 58,366,591 to 58,989,594.</li> </ul>	Section 3.3
<b>What is the effect of the 2018 GSPP Offer on Control of the Company?</b>	B Class Shares do not entitle their holder to vote at general meetings of the Company. Accordingly, the issue of New Shares under the 2018 GSPP Offer will not have any impact on the Control of the Company.	Section 3.4(b)
<b>What is the maximum possible dilutionary effect of the 2018 GSPP Offer?</b>	There are currently 58,366,591 B Class Shares on issue. Based on an estimate that approximately 623,003 tonnes of Paddy will be delivered to the Company in C18, <sup>4</sup> if the maximum number of New Shares offered under the 2018 GSPP Offer are issued, those New Shares would represent approximately 1.07% of the current number of B Class Shares on issue.	Section 3.4(a)
<b>What are the key dates of the 2018 GSPP Offer?</b>	See page 3 of this Prospectus – "Key Dates – Timetable of the 2018 GSPP Offer".	

3. See footnote 2.

4. See footnote 2.

## Key risks of a further investment in the Company

Question	Answer	Further Details
<b>What are the key risks of a further investment in the Company?</b>	<p>Shareholders are exposed to risks associated with SunRice, further information on which is set out in Section 4. Many of the circumstances giving rise to these risks are beyond the control of SunRice and are risks that already exist for the Company and its Shareholders. The key risks are identified below. However, please refer to Section 4 for further details of these and other risks.</p> <p><b>Global commodity markets:</b></p> <p>Rice is a globally traded commodity and fluctuations in its price may generate volatility in the Group's operating results and its ability to remain competitive. While SunRice mitigates the impact of price volatility through the use of branding, innovation, product mix and cost management, price volatility may still occur. The changes in supply and demand of rice in international rice markets also expose SunRice to the availability of rice to supplement any shortfall in Riverina Rice or the support the SunRice Group Strategy.</p> <p><b>Supply levels of rice from the Riverina:</b></p> <p>SunRice is exposed to fluctuations in the supply level of Riverina Rice, which is influenced by climatic conditions, affordable water availability and competing crops' financial return.</p> <p>The maintenance of a sustainable supply of Riverina-grown rice is an essential part of the SunRice Group Strategy and underpins the strength of many of SunRice's brands, including in export and value-add markets, to which the Profit businesses have exposure.</p> <p>In years where a small quantity of Riverina Rice is foreseen, the Company may decide to provide the Growers with greater visibility by announcing, before planting season, a fixed Paddy price. If this decision fails to encourage production and does not increase the volume of Riverina Rice to the level required by the SunRice business, the Profit business may be impacted by the loss generated by the Rice Pool business (notably through underutilisation of assets and under recovery of overheads). There is also the risk of being unable to supply established customers.</p> <p>The supply level of Riverina Rice also influences SunRice's sourcing strategy from overseas suppliers. In this context, SunRice's activity on foreign markets may fluctuate year on year and creates the risk of losing key suppliers.</p> <p>SunRice closely monitors the anticipated level of production of Riverina Rice and gauges the extent to which rice needs to be sourced from overseas suppliers. Considering the current drought experienced in the Riverina region, the consequential impact on the price of water and the latest weather forecasts, SunRice anticipates that the 2019 crop size will be substantially reduced. As a result, SunRice recently announced a fixed Paddy Price contract of \$500 per tonne for 2019 crop medium grain Reiziq which, if not fully funded from the Rice Pool business, would require funds to be allocated from SunRice's Profit Businesses. Such a scenario would impact the financial results of the Group for the financial year ending 30 April 2020, but the impact is not yet able to be quantified.</p> <p><b>Affordable water availability and competing crops:</b></p> <p>The availability and price of irrigation water and the financial attractiveness of competing crops may negatively impact the quantity of Riverina Rice produced. The availability and price of irrigation water is, in turn, affected by climatic conditions, regulatory issues and market forces. There have been substantial increases in the price of irrigation water for use in the production of Riverina Rice and this has led to some farmers using their water in other ways. A change of weather patterns and climatic conditions in the Riverina region resulting in multiple consecutive years of small crops may severely affect SunRice's business model and operations. Restructuring measures to redeploy resources and material impairments charges for underutilised or idle equipment may be required, materially impacting on SunRice's balance sheet, profit and cash flows.</p>	Section 4

## Key risks of a further investment in the Company (continued)

Question	Answer	Further Details
What are the key risks of a further investment in the Company? (Continued)	<p><b>Foreign exchange risk on transactions and on translation:</b></p> <p>Depending on the quantity of Riverina Rice produced, SunRice exports a significant proportion of that rice from Australia and, as most overseas sales are denominated in US dollars or other foreign currencies, changes in the Australian dollar exchange rates can impact on the Australian dollar returns on those export sales. These risks primarily relate to the Rice Pool business.</p> <p>The Profit businesses of the SunRice Group may also be adversely affected by foreign exchange rates when no natural hedge exists (purchase and sale in the same currency). SunRice is mainly exposed to fluctuations on the US dollar, the Euro, the Vietnamese Dong, the Thai baht, the Solomon Islands dollar and the Papua New Guinean Kina.</p> <p>Papua New Guinea is a key market for SunRice and significant intercompany transactions exist between SunRice and its subsidiary, Trukai Industries, in relation to the supply of rice. As the transactions are denominated in US dollars, the level of intercompany debt is largely dependent on the availability of US dollars in PNG. The current tightening of market conditions is putting pressure on the ability of Trukai Industries to pay its intercompany trade payable and leaves the Group exposed to a sudden devaluation of the PNG Kina against the US dollar and the Australian dollar.</p> <p>The SunRice Group's foreign exchange risk management policy is to hedge where possible its foreign currency denominated exposure arising from future commercial transactions. Access to hedging PNG Kina has been restricted by US dollar liquidity and SunRice hedges this exposure when contracts become available at commercial prices.</p> <p><b>Failure to successfully implement SunRice Group Strategy:</b></p> <p>SunRice has identified a number of strategic priorities as part of the SunRice Group Strategy. There is a risk that the benefits associated with those identified strategic priorities may not occur due to a number of execution risk factors, including expansion in Asia, premiumising Riverina Rice, and successfully identifying, negotiating and executing merger and acquisition and joint venture activity.</p> <p><b>Sovereign and political risk:</b></p> <p>The SunRice Group operates in and has ambition to expand in a number of foreign countries in Asia, Pacific Islands and Middle East. Political, legal, economic or social events in these countries have the potential to negatively impact operational returns and the value of the SunRice Group's investment in those countries. Some of the countries the SunRice Group operates in or with are regarded as having high sovereign risk. Papua New Guinea (PNG) has contemplated the introduction of restrictive import measures on rice which could have adversely impacted the Trukai business. At this time, no such restrictions have been implemented and discussions have subsided.</p> <p><b>Disruption of operations:</b></p> <p>SunRice is engaged in manufacturing and distribution activities around the world that are subject to inherent operational risks including, but not limited to, accident, fire, machinery failure, milling yield fluctuation, product defects, product contamination, labour or industrial dispute, or breaches in information technology systems.</p> <p>The occurrence of any of these risks may disrupt SunRice's business operations and negatively impact its profitability and/or reputation.</p>	Section 4



## Key risks of a further investment in the Company (continued)

Question	Answer	Further Details
<b>What are the key risks of a further investment in the Company? (Continued)</b>	<p><b>Saleability of B Class Shares and determination of share price:</b></p> <p>Whilst the B Class Shares are listed on the NSX, there is a limited market for B Class Shareholders to trade their Shares and the price of the B Class Shares may not fully reflect the underlying value of the Company.</p> <p>Even if the ASX Proposal is implemented, SunRice's dual class share structure and the differential voting rights attached to B Class Shares would distinguish SunRice from the majority of other ASX listed entities (which generally have a single share class with one vote per share). This may reduce the potential pool of investors in B Class Shares and may impact upon the trading performance of B Class Shares.</p> <p>The price at which B Class Shares are traded may also be influenced by a variety of other factors, including the B Class Shareholding Limit.</p> <p><b>B Class Shareholder dilution:</b></p> <p>If you are an Eligible Grower with an existing B Class Shareholding and you do not participate in the 2018 GSPP Offer, your percentage holding of B Class Shares in the Company is likely to be diluted as a result of the completion of the 2018 GSPP Offer. In addition, the issue of B Class Shares to Eligible Growers under the 2018 GSPP Offer will dilute B Class Shareholders who are not also Eligible Growers. However, given that the estimated maximum number of B Class Shares that will be issued under the 2018 GSPP Offer represents only approximately 1.07% of the current number of B Class Shares on issue, the dilutionary effect will not be significant.</p> <p>In addition, if the ASX Proposal is implemented, and SunRice issues further B Class Shares to raise capital, this would result in the B Class Shareholdings of the then existing B Class Shareholders being diluted.</p> <p><b>General stock market risks:</b></p> <p>There are risks associated with any investment in securities. The trading price of B Class Shares on the NSX may vary depending on the financial performance of SunRice and other external factors. There is no guarantee that there will continue to be a market for B Class Shares. If the ASX Proposal is implemented, the same risks would apply. However, in addition, the expected increase in liquidity in ASX trading of B Class Shares as compared to trading on the NSX may result in the price of B Class Shares being more volatile.</p>	Section 4

## Additional Information

Question	Answer	Further Details
Is any brokerage, commission or stamp duty payable?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of New Shares under the 2018 GSPP Offer.	Section 2.7
What are the tax implications of investing in New Shares?	Shareholders may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal. The tax consequences of any investment in New Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to investing.	Section 2.6

## WHERE CAN I FIND MORE INFORMATION?

TO FIND OUT MORE ABOUT THE 2018 GSPP OFFER, YOU SHOULD:



**SPEAK** to your stockbroker, solicitor, accountant or other independent professional adviser



**REVIEW** the Company's public announcements, which are accessible from NSX's website at [www.nsx.com.au](http://www.nsx.com.au) under the code "RGWB"



**VISIT** the Company's website at [www.sunrice.com.au](http://www.sunrice.com.au)



**SEEK** information from the Company by contacting Grower Services on 1800 654 557, or the Company Secretary ([companysecretary@sunrice.com.au](mailto:companysecretary@sunrice.com.au))



**CONTACT** Link Market Services, the Company's share registry, by calling 1800 237 764

## 2. DETAILS OF THE GSPP OFFER

### 2.1 Overview of the 2018 GSPP Offer

The Company is offering Eligible Growers the opportunity to acquire B Class Shares under a Grower Share Purchase Plan (**2018 GSPP Offer**).

Under the 2018 GSPP Offer, Eligible Growers are entitled to subscribe, either in their own name or through their Approved Entity, for 1 New Share for every 1 tonne of Paddy delivered in C18, at an issue price of \$5.71 (**Issue Price**) per New Share, which is the same issue price as offered under the Company's dividend reinvestment plan (DRP) in 2018. Participation in this Offer is optional.

The 2018 GSPP Offer is not underwritten, and has no minimum subscription level. The maximum number of New Shares to be issued pursuant to this Offer will be equal to the aggregate number of tonnes of Paddy delivered to the Company in C18 by Eligible Growers. It is estimated that this figure will be approximately 623,003.<sup>5</sup>

The Application Money for New Shares is payable either:

- by payment to SunRice by cheque, bank draft or electronic funds transfer in accordance with the instructions on the Application Form; and/or
- by providing a written direction (**Direction Form**) to SunRice to apply part all or part of your 2018 Crop September Payment. The Direction Form is attached to or accompanies this Prospectus.

Please also note, if you have any outstanding deductions, your 2018 Crop September Payment will need to be applied to these deductions before it can be applied to pay the Application Money under the 2018 GSPP Offer.

If you have any questions regarding your 2018 Crop September Payment amount, please contact Grower Services on 1800 654 557.

#### (a) Eligibility to participate

All Eligible Growers are entitled to participate in the 2018 GSPP Offer. You are an Eligible Grower if you have delivered Paddy to the Company in C18 and hold an A Class Share or B Class Share, either in your own name or through your Approved Entity, as at 5.00 pm (Sydney time) on Friday, 21 September 2018. The maximum number of New Shares for which you may subscribe is shown in your personalised Application Form accompanying this Prospectus. When calculating this number, we have rounded fractions of a New Share down to the nearest whole number.

In accordance with the Constitution, New Shares can only be issued to existing Shareholders or their Approved Entities. If you are a Grower and you don't currently hold an A Class Share, you may be eligible to apply for one. If you want to apply for New Shares in your Approved Entity you will need to identify this on the Application Form. New Shares will not be issued if it would result in you holding a number of B Class Shares which would exceed the B Class Shareholding Limit, as outlined in Section 5.1.

#### (b) Applications

If you are intending to pay the Application Money for your New Shares by directing SunRice to apply part of your 2018 Crop September Payment, you must submit your Direction Form by not later than 5.00pm (Sydney time) on Friday, 21 September 2018. If you have insufficient funds from your 2018 Crop September Payment after outstanding deductions, you can still submit an Application for New Shares by the Closing Date, but you will need to pay the Application Money (or part thereof) to SunRice by cheque, bank draft or electronic funds transfer as set out in the instructions on the Application Form.

In any case, for your Application to be valid, the Company must receive your Application Form by no later than 5.00pm (Sydney time) on the Closing Date (which is currently scheduled to occur on Friday, 21 September 2018, unless otherwise varied by the Company). If you wish to apply for New Shares, you must submit an Application Form even if you have submitted a Direction Form.

Subject to the Corporations Act, Applications and payments made under the 2018 GSPP Offer may not be withdrawn once they have been received by or on behalf of the Company.

5. See footnote 2

## 2. DETAILS OF THE GSPP OFFER (CONTINUED)

The Company reserves the right not to proceed with the whole or any part of the 2018 GSPP Offer at any time prior to the allotment of New Shares. In that event, Application Money received by or on behalf of the Company will be refunded without interest.

### (c) Rights and liabilities attaching to New Shares

New Shares will be fully paid and will rank equally in all respects with the Company's existing issued B Class Shares. A summary of the material rights and liabilities attaching to B Class Shares under the Constitution is contained in Section 5.1. A full copy of the Constitution is available on the SunRice website at [www.sunrice.com.au/corporate/policies-and-documentation](http://www.sunrice.com.au/corporate/policies-and-documentation).

### (d) Issue Price

The Issue Price for New Shares is \$5.71, which is the same issue price as offered under the Company's dividend reinvestment plan (DRP) in 2018. The Issue Price represents a 2% discount to the VWAP of B Class Shares as traded on NSX between 12 June 2018 and 28 June 2018.

For the highest and lowest closing market price of B Class Shares on NSX during the three months preceding the date of this Prospectus and the closing price of B Class Shares on the last day on which B Class Shares were traded prior to 27 August 2018, see Section 5.4.

### (e) Payment

Unless otherwise agreed with the Company in writing, Application Money must be paid either:

#### BY PAYMENT TO SUNRICE



**By cheque or bank draft made payable to:** "Ricegrowers Limited Share 2018 GSPP Offer"

The cheque or bank draft should be mailed together with your completed Application Form to:

Ricegrowers Limited  
Share 2018 GSPP Offer  
Locked Bag 2  
Leeton NSW 2705



**By electronic funds transfer directed to:**

BSB: 062-028  
Account: 11262085

**Reference:**  
Your Securityholder Reference Number (SRN), which can be found on your personalised Application Form

**Account Name:**  
PCPL – ITF Ricegrowers Limited Share 2018 GSPP Offer

**Bank:**  
Commonwealth Bank of Australia

**APPLICANTS MUST NOT FORWARD CASH.  
RECEIPTS FOR PAYMENT WILL NOT BE ISSUED.**

#### AND / OR



**By providing a completed written direction (Direction Form) to SunRice to apply all or part of the 2018 Crop September Payment**

The Direction Form is attached to or accompanies this Prospectus. If you choose to pay via this method, you must ensure that your completed Direction Form is received by SunRice at the address stated in the instructions on the Direction Form by 5.00pm (Sydney time) on Friday, 21 September 2018.

If you have insufficient funds from your 2018 Crop September Payment after outstanding deductions, you can still pay your Application Money (or part thereof) by cheque, bank draft or electronic funds transfer as referred to above by the Closing Date (which is currently scheduled to occur on Friday, 21 September 2018, unless otherwise varied by the Company).



## **2.2 Allocation policy**

The allocation of New Shares under the 2018 GSPP Offer will be determined by the Company at its absolute discretion. The Company may reject any Application, or allocate fewer New Shares than applied for at its absolute discretion. Without limiting this discretion, the intention of the Board is to, as far as possible, allocate to Applicants the full number of New Shares applied for by the relevant Applicant (up to the number set out in the Applicant's personalised Application Form).

The amount of any Application Money relating to New Shares that are not allocated will be refunded to the Applicant (without interest).

New Shares will not be allocated to an Applicant to the extent that the issue would result in:

- the Applicant holding a number of B Class Shares which would exceed the B Class Shareholding Limit;
- a breach of any other provision of the Constitution (including if the Applicant is not entitled to be issued B Class Shares under the Company's Constitution – refer to Section 5.1(c)); or
- a breach of the Listing Rules or any applicable law.

## **2.3 Application Form**

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the subscription by that Applicant and the issue by the Company to that Applicant of that number of New Shares as specified in that Application Form or accepted by the Company. The Application Form does not need to be signed to be a binding acceptance of the 2018 GSPP Offer.

If an Application Form is not completed correctly it may nevertheless be treated by the Company as valid. The Company's decision as to whether to treat the acceptance as valid and how to construe, amend or complete an Application Form is final.

## **2.4 Allotment and quotation**

### **(a) Allotment of New Shares**

The New Shares issued pursuant to the 2018 GSPP Offer are expected to be allotted and issued in accordance with the timetable set out in the 'Key Dates' Section on page 3. No Shares will be issued until the NSX grants permission for quotation of the New Shares subscribed for under the 2018 GSPP Offer.

Pending the allotment and issue of New Shares, the Company will hold all Application Money on trust for you in a separate bank account. The Company will, however, be entitled to retain all interest that accrues on any Application Money it holds, whether or not the issue of New Shares takes place.

### **(b) Quotation by NSX**

The Company will make an application to the NSX for quotation of the New Shares no later than seven (7) days after the date of this Prospectus. Subject to approval, it is expected that normal trading of New Shares on the NSX will commence on Wednesday, 3 October 2018 (assuming the 2018 GSPP Offer closes at 5.00pm on Friday, 21 September 2018, as currently scheduled).

If any New Shares are not granted quotation on the NSX within 3 months after the date of this Prospectus, or such longer period as is permitted by the Corporations Act, the Company will not issue those New Shares and the Application Money in respect of those New Shares will be refunded to you without interest as soon as practicable thereafter.

## 2.5 Holding statements

The Company will mail Shareholding ownership statements to successful Applicants the following business day after the issue of New Shares.

## 2.6 Taxation

There may be taxation implications for Applicants arising from participation in the 2018 GSPP Offer and subscribing for New Shares. In general terms, if you elect to apply all or part of your 2018 Crop September Payment to pay all or part of your Application Money for New Shares, the total amount of your 2018 Crop September Payment will be deemed as taxable income as it would in the normal course. However, the taxation implications for each Applicant may vary depending on your individual circumstances. You should seek and rely on your own taxation advice regarding an investment in the Company. Neither the Company nor any of its officers, employees, agents and advisers accept any liability or responsibility with respect to the taxation consequences for Applicants connected with the 2018 GSPP Offer or New Shares.

## 2.7 Brokerage, commission and stamp duty

No brokerage, commission or stamp duty is payable by Eligible Growers to subscribe for New Shares under the 2018 GSPP Offer.

## 2.8. Enquiries

**GROWERS AND SHAREHOLDERS WITH QUERIES IN  
RELATION TO THE 2018 GSPP OFFER MAY CONTACT:**



**The Company** by contacting  
Grower Services on 1800 654  
557, or the Company Secretary  
(companysecretary@sunrice.com.  
au).



**The Share Registry** by calling  
the Ricegrowers Limited Investor  
Information Line on 1800 237 764  
(within Australia) or +61 1800 237  
764 (outside Australia) at any time  
from 8.30am to 5.30pm (Sydney  
time) Monday to Friday.

# 3. PURPOSE AND EFFECT OF THE OFFER

## 3.1. Reasons for the 2018 GSPP Offer

A close connection with Growers supports an ongoing, sustainable supply of rice from the Riverina region. Maintenance of this connection and supply is important to SunRice as Riverina Rice and the Rice Pool business form the foundation of the SunRice Group and is a key part of the SunRice Group Strategy.

The 2018 GSPP Offer is designed to encourage a closer connection between SunRice and Growers by enabling Eligible Growers to apply all or part of their Paddy Price to acquire B Class Shares. The Board considers this is particularly important to assist new (and often young) Eligible Growers to build a shareholding in the Company, especially in the context of the requirement of A Class Shareholders to acquire at least 3,000 B Class Shares. The 2018 GSPP Offer is also intended to align with the opportunity given to B Class Shareholders to acquire B Class Shares under the Company's dividend reinvestment plan (DRP) for 2018.

## 3.2. Proposed Use of Funds

The proceeds of the 2018 GSPP Offer will be used to reduce debt and/or fund future growth.

## 3.3. Effect on the Company

Based on the assumptions referred to below, the principal effects of the 2018 GSPP Offer on the Company immediately after completion of the 2018 GSPP Offer will be to:

- increase the Company's cash reserves by up to \$3.6 million, before taking into account the expenses of the 2018 GSPP Offer; and
- increase the total number of B Class Shares on issue from 58,366,591 to up to 58,989,594.

The assumptions relevant to the above statements are:

- it is estimated that approximately 623,003 tonnes of Paddy are delivered to the Company in aggregate in C18;<sup>6</sup> and
- the 2018 GSPP Offer is fully subscribed and the number of New Shares issued is 623,003.

The actual number of tonnes of Paddy delivered to the Company in aggregate in C18 by Eligible Growers and therefore, the number of New Shares available to be issued under the 2018 GSPP Offer, may vary.

A pro forma balance sheet which includes figures from the last audited financial statement of the Company and identifies the effect of the Company raising \$3.6 million under the GSPP, is provided in Section 3.5. Given the small amount of funds that may potentially be raised under the 2018 GSPP Offer, the funds raised will not have a material impact on the financial position of the Company.

6. See footnote 2.

### **3.4. Effect on capital structure**

As at the date of this Prospectus, SunRice has the following Shares on issue.

<b>Class of Shares</b>	<b>Number of issued Shares as at the date of this Prospectus</b>
A Class Shares	696
B Class Shares	58,366,591

The expected effect of the issue of New Shares under the 2018 GSPP Offer on the Company's issued share capital is detailed in the table below and is based on the assumptions referred to in Section 3.3. The exact number of New Shares that will be issued will depend on the actual number of New Shares subscribed for under the 2018 GSPP Offer.

<b>Class of Shares</b>	<b>Number of issued Shares after the GSPP Offer</b>
A Class Shares	696
B Class Shares	58,989,594

The possible dilutionary effect of the issue of New Shares on Growers and Shareholders who do not participate, or who are ineligible to participate, in the 2018 GSPP Offer is outlined in Section 3.4(a).

#### **(a) Effect on shareholdings in the Company**

If you are a B Class Shareholder and you are not an Eligible Grower, or if you are an Eligible Grower with an existing B Class Shareholding but you do not subscribe for all of the New Shares specified in your Application Form, your percentage shareholding in the Company would be diluted as a result of the completion of the 2018 GSPP Offer. Based on an estimate that approximately 623,003 tonnes of Paddy will be delivered to the Company in C18,<sup>7</sup> the maximum number of New Shares which may be offered under the GSPP would represent approximately 1.07% of the current number of B Class Shares on issue.

The dilutionary effect on B Class Shareholders (who for whatever reason do not apply for New Shares under the 2018 GSPP Offer) of the issue of New Shares under the 2018 GSPP Offer, will depend on a combination of factors, including:

- the total number of B Class Shares on issue;
- whether that Shareholder is an Eligible Grower and the extent to which that Shareholder subscribes for New Shares under the 2018 GSPP Offer; and
- the extent to which other Eligible Growers subscribe for New Shares under the 2018 GSPP Offer.

#### **(b) No effect on control**

As B Class Shares do not entitle their holders the right to vote at any general meetings of the Company, the issue of New Shares will not affect Control of the Company. The Company will remain controlled by the A Class Shareholders.

<sup>7</sup> See footnote 2.



### 3.5. Pro forma Balance Sheet

To illustrate the effect of the 2018 GSPP Offer on the Company, a pro forma balance sheet has been prepared based on the audited balance sheet of the Company as at 30 April 2018 (**April Balance Sheet**). The table below shows:

- the April Balance Sheet;
- pro-forma adjustments to the April Balance Sheet to take into account the impact of the 2018 GSPP Offer as if the 2018 GSPP Offer were fully subscribed (on the basis of 623,003 New Shares offered and issued); and
- pro-forma adjusted April Balance Sheet showing the impact of the pro-forma adjustments.

#### Pro-forma balance sheet

Balance Sheet as at 30 April '18	Total \$m	GSPP \$m	Total after GSPP \$m
Cash and cash equivalents	122.9	3.5	126.4
Receivables	151.2	-	151.2
Inventories	506.8	-	506.8
Property, plant and equipment and intangible assets	226.7	-	226.7
Other assets	26.5	-	26.5
<b>Total assets</b>	<b>1,034.1</b>	<b>3.5</b>	<b>1,037.6</b>
Payables	404.9	-	404.9
Borrowing	165.4	-	165.4
Provisions and other liabilities	29.7	-	29.7
<b>Total liabilities</b>	<b>600.0</b>	<b>-</b>	<b>600.0</b>
<b>Equity</b>	<b>434.1</b>	<b>3.5</b>	<b>437.6</b>

The historical and pro-forma financial information presented above is in an abbreviated form, and does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements. A copy of the Company's 2018 Annual Report can be obtained free of charge by contacting the Company before the close of the 2018 GSPP Offer (see Section 5.2).

The above pro-forma adjusted April Balance Sheet has been prepared to show the impact on the financial position of the Company as set out in its last audited financial report of the following matters only:

- completion of the 2018 GSPP Offer, by way of full subscription, to raise \$3.6 million (on the basis of 623,003 New Shares offered and issued, and before expenses of the 2018 GSPP Offer) and 623,003 New Shares being issued as a result of the 2018 GSPP Offer; and
- expenses of the 2018 GSPP Offer (assuming full subscription at 623,003 New Shares) are estimated at \$51,000 comprising legal fees in the amount of approximately \$25,000 (excluding GST and disbursements), share registry fees, printing costs and postage costs in the amount of approximately \$26,000 (excluding GST), ASIC fees and other miscellaneous expenses directly attributable to the 2018 GSPP Offer. These costs have been offset against proceeds of the 2018 GSPP Offer.

There are movements in the financial position of the Company from time to time in the ordinary course of business. However, given the small amount of funds that may potentially be raised under the 2018 GSPP Offer, the funds raised will not have a material impact on the financial position of the Company.

# 4. RISK FACTORS

## 4.1. Introduction

Every investment in shares in a company involves an element of risk. Before accepting any of the 2018 GSPP Offer, you should consider whether the New Shares are suitable securities for you to acquire, having regard to your own investment objectives and financial circumstances.

The business activities of SunRice give rise to a number of significant business and financial risks which are inherent in the Australian rice industry and the international market for rice foods. To minimise industry-specific risks the Company has established risk management procedures which are internally and externally reviewed on a regular basis. The factors detailed below should not be taken as an exhaustive list of the risks faced by the SunRice Group or its investors. These factors and others not specifically referred to may materially affect the profitability of the SunRice Group and the value of B Class Shares.

You should carefully consider the risks and uncertainties set out below and the information contained elsewhere in this Prospectus before you decide whether to apply for New Shares. This Section 4 has been prepared without taking into account your individual financial objectives, financial situation and particular needs. Any tax implications for Shareholders will depend on each Shareholder's particular circumstances. Shareholders should obtain their own tax advice. You should seek professional investment advice if you have any queries in relation to the 2018 GSPP Offer.

## 4.2. Business risks facing SunRice

### (a) Global commodity markets

Rice is a globally traded commodity whose price is subject to local and international changes in supply and demand. These fluctuations in price may generate volatility in the Group's operating results and its ability to remain competitive.

SunRice purchases and sells substantial volumes of rice sourced from overseas. In the course of these activities, SunRice contracts to purchase rice at set prices and then subsequently sells that rice as branded products or in a bulk form. This exposes SunRice to commodity price risk. International rice markets can also be adversely affected by tender requirements, tariffs and other trade barriers implemented by various countries.

The changes in supply and demand of rice in international rice markets also expose SunRice to the availability of rice to supplement any shortfall in Riverina Rice or the support the SunRice Group Strategy.

SunRice mitigates the impact of price volatility through the use of branding, innovation, product mix, customer relationship management, and cost management. SunRice's risk exposure is also reduced thanks to its global presence and business diversification.

### (b) Supply levels of rice from the Riverina

The maintenance of a sustainable supply of Riverina-grown rice is an essential part of the SunRice Group Strategy and underpins the strength of many of SunRice's brands, including in export and value-add markets, to which the Profit businesses have exposure.

In normal years the Rice Pool business is self-funded and the final Paddy Price strictly determined by the returns generated by this segment.

In years where a small quantity of Riverina Rice is foreseen, the Company may decide to provide the Growers with greater visibility by announcing, before planting season, a fixed Paddy price. If this decision fails to encourage production and does not increase the volume of Riverina Rice to the level required by the SunRice business, the Profit business may be impacted by the loss generated by the Rice Pool business (notably through underutilisation of assets and under recovery of overheads). There is also the risk of being unable to supply established customers.

#### 4. RISK FACTORS (CONTINUED)

The supply level of Riverina Rice also influences SunRice's sourcing strategy from overseas suppliers. In this context, SunRice's activity on foreign markets may fluctuate year on year and creates the risk of losing key suppliers.

The supply level of Riverina Rice is influenced by climatic conditions, affordable water availability and competing crops' financial return.

SunRice closely monitors the anticipated level of production of Riverina Rice and gauges the extent to which rice needs to be sourced from overseas suppliers. Considering the current drought experienced in the Riverina region, the consequential impact on the price of water and the latest weather forecasts, SunRice anticipates that the 2019 crop size will be substantially reduced. As a result, SunRice recently announced a fixed Paddy Price contract of \$500 per tonne for 2019 crop medium grain Reiziq which, if not fully funded from the Rice Pool business, would require funds to be allocated from SunRice's Profit Businesses. Such a scenario would impact the financial results of the Group for the financial year ending 30 April 2020, but the impact is not yet able to be quantified.

##### **(c) Affordable water availability and competing crops**

The availability and price of irrigation water and the financial attractiveness of competing crops may negatively impact the quantity of Riverina Rice produced. The availability and price of irrigation water is, in turn, affected by climatic conditions, regulatory issues and market forces. There have been substantial increases in the price of irrigation water for use in the production of Riverina Rice and this has led to some farmers using their water in other ways.

In order to access irrigation water, farmers either need to hold perpetual water entitlements or purchase annual water allocations. The allocation yield from entitlements varies in response to prevailing climate conditions.

A change of weather patterns and climatic conditions in the Riverina region resulting in multiple consecutive years of small crops may severely affect SunRice's business model and operations. Restructuring measures to redeploy resources and material impairments charges for underutilised or idle equipment may be required, materially impacting on SunRice's balance sheet, profit and cash flows. The long-term effects of which will then depend on SunRice's ability to increase its overseas trading operations and establish sustainable supply chains around the world.

##### **(d) Foreign exchange risk on transactions and on translation**

Depending on the quantity of Riverina Rice produced, SunRice exports a significant proportion of that rice from Australia and, as most overseas sales are denominated in US dollars or other foreign currencies, changes in the Australian dollar exchange rates can impact on the Australian dollar returns on those export sales. These risks primarily relate to the Rice Pool business.

The Profit businesses of the SunRice Group may also be adversely affected by foreign exchange rates when no natural hedge exists (purchase and sale in the same currency). SunRice is mainly exposed to fluctuations on the US dollar, the Euro, the Vietnamese Dong, the Thai baht, the Solomon Islands dollar and the Papua New Guinean Kina.

Papua New Guinea is a key market for SunRice and significant intercompany transactions exist between SunRice and its subsidiary, Trukai Industries, in relation to the supply of rice. As the transactions are denominated in US dollars, the level of intercompany debt is largely dependent on the availability of US dollars in PNG. The current tightening of market conditions is putting pressure on the ability of Trukai Industries to pay its intercompany trade payable and leaves the Group exposed to a sudden devaluation of the PNG Kina against the US dollar and the Australian dollar.

The SunRice Group's foreign exchange risk management policy is to hedge where possible its foreign currency denominated exposure arising from future commercial transactions. Access to hedging PNG Kina has been restricted by US dollar liquidity and SunRice hedges this exposure when contracts become available at commercial prices.

**(e) Failure to successfully implement SunRice Group Strategy**

SunRice has identified a number of strategic priorities as part of the SunRice Group Strategy. There is a risk that the benefits associated with those identified strategic priorities may not occur due to a number of execution risk factors, including:

- Expansion in Asia involving the set up and management of a supply chain from source to final product and covering activities such as varietal development, building grower communities, investing capital to build assets and set up infrastructure, and entering new sales markets, in a new operational location for SunRice. The SunRice Group may be subject to sovereign and political risks associated with operating in a foreign jurisdiction;
- Premiumising Riverina Rice – securing Australian rice in the right quantities and varieties to meet growing consumer needs on a consistent basis;
- Successfully identifying, negotiating and executing merger and acquisition and joint venture activity to drive growth and take advantage of opportunities for diversification and synergies.

In addition, key to achieving the Strategy is SunRice securing access to capital (debt or equity) on competitive terms as well as SunRice achieving sufficient profitability to invest in its strategy and correct interpretation of overall economic and/or market conditions. Failure to do this may have an adverse effect on the SunRice Group's revenue, profitability and growth.

**(f) Sovereign and political risk**

The SunRice Group operates in and has ambition to expand in a number of foreign countries in Asia, Pacific Islands and Middle East. Any political, legal, economic or social changes in these countries have the potential to negatively impact operational returns and the value of the SunRice Group's investment in those countries. Some of these countries are regarded as having high sovereign risk.

Papua New Guinea (PNG) has contemplated the introduction of restrictive import measures on rice which could have adversely impacted the Trukai business. At this time, no such restrictions have been implemented and discussions have subsided. SunRice continues to monitor this risk and to work closely with the government in PNG to support the establishment of a domestic rice industry.

Some of the overseas countries in which the SunRice Group conducts business have different business practices and are more susceptible to corruption, bribery and other criminal conduct. While SunRice has policies and controls in place to address the risk of SunRice becoming liable for such conduct, it cannot guarantee that those policies and controls will be effective. SunRice may incur fines or penalties, reputational damage or suffer other adverse consequences if it, or its staff or business partners are found to have been involved in such conduct.

**(g) Disruption of operations**

SunRice is engaged in manufacturing and distribution activities around the world that are subject to inherent operational risks including, but not limited to, accident, fire, machinery failure, milling yield fluctuations, product defects, product contamination, labour or industrial dispute, or breaches in information technology systems.

While the Group maintains appropriate insurance policies against many of these risks, the level or coverage of such insurance policies may not be sufficient to absorb all potential losses.

The occurrence of any of these risks may disrupt SunRice's business operations and negatively impact profitability and/or reputation. Significant costs may also be incurred until remediation.

**(h) Businesses involving other shareholders**

SunRice is involved in businesses and entities that involve relationships with other shareholders, namely Trukai Industries and Aqaba Processing Company. If any of those relationships deteriorate or contractual agreements are terminated, it may adversely affect the SunRice Group.

**(i) Key personnel**

SunRice's success depends on its retention of talents and ability to attract new ones.

While every effort is made to retain key personnel and to recruit new personnel as the need arises, the loss of any key personnel, without suitable and timely replacement, may significantly disrupt the operations of the Business and impede SunRice's ability to implement its strategy. This may, in turn, have a materially adverse effect on both the financial performance and future prospects of SunRice. SunRice may also incur significant costs in recruiting, training and retaining new key personnel.

**(j) Debt facilities and refinancing**

SunRice is exposed to interest rate fluctuations from its debt facilities and hedges a portion of its interest rate risk to reduce the impact of increased interest rates.

SunRice obtains financial flexibility from its debt facilities by ensuring committed facilities are maintained to meet its forecast needs. These debt facilities require the business to maintain certain financial metrics, known as covenants. Deterioration in SunRice Group's financial results may impact the ability to meet these covenants, which may require debt facilities to be repaid.

SunRice is also exposed to global credit market conditions and there is no assurance that SunRice would be able to refinance its debt or secure new debt facilities at attractive terms in the future.

If SunRice is unsuccessful in obtaining funds when required, it may be necessary for it to delay, reduce the scope of or abandon some aspects of the SunRice Group Strategy. Any of these consequences may significantly and adversely impact the value of the Company and the B Class Shares.

Finally, the Papua New Guinea Kina being a restricted currency not freely traded on currency markets, the cash balance accumulated by Trukai Industries cannot be repatriated on demand which may result in additional borrowing cost to finance our working capital. Correlatively, if this amount of cash was to become unavailable for SunRice, the Group gearing ratio (defined as net debt divided by net debt plus total equity) would materially increase compared to its current level.

**(k) Importation of milled rice into Australia**

White milled rice is freely imported into Australia and some varieties such as Jasmine rice command significant market share especially in the food service channel. This imported rice is sold in the Australian market in competition to SunRice.

SunRice seeks to distinguish itself from competitors that market imported rice through its strong brands and supply channels and value proposition of high quality Australian-grown rice meeting the demand for "clean and green" food products. SunRice, through its subsidiary Rice Research Australia Pty Ltd (RRAPL), also focuses on developing high quality high yielding rice varieties to compete directly with imported rice. A current example is Topaz, which has been developed to compete with imported Jasmine rice on both reputation and flavour profile. When supported by consistent brand building, and with a focus on its origins as Australian-grown from a safe source, this strategy seeks to counter the marketing of imported rice by competitors of SunRice.

**(l) Change in customer demand**

The SunRice Group sells its products to a range of major Australian and international companies including the major Australian supermarket chains. A significant change in the demand for, or the price paid for, the SunRice Group's products by key customers may affect the SunRice Group's sales volumes and margins and thereby adversely affect the SunRice Group's revenue, profitability and growth.

Such change could arise from:

- A change in the customer's competitive position;
- The customer's strategy to increase sales of their private label products;
- Increased competition from other rice products; or
- A change in demand from consumers for the SunRice Group's products.

#### **4. RISK FACTORS (CONTINUED)**

##### **(m) Increased competition**

SunRice is subject to growing competition on certain markets, channels or category of products. In particular in relation to international markets where existing or new players, global or regional, could gain market share at SunRice's detriment.

Increased competition could adversely impact sales volume, pricing strategies, profitability and ultimately growth ambitions.

##### **(n) New South Wales regulation and vesting of rice**

Rice grown in New South Wales is subject to a vesting proclamation made under the Rice Marketing Act, the effect of which is to transfer legal ownership of rice from producers to the Rice Marketing Board (RMB). However, rice sold by producers to Authorised Buyers appointed by RMB is exempt from vesting. There are presently 11 Authorised Buyers, including SunRice. RMB attaches conditions to the terms on which Authorised Buyers are appointed and SunRice is the only Authorised Buyer with the right to export rice produced in New South Wales. This mechanism has established SunRice as the operator of the single export desk for rice produced in New South Wales. RMB and SunRice has entered into the Sole and Exclusive Export Agreement in relation to this role.

The Sole and Exclusive Export Agreement can be terminated on either party giving at least five years' prior written notice. It can also be terminated immediately by either party in the following circumstances:

- A party commits a material breach which is not remedied within 30 days after notice to remedy;
- The RMB is dissolved for whatever reason;
- There is a change of control of SunRice, or its subsidiary Australian Grain Storage Pty Ltd, without the prior written consent of the RMB;
- SunRice ceases to be an Authorised Buyer for any reason;
- Vesting is revoked or not renewed; or
- Either party suffers an insolvency event.

Vesting was renewed in 2016 and has effect until June 2022. RMB can appoint additional Authorised Buyers which has the potential to affect the company's market share of domestic rice sales.

The Company continues to assess and record the economic benefits of vesting and, when required, provides evidence of this to the NSW Government to support the continuation of vesting and the single export desk enjoyed by it.

##### **(o) Product and food safety**

The SunRice Group's products, particularly the food products for human consumption, are subject to quality risks and contamination. In particular, improper processing, transportation or storage can affect the quality and safety of those products. SunRice has quality assurance policies and programs in place to address this risk.

An incident arising from or relating to the safety of the SunRice Group's products could cause significant financial and reputational damage to the SunRice Group.

SunRice must comply with various health, safety and packaging laws and regulations in relation to its food products in various jurisdictions. There is a risk that penalties and other liabilities may be imposed on SunRice if it commits any breach of these laws and regulations.



**(p) Work health and safety**

SunRice operates a number of manufacturing sites and is exposed to the risk of injury to its employees or contractors. If a workplace injury occurs and SunRice is found to have breached its obligations under work health and safety laws, it may be prosecuted and incur significant financial penalties. The SunRice Group may also be required to pay compensation in connection with a workplace injury and may suffer reputational damage and loss of production. This has the potential to adversely affect the SunRice Group.

SunRice has work, health and safety policies and programs in place to address this risk.

Workplace health and safety is a key priority for SunRice, with substantial investment in design and technology to reduce risk, improve the inherent safety of the work performed, and to enhance corporate transparency and audit focus on high risk activity.

SunRice continues to invest in its people with safety and leadership training a requirement at all sites at all levels of management. The SunRice work, health and safety program has led to year on year improvements in the Total Recordable Injury Frequency rate (TRIFR) with further work planned to ensure compliance and build a sustainable safety based culture.

**(q) Environmental**

The SunRice Group is subject to environmental laws and regulations in each of the jurisdictions in which it has manufacturing operations and requires various environmental licences to conduct its business. Any breach of these licences or applicable laws may have an adverse impact on the reputation or financial performance of the SunRice Group. SunRice has policies and programs in place to address this risk. Further, environmental legislation or licence conditions may be amended in the future and this could lead to the SunRice Group facing increased compliance costs in order to continue its operations.

**(r) Change in laws**

SunRice is subject to local laws and regulations in each of the jurisdictions in which it operates. Future laws or regulations may also be introduced, or existing laws and regulations may be changed, which directly or indirectly impact on SunRice's business in the jurisdictions in which it operates, which could restrict or complicate SunRice's activities and increase its compliance costs.

**(s) Litigation or claims**

SunRice may be subject to litigation and other claims or disputes in the course of its business, including employment disputes, contractual disputes, indemnity claims, property damage, environmental claims, product liability claims, tax and personal claims. Claims may be made by government agencies or regulators in each of the jurisdictions in which SunRice operates. Such litigation, claims and disputes, including the costs of settling claims and any associated penalties, can adversely affect SunRice's business and its operational and financial performance.

SunRice is not currently engaged in litigation and as at the date of the Prospectus, the Directors are not aware of any material legal proceedings pending or threatened against, or any material legal proceedings affecting, the Company or other Group Members.

### 4.3 General and specific market risks

#### (a) General stock market risks

There are risks associated with any investment in securities. The trading price of B Class Shares on the NSX may vary depending on the financial performance of SunRice and other external factors. These factors may cause the B Class Shares to trade below the Issue Price. Some of the general factors which may affect the price of B Class Shares include fluctuations in the domestic and international market for listed stocks and general economic conditions, including interest rates; inflation rates; exchange rates; commodity prices; changes to government fiscal, monetary or regulatory policies, legislation or regulation; the nature of markets in which SunRice operates; and general operational and business risks. Other factors which may negatively affect investor sentiment and influence SunRice specifically or the stock market more generally include acts of terrorism, an outbreak of international hostilities or fires, floods, earthquakes, labour strikes, civil wars and other natural disasters. There is no guarantee that there will continue to be an active market for B Class Shares.

If the ASX Proposal is implemented, the same risks would apply. However, in addition, the expected increase in liquidity in ASX trading of B Class Shares as compared to trading on the NSX may result in the price of B Class Shares being more volatile.

#### (b) Saleability of B Class Shares and determination of share price

SunRice is admitted to the official list of the NSX and its B Class Shares are officially quoted on the NSX. The listing of the B Class Shares on the NSX enables B Class Shareholders to trade their Shares with other Shareholders (subject to the B Class Shareholding Limit). Although the B Class Shares are tradable on the NSX, there is a limited market for B Class Shareholders to trade their Shares and the price of the B Class Shares may not fully reflect the underlying value of the Company.

As set out in the Notices of Meetings and Explanatory Booklet released by the Company on 27 July 2018, the Company is seeking Shareholder approval to implement an **ASX Proposal** which involves, in general terms, the migration of the listing of B Class Shares from the NSX to the ASX, and changes to the Constitution to enable B Class Shares to be acquired by investors generally. However, there is no guarantee that the ASX Proposal will be implemented (or that the B Class Shares will be able to be traded on the ASX) as that is dependent on (amongst other things) the approval of the A Class Shareholders and the B Class Shareholders at the Shareholder meetings to be held on 20 September 2018.

Even if the ASX Proposal is implemented, SunRice's dual class share structure and the differential voting rights attached to B Class Shares would distinguish SunRice from the majority of other ASX listed entities (which generally have a single share class with one vote per share). It is possible that some investors may be restricted (by virtue of their investment mandates or otherwise) from purchasing or holding B Class Shares. It is also possible that investors may choose not to purchase or hold B Class Shares due to the dual class share structure and the limited voting rights associated with the B Class Shares. This may reduce the potential pool of investors in B Class Shares and may impact upon the trading performance of B Class Shares.

The price at which B Class Shares are traded may also be influenced by a variety of other factors including:

- the profitability and future prospects of the SunRice Group;
- the rate of dividend declared from time to time by the Board; and
- the B Class Shareholding Limit.

**(c) B Class Shareholder dilution**

If you are an Eligible Grower with an existing B Class Shareholding and you do not participate in the 2018 GSPP Offer, your percentage holding of B Class Shares in the Company would be diluted as a result of the completion of the 2018 GSPP Offer. In addition, the issue of B Class Shares to Eligible Growers under the 2018 GSPP Offer will dilute B Class Shareholders who are not also Eligible Growers. However, given that the estimated maximum number of B Class Shares that will be issued under the 2018 GSPP Offer represents only approximately 1.07% of the current number of B Class Shares on issue, the dilutionary effect will not be significant.

If the ASX Proposal is implemented, the intention is for SunRice to issue further B Class Shares from time to time to raise additional capital to finance the Growth Strategy or other future developments. The amount and timing of such capital raising is yet to be determined. However, while SunRice would be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it would be able to issue within any 12 month period (other than where exceptions apply or with B Class Shareholder approval), if additional B Class Shares are issued, this would result in the B Class Shareholdings of the then existing B Class Shareholders being diluted (as is the case with any capital raising).

**(d) No guarantee of dividends**

The prospect of future dividends being paid or made to B Class Shareholders will be contingent upon the SunRice's ability to generate sustainable profits. To the extent that SunRice pays any dividends, the ability to offer fully franked dividends will depend on the SunRice Group making taxable profits. Taxable profits may be volatile, making the payment of fully franked dividends unpredictable. Further, the value and availability of franking credits to a B Class Shareholder will differ depending on the B Class Shareholder's particular tax circumstances. You should be aware that the ability to use franking credits, either as a tax offset or to claim a refund after the end of the income year, will depend on your individual tax position.

As such, no assurance can be given by any person, including the Board, about the payment or the quantum of future dividends, or the level of franking or imputation of any such dividend. There may be periods in respect of which dividends are not paid. In addition, there is no guarantee that SunRice's dividend reinvestment plan (DRP) will continue in future periods.

**(e) Change in taxation law**

There is potential for changes to taxation laws. Any change to the current rates of taxes imposed on SunRice (including in foreign jurisdictions in which it operates) may affect the profitability of the Group.

**(g) Accounting standards**

Australian Accounting Standards (AAS) are set by the Australian Accounting Standards Board (AASB) and are not within the control of SunRice or its directors. The AASB may, from time to time, introduce new or refined AAS, which may affect the future measurement and recognition of key income statement and balance sheet items. There is also a risk that interpretation of existing AAS, including those relating to the measurement and recognition of key income statement and balance sheet items may differ. Any changes to the AAS or to the interpretation of those standards may have an adverse effect on the reported financial performance and position of SunRice.

**(h) General economic and financial market conditions**

The performance of SunRice can be affected by a variety of general domestic and global economic and business conditions that are outside of the control of SunRice. Deterioration in general economic and financial market conditions can have a negative impact on the financial position of SunRice and the price of B Class Shares.

# 5. ADDITIONAL INFORMATION

## 5.1 Rights and liabilities attaching to B Class Shares

The rights and liabilities attaching to the B Class Shares arise from a combination of:

- the Constitution of the Company; and
- in certain circumstances, the Corporations Act and the Listing Rules.

An overview of the key rights and liabilities currently attaching to B Class Shares is set out below. As mentioned above, as set out in the Notices of Meetings and Explanatory Booklet released by the Company on 27 July 2018, the Company is seeking Shareholder approval to implement an ASX Proposal. If the ASX Proposal is approved by Shareholders and implemented, then the B Class Shares issued under the 2018 GSPP Offer and pursuant to this Prospectus will have the rights and liabilities set out in the New Constitution. There is no guarantee that the ASX Proposal will be implemented. See Section 5.3 for more information.

Current rights and liabilities attaching to B Class Shares (with an overview of some of the key changes if the ASX Proposal is implemented)

### Current rights and liabilities attaching to B Class Shares

#### (a) Dividend and distribution rights

B Class Shares confer the right on their holder:

- to receive dividends declared and other distributions made by the Company from time to time;
- to participate equally with other B Class Shareholders in the distribution of surplus funds on a winding up of the Company.

#### (b) Voting rights

B Class Shareholders have the right to receive notice of and attend any general meeting of the Company, but have no right to vote at general meetings. The right of B Class Shareholders to vote on matters relating to the Company is limited to circumstances where B Class Shareholders are required to approve a scheme of arrangement or other proposal involving a change to the rights attaching to B Class Shares.

However, each B Class Shareholder is entitled to accounts and other documents required to be sent to Shareholders pursuant to the Constitution, the Corporations Act, and the Listing Rules.

If the ASX Proposal is implemented, B Class Shareholders will have additional voting rights in respect of "Deemed Variation Matters", which will not be able to undertaken without the approval of both A Class Shareholders and B Class Shareholders (by at least a 75% majority of votes cast by each class).

#### (c) Issue of B Class Shares

B Class Shares can only be issued to:

- A Class Shareholders or persons to whom the Directors have agreed to issue an A Class Share;
- persons who, at the time of the issue, are existing B Class Shareholders;
- Approved Entities of persons referred to above; or
- participants under an Employee Share Plan.

If the ASX Proposal is implemented, these restrictions on who can be issued B Class Shares will be removed.

#### (d) Transfer of B Class Shares

B Class Shares can be transferred to another Shareholder or to an Approved Entity of a Shareholder (subject to the B Class Shareholding Limit). B Class Shares that vest in a person, such as an executor, trustee in bankruptcy or liquidator, upon the occurrence of a transmission event (such as death or bankruptcy of the Shareholder) are subject to the same limitations on transfer from that person, namely they can only be transferred to a Shareholder, or Approved Entity of a Shareholder.

If the ASX Proposal is implemented, these restrictions on who can be transferred B Class Shares will be removed.

**(e) B Class Shareholding Limit**

A person cannot hold a number of B Class Shares that, when aggregated with any B Class Shares held by all Associates of that person, exceeds 5% of the total number of issued B Class Shares.

If the ASX Proposal is implemented, the B Class Shareholding Limit will be increased from 5% to 10%.

**(f) Non-redeemable**

B Class Shares are not redeemable. B Class Shares may be bought back by the Company in accordance with the Corporations Act.

**(g) Liability to pay issue price**

B Class Shareholders are liable to pay the amount, if any, unpaid on B Class Shares. As all B Class Shares issued under this Prospectus will be fully paid, the holders of those Shares will have no liability in this respect.

## **5.2. Transaction specific Prospectus and continuous disclosure obligations**

The Company is a disclosing entity under the Corporations Act and therefore is subject to regular reporting and disclosure obligations. Under those obligations, the Company is required to comply with all applicable continuous disclosure and reporting requirements in the Corporations Act and the Listing Rules. In particular, the Company must comply with the requirement to disclose to the NSX any information held by the Company which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

As this Prospectus is a transaction specific prospectus issued under section 713 of the Corporations Act, it is required to contain information in relation to the effect of the 2018 GSPP Offer on the Company and the rights and liabilities attaching to the securities offered. This Prospectus is not required to provide information regarding the Company's assets and liabilities, financial position and performance, profits and losses or prospects on the basis that, as at the date of this Prospectus, the Company has not withheld from its continuous disclosure reporting any information about such matters that investors and their professional advisers would reasonably require to make an informed assessment of such matters and expect to find in this Prospectus.

Information that is already in the public domain has not been reported in this Prospectus other than to the extent considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act, confirms that:

- it is subject to regular reporting and disclosure obligations;
- copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, the offices of ASIC; and
- it will provide a copy of each of the following documents, free of charge, to any person on request provided the Company receives the request before the close of the 2018 GSPP Offer:
  - the annual financial report most recently lodged by the Company with ASIC;
  - any half-year financial report lodged with ASIC after lodgement of the annual financial report referred to above and before lodgement of this Prospectus with ASIC; and
  - any continuous disclosure notices given by the Company after the lodgement of the annual financial report referred to above and before the lodgement of this Prospectus with ASIC.

The Company lodged its latest annual report with ASIC and NSX on 29 June 2018. Since then, the Company has made the following announcements to the NSX prior to the date of this Prospectus:

Date	Description of announcement
14 August	Notice of Director's Change of Interest – R Gordon
14 August	Notice of Director's Change of Interest – L Vial
9 August	Notice of Director's Change of Interest – L Arthur
9 August	Notice of Director's Change of Interest – G Kirkup
9 August	Notice of Director's Change of Interest – J Bradford
9 August	Notice of Director's Change of Interest – L Vial
9 August	Notice of Director's Change of Interest – G Latta
9 August	Notice of Director's Change of Interest – I Glasson
9 August	Notice of Director's Change of Interest – R Gordon
8 August	ASX Proposal Presentation
8 August	Fixed Price Contracts
3 August	SunRice Report – RGA Annual General Meeting
3 August	Quotation of Additional Securities
3 August	RGA Conference – CEO Presentation
27 July	RGWB Proxy Form
27 July	RGWA Proxy Form
27 July	Explanatory Booklet
27 July	Voting Information Schedule
27 July	Notice of Meeting – B Class
27 July	Notice of Annual General Meeting
27 July	Chairman's AGM Letter
25 July	Quotation of Additional Securities
25 July	Chair Letter ASX Materials & Meetings
12 July	ASIC Form 484 – Cancellation of Shares
12 July	ASIC Form 484 Issue of Shares
12 July	Notice of Change in Director's Interests – R Gordon
10 July	Quotation of Additional Securities
10 July	Notice of Change in Director's Interests – R Gordon
6 July	Share Purchase Plans
29 June	Initial Director's Interests – R Gordon
29 June	Nomination of External Director
29 June	Dividend Announcement
29 June	NSX Announcement FY18 Results
29 June	NSX Preliminary Final Report

### 5.3 ASX Proposal

As set out in the Notices of Meetings and Explanatory Booklet released by the Company on 27 July 2018, the Company is seeking Shareholder approval to implement an ASX Proposal which involves, in general terms, the migration of the listing of B Class Shares from the NSX to the ASX, and changes to the Constitution to enable B Class Shares to be acquired by investors generally. If the ASX Proposal is approved by Shareholders and implemented, then the B Class Shares issued under the 2018 GSPP Offer and pursuant to this Prospectus will be delisted from the NSX and quoted on the ASX instead, and have the rights and liabilities set out in the New Constitution.

However, you should note that there is no guarantee that the ASX Proposal will be approved or implemented. No representation is made that the B Class Shares will become quoted, or able to be traded, on the ASX.

A copy of the Notices of Meetings and Explanatory Booklet is available on the NSX website ([www.nsx.com.au](http://www.nsx.com.au)) and on the Company's website ([www.sunrice.com.au](http://www.sunrice.com.au)). In addition, SunRice will provide a copy of the Notices of Meetings and Explanatory Booklet free of charge to anyone who asks for it during the Offer Period.



## 5.4 Market price of B Class Shares

The Company is a disclosing entity for the purposes of the Corporations Act and the B Class Shares are enhanced disclosure securities (ED Securities) quoted on the NSX.

The highest and lowest closing market price of the Company's Shares on NSX during the three months immediately preceding the date of this Prospectus, are as follows:

	Price	Date
Highest	\$6.20	9 July 2018
Lowest	\$4.30	28 May 2018

The closing price of the Shares on the NSX on the last day on which B Class Shares were traded prior to the date of this Prospectus is as follows:

	Price	Date
Prior to the date of this Prospectus	\$5.31	22 August, 2018

## 5.5. Board and Management

As at the date of this Prospectus, the Board consists of:

Name	Position
Mr. Laurie Arthur	Chairman and Non-Executive Director
Mr. Glen Andreazza	Non-Executive Director
Mr. John Bradford	Non-Executive Director
Mr. Ian Glasson	Non-Executive Independent Director
Mr. Rob Gordon	Executive Director and Chief Executive Officer
Ms. Gillian Kirkup	Non-Executive Director
Mr. Grant F Latta AM*	Non-Executive Independent Director
Mr. Ian Mason	Non-Executive Director
Mr. Mark Robertson	Non-Executive Director
Dr. Leigh Vial	Non-Executive Director

\* Mr. Latta has announced his retirement as a Director of SunRice with effect from the Company's 2018 Annual General Meeting.

Ms. Luisa Catanzaro has been nominated for election as a Non-Executive Director at the Company's 2018 Annual General Meeting.

Subject to A Class Shareholders approving amendments to the Constitution to allow for an additional External Director, Dr. Andrew Crane has been nominated for election as a Non-Executive Director at the Company's 2018 Annual General Meeting.

The profiles of each of the Directors are set out on pages 31 and 32 of the Company's 2018 Annual Report, and the profiles of each of the Proposed Directors are set out in the Notice of 2018 Annual General Meeting. Both of these documents are accessible from the Company's website at [www.sunrice.com.au](http://www.sunrice.com.au) or accessible from NSX's website at [www.nsx.com.au](http://www.nsx.com.au) under the code "RGWB".

You may also obtain a copy of these documents, free of charge, by contacting the Company before the close of the 2018 GSPP Offer (see Sections 5.2 and 5.3).

None of the Directors or Proposed Directors has been the subject of any legal or disciplinary action or involved in the management of any company that has entered into any form of external administration because of insolvency.

## 5.6. Corporate Governance

The Board is responsible for the governance of the Company, and oversees its operational and financial performance. It sets strategic direction, establishes goals for management and assesses the achievement of those goals, determines the appropriate risk profile and monitors compliance in terms of regulatory and ethical standards. Copies of the Company's main corporate governance documents, including the Constitution, charters of the Board and Board committee and key policies are available on the Company's website at [www.sunrice.com.au/corporate/corporate-governance](http://www.sunrice.com.au/corporate/corporate-governance).

Although the Company is not currently listed on the ASX, the Board has taken the view that the Company should, to the extent possible, comply with the ASX Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council (**ASX Recommendations**). Accordingly, the Company voluntarily issues an annual Corporate Governance Statement which summarises the Company's main corporate governance practices and identifies the extent to which those practices do not comply with the ASX Recommendations. The 2018 Corporate Governance Statement can be found in the Company's 2018 Annual Report, a copy of which is available on the Company's website at [www.sunrice.com.au](http://www.sunrice.com.au).

## 5.7. Directors' Interests

### (a) Interests of Directors

Other than as disclosed in the remainder of this Section 5.7, no Director or Proposed Director holds, or has held at any time during the last two years, any interest in:

- the formation or promotion of the Company; or
- any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the 2018 GSPP Offer; or
- the 2018 GSPP Offer.

In addition, other than as disclosed in the remainder of this Section 5.7, no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person to a Director or Proposed Director to induce him or her to become, or to qualify as, a Director or for services provided by a Director in connection with the formation or promotion of the Company or the 2018 GSPP Offer.

Other than the Proposed Directors, as at the date of this Prospectus, there are no other persons proposed to be appointed as directors of the Company. There is no underwriter to the 2018 GSPP Offer.

### (b) Directors' remuneration

Non-executive Directors receive remuneration within the fee pool approved by A Class Shareholders. At the Company's Annual General Meeting dated 23 August 2013, A Class Shareholders approved a fixed sum of \$1,100,000 as the total remuneration for non-executive Directors, including superannuation.

Directors are also entitled to be paid:

- travel and other expenses properly incurred in connection with the affairs of the Company, including attending and returning from general meetings or meetings of the Board or Board committees; and
- additional remuneration where a Director renders or is called upon to perform additional services or make any special exertions in connection with the affairs of the Company.

The remuneration of the Chief Executive Officer, Rob Gordon, comprises of a fixed component and an "at risk" component that is subject to short term and long term incentives.

Further details of the Directors' remuneration are set out in the Company's 2018 Annual Report.

Dr. Andrew Crane has been engaged as a consultant to the Company since April 2018, and his remuneration for such services is \$73,640 per annum.

**(c) Interests in Shares**

Under the Constitution, Grower Directors are required to hold (or be representative of an entity that holds) at least one A Class Share. Non-Grower Directors are not required to hold any Shares.

The Directors' interests in A and B Class Shares as at the date of this Prospectus are set out below.

Director	A Class Shares	B Class Shares
Mr. Laurie Arthur	1	249,446
Mr. Glen Andreazza	1	81,783
Mr. John Bradford	1	33,236
Mr. Ian Glasson	0	21,155
Mr. Rob Gordon	0	107,605
Ms. Gillian Kirkup	1	73,457
Mr. Grant F Latta AM	0	51,562
Mr. Ian Mason	1	141,710
Mr. Mark Robertson	1	227,725
Dr. Leigh Vial	1	117,415

There are restrictions on Directors trading in the Company's Shares under the Company's Share Trading Policy. None of the Directors have traded in B Class Shares during the period of time used to determine the Issue Price under the 2018 GSPP Offer.

At the Company's Annual General Meeting to be held on 20 September 2018, A Class Shareholders will be asked to approve the participation by the Directors and each other related party of the Company in the 2018 GSPP Offer (**Shareholder Approval**). If Shareholder Approval is obtained, then each Director who is an Eligible Grower will be entitled to participate in the 2018 GSPP Offer. This does not constitute a recommendation by any of the Directors in respect of the 2018 GSPP Offer. Eligible Growers should read this Prospectus in its entirety in light of their individual circumstances and financial objectives before making any decision as to whether to participate in the 2018 GSPP Offer.

The following table shows the total number of B Class Shares that each of the Directors (including through their respective companies) is entitled to acquire under the 2018 GSPP Offer if Shareholder Approval is obtained.

Director	Tonnes Delivered in C17	Entitlement under the GSPP Offer
Mr. Laurie Arthur	5,216	5,216
Mr. Glen Andreazza	2,742	2,742
Mr. John Bradford	851	851
Mr. Ian Glasson	NIL	NIL
Mr. Rob Gordon	NIL	NIL
Ms. Gillian Kirkup	2,033	2,033
Mr. Grant F Latta AM	NIL	NIL
Mr. Ian Mason	1,343	1,343
Mr. Mark Robertson	3,321	3,321
Dr. Leigh Vial	1,613	1,613

## **5.8 Interests of experts and advisers**

Addisons has acted as legal advisers to the Company in relation to the 2018 GSPP Offer, and Link Market Services Limited has acted as the Company's share registry.

Other than as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

- the formation or promotion of the Company; or
- any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the 2018 GSPP Offer; or
- the 2018 GSPP Offer.

Other than as disclosed in this Prospectus, no amounts of any kind (whether in cash, securities or otherwise) have been paid or agreed to be paid to any expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or the 2018 GSPP Offer.

## **5.9 Expenses**

The expenses connected to the 2018 GSPP Offer that are payable by the Company are estimated at approximately \$51,000.

The estimated expenses of the 2018 GSPP Offer include legal fees in the amount of approximately \$25,000 (excluding GST and disbursements), share registry fees, printing and postage expenses in the amount of approximately \$26,000 (excluding GST), ASIC fees and other miscellaneous expenses directly attributable to the 2018 GSPP Offer.

## **5.10 Consents**

The following parties have given their written consent to be named in this Prospectus and for the inclusion of statements made by that party (as described below in the form and context in which they are included), and has not withdrawn such consent before lodgement of this Prospectus with ASIC.

Addisons has given and, as at the date of this Prospectus, has not withdrawn, its written consent to be named as the Company's legal advisers in this Prospectus, in the form and context in which it is named.

Link Market Services Limited has given and, as at the date of this Prospectus, has not withdrawn, its written consent to be named as Share Registry in this Prospectus, in the form and context in which it is named.

The parties referred to above in this Section 5.10:

- do not make, or purport to make, any statement in this Prospectus or any statement on which a statement made in this Prospectus is based, other than as specified in this Section 5.10;
- to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus; and
- have not authorised or caused the issue of this Prospectus.

### **5.11 Foreign Shareholders**

The distribution of this Prospectus outside of Australia may be restricted by law and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities law. The Company disclaims all liabilities to such persons.

No action has been taken to register or qualify this Prospectus or any aspect of the 2018 GSPP Offer in any jurisdiction outside of Australia.

### **5.12 No modifications of the Corporations Act or the Listing Rules**

The Company has not obtained any modifications or waivers of, or exemptions from, the Corporations Act or the Listing Rules in connection with the 2018 GSPP Offer.

## 6. DIRECTORS' AUTHORISATION AND CONSENT

This Prospectus is authorised by the Company and has been lodged with ASIC pursuant to section 718 of the Corporations Act.

Each Director has consented to the lodgement of this Prospectus with ASIC in accordance with section 720 of the Corporations Act and has not withdrawn that consent.

Dated: 27 August 2018

A handwritten signature in black ink, appearing to read 'Laurie Arthur', written in a cursive style.

Signed for and on behalf of Ricegrowers Limited by

**Laurie Arthur**



# 7. GLOSSARY AND INTERPRETATION

## 7.1. Defined terms

Where the following terms are used in this Prospectus they have the following meanings:

<b>2018 Crop or C18</b>	The Riverina Rice crop harvested during 2018. This 2018 Crop will be accounted for by SunRice in its financial year from 1 May 2018 to 30 April 2019 (FY19).
<b>2018 Crop September Payment</b>	In relation to an Eligible Grower, the September payment payable by SunRice to that Eligible Grower for the Paddy delivered by the Eligible Grower in the 2018 Crop, which is due for payment on Friday, 28 September 2018.
<b>A Class Shares</b>	A Class Shares in the Company.
<b>A Class Shareholder</b>	A holder of an A Class Share.
<b>Applicant</b>	A person who submits an Application Form.
<b>Application</b>	An application for New Shares under the 2018 GSPP Offer.
<b>Application Form</b>	The application form attached to or accompanying this Prospectus, personalised for each Eligible Grower, which allows each Eligible Grower to apply for New Shares under the 2018 GSPP Offer.
<b>Application Money</b>	In respect of an Applicant, the Issue Price multiplied by the total number of New Shares applied for by the Applicant under an Application Form.
<b>Approved Entity</b>	In relation to a Shareholder or joint Shareholder, the trustee (including a new or replacement trustee) of a superannuation fund: <ul style="list-style-type: none"> <li>• of which that Shareholder or joint Shareholder is a beneficiary; and</li> <li>• that is approved by the Directors.</li> </ul>
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>Associate</b>	In relation to a person ("primary person"): <ul style="list-style-type: none"> <li>• if the primary person is a body corporate, a director or secretary of the body corporate, its related bodies corporate and a director or secretary of any of its related bodies corporate;</li> <li>• a person with whom the primary person has entered into, or proposes to enter into, a relevant agreement (as defined in the Corporations Act) for the purpose of controlling or influencing the composition of the board or the conduct of the Company's affairs; or</li> <li>• a person with whom the primary person is acting, or proposes to act, in concert in relation to the Company's affairs.</li> </ul>
<b>ASX</b>	ASX Limited (ACN 008 624 691) or, if the context requires, the Australian Securities Exchange operated by it.
<b>ASX Listing Rules</b>	The listing rules of the ASX, as amended from time to time (subject to any waiver or modification by the ASX of their application to the Company).
<b>ASX Proposal</b>	The proposal described in the Explanatory Booklet, which in general terms, involves the migration of the listing of B Class Shares from the NSX to the ASX, and changes to the Constitution to enable B Class Shares to be acquired by investors generally. The ASX Proposal is subject to Shareholder approval and there is no guarantee that it will be implemented.
<b>Authorised Buyer</b>	An authorised buyer for rice produced in NSW, as appointed by the RMB under the Rice Marketing Act.
<b>B Class Shares</b>	B Class Shares in the Company.
<b>B Class Shareholder</b>	A holder of one or more B Class Shares.
<b>B Class Shareholding Limit</b>	The B Class Shareholding Limit in the Constitution, under which a person cannot hold a number of B Class Shares that, when aggregated with any B Class Shares held by all Associates of that person, exceeds 5% (or, if the ASX Proposal is implemented, 10%) of the total number of issued B Class Shares.
<b>Board</b>	The board of directors of the Company as constituted from time to time.
<b>Closing Date</b>	The time and date at which the 2018 GSPP Offer expire, being 5.00pm (Sydney time), Friday, 21 September 2018, subject to the Company varying this time and/or date in accordance with the Corporations Act and the Listing Rules.

<b>Company or SunRice</b>	Ricegrowers Limited (ABN 55 007 481 156).
<b>Constitution</b>	The Constitution of the Company.
<b>Corporations Act</b>	The Corporations Act 2001 (Cth).
<b>Deemed Variation Matters</b>	The list of deemed variation of B Class Share rights matters that will be set out in Rule 5.6(b) of the New Constitution if the ASX Proposal is implemented.
<b>Direction Form</b>	The direction form attached to or accompanying this Prospectus, which allows each Eligible Grower to direct SunRice to apply all or part of the Eligible Grower's 2018 Crop September Payment (assuming that there are sufficient funds available after any outstanding deductions) to pay that Eligible Grower's Application Money (or part thereof).
<b>Director</b>	A director of the Company as at the date of this Prospectus.
<b>Eligible Grower</b>	Any person who has delivered Paddy to the Company in C18 and holds an A Class Share or B Class Share, either in their own name or through their Approved Entity, as at 5.00 pm (Sydney time) on Friday, 21 September 2018.
<b>Employee Share Plan</b>	A plan approved by A Class Shareholders in general meeting under which B Class Shares may be issued to, or for the benefit of, employees or independent directors of the Company and its related bodies corporate.
<b>Explanatory Booklet</b>	The Explanatory Booklet dated 27 July 2018 relating to the ASX Proposal that accompanies the Notices of Meetings.
<b>Grower</b>	A person who produces and supplies Paddy to the Company.
<b>Grower Share Purchase Plan Offer or 2018 GSPP Offer</b>	The invitation to Eligible Growers to apply for New Shares to be issued by SunRice, made pursuant to this Prospectus and as referred to in Section 2.1.
<b>International Rice</b>	The segment of SunRice's business that is involved in the marketing and distribution of rice from all other sources through intermediaries to consumers, food services and processing customers where the economics of the business reflects profit generated as a result of managing supply and demand.
<b>Issue Price</b>	The price payable to subscribe for each New Share, being \$5.71, which is the same issue price as offered under the Company's dividend reinvestment plan (DRP) in 2018.
<b>Listing Rules</b>	The listing rules of the NSX.
<b>New Constitution</b>	The Constitution subject to, and following, the implementation of, the ASX Proposal.
<b>New Share</b>	A new B Class Share to be issued by SunRice under the 2018 GSPP Offer.
<b>Notices of Meetings</b>	The Notice of Annual General Meeting and Notice of B Class Meeting of SunRice dated 27 July 2018.
<b>NSX</b>	National Stock Exchange of Australia Limited (ACN 000 902 063) or, if the context requires, the financial market operated by it.
<b>Official List</b>	The official list of the NSX.
<b>Paddy</b>	Rice in the form that is harvested, prior to any processing.
<b>Paddy Price</b>	The price payable by SunRice for Paddy.
<b>Profit businesses</b>	The businesses conducted by the SunRice Group, other than the Rice Pool business.
<b>Proposed Directors</b>	Ms. Luisa Catanzaro and Dr. Andrew Crane, who have each been nominated for election as a director of the Company at the Company's 2018 Annual General Meeting.
<b>Prospectus</b>	This prospectus dated 27 August 2018.
<b>Record Date</b>	The time and date for determining whether a person is an Eligible Grower, being 5.00 pm (Sydney time) on Friday, 21 September 2018.
<b>Rice Marketing Act</b>	The Rice Marketing Act 1983 (NSW).
<b>Rice Pool business</b>	That segment of SunRice's business relating to the milling, marketing and selling of Riverina Rice.

<b>Riverina Rice</b>	Paddy produced in the Riverina region of NSW (and such other rice growing areas within Australia as the Board may determine from time to time).
<b>RMB or Rice Marketing Board</b>	Rice Marketing Board for the State of New South Wales.
<b>Share</b>	A share in the issued capital of the Company.
<b>Share Registry</b>	The Company's share registry, being Link Market Services Limited (ACN 083 214 537).
<b>Shareholder</b>	A person registered with the Company as a holder of one or more A Class Shares or B Class Shares.
<b>Sole and Exclusive Export Agreement</b>	The Sole and Exclusive Export Agreement dated 28 June 2007 between SunRice, the RMB and Australian Grain Storage Pty Ltd (ACN 000 333 648) (formerly known as Riviana (Australia) Pty Ltd), as amended from time to time.
<b>SunRice Group or Group</b>	The Company and its subsidiaries.
<b>SunRice Group Strategy or Strategy or Growth Strategy</b>	SunRice's 2022 growth strategy, further details of which are contained in Section 3.1 of the Explanatory Booklet.
<b>Trukai Industries</b>	Trukai Industries Limited, a company incorporated in Papua New Guinea.
<b>VWAP of B Class Shares</b>	The volume weighted average price of B Class Shares on the NSX, on a per B Class Share basis.

## 7.2 Interpretation

In this Prospectus:

- (a) the singular includes the plural and vice versa and a gender includes other genders;
- (b) other grammatical forms of a defined word or expression have a corresponding meaning;
- (c) words and phrases have the same meaning (if any) as given to them in the Corporations Act, other than as defined above;
- (d) a reference to a Section is a reference to a section of this Prospectus;
- (e) a reference to a document or agreement, includes the document or agreement as novated, altered, supplemented or replaced from time to time;
- (f) a reference to any statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances or by-laws amending, varying, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute;
- (g) a reference to A\$, \$A, \$, dollar or cents is to Australian currency;
- (h) a reference to US dollars is to the currency of the United States of America;
- (i) a reference to time is to the time in Sydney, Australia;
- (j) a reference to a year (other than a financial year) or a month means a calendar year or calendar month respectively;
- (k) a reference to a person includes a natural person, partnership, firm, body corporate, trust, joint venture, association, governmental or local authority or agency or other entity;
- (l) the words "include", "including", "for example", "such as" and similar expressions are not used as, nor are they to be interpreted as, words of limitation and, when introducing specific examples, do not limit the meaning of the words to which those examples relate or examples of a similar kind;
- (m) a reference to "you" is to a person to whom the 2018 GSPP Offer is made; and
- (n) headings, boldings, italics and underlines are for convenience only and do not affect the interpretation of this Prospectus.

# CORPORATE DIRECTORY

## Board of Directors

Name	Position
Mr. Laurie Arthur	Chairman and Non-Executive Director
Mr. Glen Andreazza	Non-Executive Director
Mr. John Bradford	Non-Executive Director
Mr. Ian Glasson	Non-Executive Independent Director
Mr. Rob Gordon	Executive Director and Chief Executive Officer
Ms. Gillian Kirkup	Non-Executive Director
Mr. Grant F Latta AM*	Non-Executive Independent Director
Mr. Ian Mason	Non-Executive Director
Mr. Mark Robertson	Non-Executive Director
Dr. Leigh Vial	Non-Executive Director

## Company Secretary

Ms. Mandy Del Gigante

## Share Registry

Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

## Legal Adviser

Addisons  
Level 12  
60 Carrington St  
Sydney NSW 2000

## CONTACT DETAILS



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