

7 April 2009

Dear Shareholder

Special General Meeting

Under the Constitution of SunRice, B Class Shares can only be issued to existing Shareholders and their Approved Entities and participants under the Employee Share Plan.

It is proposed to permit the issue of B Class Shares to holders of equity certificates under the Capital Equity Rollover Scheme (RMB Equity Holders) operated by the Rice Marketing Board for the State of New South Wales (RMB), regardless of whether they are existing B Class Shareholders.

This issue has arisen as SunRice is considering the formulation of a proposal to enable RMB Equity Holders to convert all of their RMB Equity into B Class Shares. While this proposal is still under consideration, investigations to date indicate that some RMB Equity Holders are not currently shareholders in SunRice and are therefore not qualified to be issued with B Class Shares. This means that SunRice is not in a position to offer those RMB Equity Holders an opportunity to convert their RMB Equity into B Class Shares.

At present there is a total of \$77 million of RMB Equity outstanding. Approximately \$4 million of this is held by persons who are not current shareholders of SunRice. These RMB Equity Holders have grown and delivered a rice crop in the past but for various reasons have not become or remained shareholders of SunRice.

It is intended that SunRice will formally submit the RMB Equity conversion proposal as part of a broader capital raising offer to all shareholders, which will enable shareholders to also apply for B Class Shares using either cash or Rice Bonds. This capital raising offer (including the RMB Equity conversion proposal) will be set out in a prospectus that will include an independent expert's report that will assess the fairness of the proposal from the perspective of both shareholders and RMB Equity Holders.

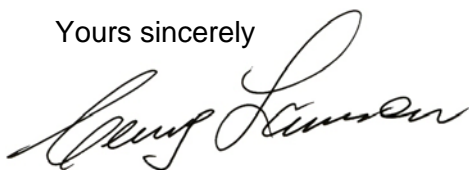
The Board recommends the proposed changes to the constitution, as this will allow SunRice to submit the conversion proposal to all holders of RMB Equity.

The Notice of Meeting for the Special General Meeting is attached. As per the constitution, only A Class Shareholders have the right to vote at General Meetings.

Please note the following arrangements for the Special General Meeting:-

Venue: Jerilderie Civic Hall, 33 Jerilderie Street, Jerilderie
Date: Thursday 14 May 2009
Time: 2.00pm

Yours sincerely



Gerry Lawson
Chairman
Ricegrowers Limited