



The Rice Food Experts

RICEGROWERS LIMITED PROSPECTUS

**For the Issue of B Class Shares to
SunRice Employees**

Ricegrowers Limited ABN 55 007 481 156 trading as SunRice

IMPORTANT INFORMATION

This Prospectus is dated 1 June 2009 and was lodged with ASIC on that date. Neither ASIC nor the NSX takes any responsibility for the contents of this document.

No Shares will be issued on the basis of this Prospectus later than 31 July 2009, being the expiry date of this Prospectus.

It is important that you read this Prospectus in full before deciding to invest in the Company. In particular, in considering the prospects of the Company, 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) and seek professional advice from your accountant, stockbroker, lawyer or other professional adviser.

Foreign Jurisdictions

The distribution of this Prospectus in jurisdictions outside 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 constitute a violation of applicable securities law.

This Prospectus does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify Shares or to otherwise permit a public offer of Shares outside Australia.

Disclaimer

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by the Company or the Directors.

Electronic Prospectus

This Prospectus may be viewed online at www.sunrice.com.au. The offer constituted by this Prospectus in electronic form is only available to persons who receive the electronic version of this Prospectus in Australia. Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus.

The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to a hard copy of the Prospectus or the complete and unaltered electronic version of this Prospectus. Applications for Shares may only be made on the Application Form attached to this Prospectus. The Application Form may be printed from the electronic version on the website. A paper copy of this Prospectus will be provided free of charge to any person who requests a copy by contacting the Company on 1800 654 557.

Forward Looking Statements

This Prospectus may contain forward looking statements which have not been based solely on historical facts but on the Company's expectations about future events and results. You should consider that as such statements relate to future matters they are subject to various inherent risks, uncertainties and assumptions that could cause actual results or events to differ materially from expectations described in the forward looking statement. Neither the Company, the Directors, nor any other person named, with their consent, in this Prospectus can assure you that any forward looking statement or implied result will be achieved.

Other Documents

As a disclosing entity, the Company is subject to regular reporting and disclosure obligations. In particular, the Company is obliged to comply with the continuous disclosure requirements in the NSX Listing Rules. Copies of documents lodged with ASIC may be obtained from, or inspected at, an office of ASIC. The Company will provide a copy of any of the following documents free of charge upon request:

- The Annual Financial Report of the Company most recently lodged with ASIC.
- Any Half Year Financial Report lodged with ASIC and any continuous disclosure notices given to NSX by the Company after the lodgement of that Annual Financial Report and before the lodgement of a copy of this Prospectus with ASIC.

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1. DETAILS OF THE OFFER

1.1 Summary of Employee Share Plan

The Employee Share Plan provides a means by which the Board can from time to time offer employees of the Company or any of its related bodies corporate, or Independent Directors of the Company, an opportunity to acquire B Class Shares in the Company.

New Shares are offered for subscription by persons who are eligible and have been selected by the Board to participate under the Employee Share Plan. The number of New Shares that can be subscribed for by each Applicant will be determined by the Board and will be set out in a separate letter.

The issue price of New Shares is \$2.14. Applicants must pay for their New Shares by cheque or electronic funds transfer.

The Application Form attached to this Prospectus sets out instructions on how to subscribe for B Class Shares.

1.2 B Class Shares

New Shares issued to Applicants have the same rights as all other B Class Shares (as outlined below at Section 1.6), but Employee Holders are subject to additional restrictions placed on them by the terms of the Employee Share Plan. These additional restrictions, which are set out in Section 1.3, mean that while Employee Holders have the right to sell their B Class Shares, subject to the Company's Share Trading Policy, they cannot acquire B Class Shares by way of purchase or transfer, either on NSX or off market.

1.3 Additional Restrictions

The additional restrictions on Employee Holders are as follows:

- (a) No more than 5% of the total number of B Class Shares in the Company can be held by all Employee Holders. This means that the entire body of Employee Holders can only hold 5% of the total number of B Class Shares in the Company.
- (b) Employee Holders can only acquire B Class Shares through the Employee Share Plan or other subscription offers (such as the Dividend Reinvestment Plan) approved by the Board. They can not purchase B Class Shares on market or otherwise by transfer. These restrictions will ensure that the overall 5% limit on the B Class Shares held by the entire body of Employee Holders is maintained.
- (c) All employees of the Company and its related bodies corporate, and Independent Directors of the Company who hold B Class Shares must comply with the Company's Share Trading Policy. This policy restricts the periods during which B Class Shares can be sold, to times following the release of accounts or a prospectus. This is a corporate governance measure designed to guard against employees and Directors being seen to have any advantage over shareholders generally.

1.4 Issue Price

The issue price of New Shares is \$2.14.

B Class Shares are listed on NSX and, subject to the restriction on Employee Holders acquiring B Class Shares by way of purchase or transfer, may be traded between Shareholders. During the period from the commencement of trading on the NSX on 18 June 2007 until 30 April 2009, B Class Shares have traded at prices between \$2.50 and \$1.50. However, the restricted nature of the market means that there is a limited range of potential buyers and accordingly, the market price of B Class Shares may not fully reflect the underlying value of the Company. The Board has taken this fact, the historical dividend rate, and that a relatively small number of B Class Shares have been traded on NSX when setting the issue price of the New Shares.

1.5 Share Capital Structure

There are two classes of Shares in the Company, A Class Shares and B Class Shares.

A Class Shares are redeemable preference shares that can only be issued to active Growers or persons that the Board believes will become active Growers. Holders of A Class Shares are entitled to one vote at all general meetings of the Company but have no right to receive dividends or other distributions.

B Class Shares have no voting rights (except in very limited circumstances associated with changing the rights attached to B Class Shares) but entitle the holder to participate in dividends and other distributions. Further particulars of the rights and liabilities of B Class Shares are set out below in section 1.6.

The Company has issued the following Shares as at the date of this Prospectus:

Issued Share Capital	Number of Issued Shares	Amount Paid Up A\$
A Class Shares	1,042	Nil
B Class Shares	35,992,886	58,072,115

The number of additional B Class Shares issued under the Employee Share Plan will depend on the number of New Shares that are subscribed for and issued. However, as noted in Section 1.3, the total number of B Class Shares held by Employee Holders must not exceed 5% of the total number of B Class Shares.

1.6 Rights and liabilities of B Class Shares

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

- (a) the Constitution of the Company; and
- (b) in certain circumstances, the Corporations Act, the NSX Listing Rules and the general law.

Dividend and distribution rights

B Class Shares represent the economic ownership of the Company. B Class Shares have the right to receive dividends declared and other distributions made by the Company from time to time. New Shares will be entitled to participate in the dividend of 22.5c per share that has been announced by the Company in respect of the financial year ended 30 April 2009.

B Class Shares have the right to participate equally with other B Class Shareholders in the distribution of surplus funds on a winding up of the Company.

Voting rights

B Class Shares do not carry any voting rights (except in very limited circumstances associated with changing the rights attached to B Class Shares).

Notices

B Class Shareholders have the right to receive notice of and attend any general meeting of the Company, but no right to vote at general meetings. 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 NSX Listing Rules.

Issue of B Class Shares

B Class Shares can only be issued to:

- (a) A Class Shareholders or persons to whom the Directors have agreed to issue an A Class Share;
- (b) Persons who, at the time of the issue, are existing B Class Shareholders;
- (c) Approved Entities of existing Shareholders (in relation to Shareholder superannuation funds approved by the Board);
- (d) Participants under an Employee Share Plan (refer also to Section 1.3 for the restrictions applicable to participants under the Employee Share Plan); and
- (e) RMB Equity Holders.

Transfer of B Class Shares

B Class Shares can be transferred to another Shareholder or to an Approved Entity of a Shareholder (subject to maximum shareholding limits). B Class Shares that vest in a person, such as an executor, trustee in bankruptcy or liquidator, upon the occurrence of a Transmission Event 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. As noted in Section 1.3, Employee Holders are subject to additional restrictions on the acquisition of B Class Shares outside of the Employee Share Plan.

Maximum shareholding limits

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

Non-redeemable

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

Liability to pay issue price

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 contingent liability in this respect.

1.7 Number of New Shares

There is no minimum number of B Class Shares offered under this Prospectus. The maximum number of B Class Shares that can be held by Employee Holders at any time, as a group, is 5% of the total issued B Class Shares.

1.8 Capital Raising Program

As previously announced, the Company proposes to undertake the next stage of its capital raising program under which it will give existing B Class shareholders and RMB Equity Holders the opportunity to subscribe for B Class Shares using cash, rice bonds or RMB Equity. A separate prospectus setting out these offers will be issued if this proposal proceeds.

It is anticipated that RMB Equity Holders will have the opportunity to convert all of their RMB Equity into a combination of cash and B Class Shares. The cash component will represent 10% of the RMB Equity and, to the extent that this represents an early repayment of RMB Equity that matures in the period June 2010 to June 2016, the amount will be discounted to reflect the time value of money. The remaining 90% of the RMB Equity would be applied to pay for B Class Shares at variable issue prices, depending on the maturity date of the RMB Equity that is converted.

There is approximately \$77 million of RMB Equity outstanding and therefore a substantial number of B Class Shares may be issued under this component of the capital raising offer, depending on the level of acceptance.

1.9 How to Apply for Shares Under the Offer

Applications under the Offer will only be accepted on the Application Form accompanying this Prospectus. The Application Form includes detailed instructions on how to complete the form. An Application constitutes an acceptance of the Company's offer to subscribe for New Shares at the issue price of \$2.14 and on the terms and conditions set out in this Prospectus and the Employee Share Plan.

The completed Application Form must be delivered to the registered office of the Company by 5pm on the Closing Date.

1.10 Allotment and Issue

New Shares applied for will be issued as soon as possible after the Closing Date, subject to payment of the issue price. New Shares will not be issued if the issue would result in a breach of the Constitution or any law.

1.11 Application Monies and Application to NSX

In accordance with Section 722 of the Corporations Act, all Application Monies will be held in trust by the Company until the New Shares are issued.

An application will be made to NSX for Quotation of the New Shares issued under this Prospectus within seven days after the date of this Prospectus.

If Quotation of the New Shares is not granted within three months of the date of this Prospectus the Company will refund Application Monies in accordance with section 723(3) of the Corporations Act.

No interest will be paid on any Application Monies refunded as a result of withdrawal of the Offer or the failure of the New Shares to be quoted on the NSX within three months of the date of this Prospectus or otherwise. Any refunds will be mailed to unsuccessful Applicants as soon as practicable.

1.12 Shareholding Ownership Statements

The Company will mail shareholding ownership statements to successful Applicants within two months following the issue and allotment of the New Shares.

1.13 Taxation

The issue of B Class Shares under the Employee Share Plan should not give rise to any immediate income tax or capital gains tax liability for Applicants where the market price of B Class Shares is less than or equal to the issue price of \$2.14. The market price is determined in accordance with Division 13A of the Income Tax Assessment Act 1936 (Cth) and, in general, will be the weighted average of the prices at which B Class Shares are traded on NSX during the week up to and including the date on which the shares are issued. However, if the issue price of \$2.14 is less than this market price ("discount"), an amount equal to the discount per New Share, multiplied by the number of New Shares issued to the Applicant, will form part of the Applicant's assessable income in the year in which the New Shares are issued.

Where B Class Shares acquired under the Employee Share Plan are subsequently sold by the holder, a capital gain will arise if the sale price exceeds the cost base of the B Class Shares. The amount of tax payable on the capital gain will depend on a range of factors, including the income tax profile of the holder and whether the B Class Shares have been held for more than 12 months.

The above information on Australian taxation consequences is general in nature. All Applicants should seek and rely on their own tax advice, as the precise tax implications will depend on their own individual circumstances.

It should also be noted that the Commonwealth Government recently announced changes to the taxation of employee share schemes as part of the 2009 Federal Budget and, while these announced changes do not appear to affect B Class Shares issued under the Employee Share Plan, it is possible that there will be further changes in tax laws, policy and practice that may affect Applicants.

1.14 Discretion Not to Proceed

The Company reserves the right not to proceed with the Offer at any time. If the Offer does not proceed, Application Monies will be refunded. No interest will be paid on any Application Monies refunded as a result of withdrawal of the Offer or otherwise.

1.15 Enquiries

Questions relating to this Prospectus should be directed to the Company on 1800 654 557.

2. FINANCIAL INFORMATION

2.1 Right to obtain copy of financial reports and disclosure notices

The Company will provide a copy of any of the following documents, free of charge, to any person who asks for a copy of the document before the Closing Date by contacting the Company on 1800 654 557:

- The Annual Financial Report of the Company most recently lodged with ASIC.
- Any Half Year Financial Report lodged with ASIC and any continuous disclosure notices given to NSX by the Company after the lodgement of that Annual Financial Report and before the lodgement of a copy of this Prospectus with ASIC.

Copies of other documents lodged by the Company with ASIC may be obtained from, or inspected at an office of ASIC.

2.2 Effect of the Offer on the Company

The following sets out the effects of the Offer on the Company.

- Amounts received by way of subscriptions for New Shares will be applied to reduce the amount outstanding under the Company's loan facilities.
- The New Shares issued under the Offer will increase the Company's share capital. The total number of B Class Shares issued will depend on the level of acceptance of the Offer.
- The issue of New Shares will introduce employees and Independent Directors of the Company as B Class Shareholders in accordance with the Employee Share Plan.

3. INVESTMENT RISKS

Every investment in shares in a company involves an element of risk. Before accepting the 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 Ricegrowers Group or its investors. These factors and others not specifically referred to may materially affect the profitability of the Ricegrowers Group and the value of the 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 B Class Shares.

3.1 Supply of Australian Rice

SunRice is exposed to fluctuations in the volume and quality of rice supplied by Australian rice growers. Fluctuations in volumes of supply may, when surplus to expectation, result in greater volumes being sold on the world market at prevailing commodity prices, or, when in short supply, endanger market relationships and/or result in under-recovery of overheads.

3.2 Supply of Overseas Rice

SunRice's overseas rice sourcing strategy aims to ensure that SunRice has ongoing, reliable sources of quality rice to meet market requirements. With the continuing drought conditions in Australia, SunRice remains highly dependent on this strategy.

The world Medium Grain rice market is currently experiencing volatile conditions, as supply constraints in major exporting countries have resulted in sharp increases in international prices. The success of the overseas rice sourcing strategy is dependent upon the ability to acquire regular supplies of high quality rice at a competitive price. Fluctuations in world prices can significantly adversely impact the availability and profitability of rice trading.

SunRice is continuing to consider and implement alternative sourcing and processing strategies to ensure the efficient and continuous supply of rice supplies from established sources in Thailand, Vietnam, China, US, Egypt and India. In this respect, the Company owns majority interests in rice storage, milling and packing facilities in California USA, Papua New Guinea and Jordan.

3.3 Availability of Water/Drought

In recent Crop Years, the volume of rice available from Growers has been adversely affected by drought conditions and the resultant limited access to water from the irrigation schemes that service Growers.

SunRice seeks to mitigate the risk of short crops by carrying over rice from the preceding Crop Year, where this is possible, primarily to support important domestic and strategic export markets, and through its rice trading operations and alliances which enable it to access rice from international suppliers to meet market requirements. SunRice constantly monitors the availability of water and anticipated rice production and will continue to assess and, if necessary, adjust its infrastructure, resources and funding in response to these conditions.

3.4 Domestic Deregulation

In accordance with amendments to the Marketing of Primary Products Act (now called the Rice Marketing Act), which took effect on 1 July 2006, the RMB may appoint additional authorised buyers who will have the right to purchase rice from producers in New South Wales. This has the potential to affect the Company's market share of domestic rice sales. However, as the Company has retained its position as the sole exporter of New South Wales rice, the effect will be limited to the Australian domestic market.

3.5 Exclusive Export Agreement Risk

Effective 1 July 2006, the Company was appointed by RMB as the exclusive exporter of rice grown in New South Wales for an initial term of five years under the Sole and Exclusive Export Agreement. This agreement can be terminated after that initial five-year period by RMB giving at least 5 years notice. This effectively gives the Company the exclusive export rights for rice grown in NSW for a minimum period of 10 years from 1 July 2006.

3.6 Credit Risk

SunRice manages the credit risk on sales to end customers through a range of credit instruments, credit checks, risk assessments and intelligence monitoring. Sales to offshore entities are settled through high-ranking credit instruments such as Irrevocable Letters of Credit and Cash Against Documents, wherein the credit risk to SunRice is limited to a short period of time. The Company does not have significant exposure to any individual customer or counterparty, and has a history of negligible default in international business transactions.

3.7 Rice Price and Foreign Currency Exchange Risk

SunRice is exposed to the risks of global rice supply and demand fluctuations which affect the prices which can be gained in export markets. Australian dollar receipts are also exposed to the risk of currency fluctuations. When considered appropriate, SunRice participates in foreign currency hedging to manage its exposure and mitigate adverse movements in exchange rates.

3.8 Interest Rate Risk

SunRice has core and seasonal borrowing requirements as a result of the nature of its business and its Grower lending activities. The exposure to movement in interest rates on these borrowings is managed by hedging/fixing the interest rate on a proportion of this debt portfolio, as considered appropriate by the SunRice Board.

3.9 Saleability of Shares and Determination of Share Price

The Company has been admitted to the official list of the NSX and official quotation of its B Class Shares commenced on 18 June 2007. The listing of the B Class Shares on the NSX enables B Class Shareholders to trade their Shares with other Shareholders of the Company (subject to maximum Shareholding limits). 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. The price at which B Class Shares are traded may be influenced by a variety of factors including:

- The profitability and prospects of the Ricegrowers Group;
- The rate of dividend declared from time to time by the Board;
- The limited transactions as a result of the restricted pool of potential purchasers; and
- The limit on the number of Shares that can be held by B Class Shareholders.

3.10 Ricegrowers Group Profitability

The Ricegrowers Group's profitability is subject to both internal and external factors. Some of these factors can be mitigated by appropriate commercial action, but many are outside the Company's control.

Internal Factors

Internal factors that may affect the Ricegrowers Group's profitability include:

- The profitability of individual business units and profit centres of the Ricegrowers Group;
- The adoption of policies and practices within the Ricegrowers Group.

External Factors

External factors that may affect the Ricegrowers Group's profitability include:

- The economic health of Australia and other countries, particularly those in which the Ricegrowers Group operates;
- The stability of governments and changes in fiscal, monetary and regulatory policies of those governments;
- The strength of the global rice and food industry; and
- The level of competition in the markets in which the Ricegrowers Group operates.

4. ADDITIONAL INFORMATION

4.1 Transaction Specific Prospectus

The Company is a disclosing entity and therefore subject to regular reporting and disclosure obligations under the Corporations Act. Under these obligations, the Company is obliged to comply with all applicable continuous and reporting requirements in the NSX Listing Rules.

This Prospectus is issued under section 713 of the Corporations Act. This section enables disclosing entities to issue a prospectus in relation to securities in a class of securities, which are continuously quoted securities. Apart from formal matters this Prospectus need only contain information relating to the terms and conditions of the Offer (refer to Section 1), the effect of the Offer on the Company (refer to Section 2.2) and the rights and liabilities attaching to the B Class Shares (refer to Section 1.6).

4.2 Interests and Fees of Certain People Involved in the Offer

Other than as set out below or elsewhere in this Prospectus, no Director or proposed Director and none of the persons involved in the Offer and referred to below has, or has had, in the last two years, any interest in:

- (a) The formation or promotion of the Company;
- (b) Property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or in connection with the Offer; or
- (c) The Offer.

Other than as set out below or elsewhere in this Prospectus, no amount has been paid or agreed to be paid and no benefit has been given or agreed to be given:

- (a) To any Director or proposed Director to induce them to become, or to qualify as, a Director; or
- (b) To any Director or proposed Director for services provided by him in connection with the formation or promotion of the Company or the Offer; or
- (c) To any of the persons involved in the Offer for services provided by them in connection with the formation or promotion of the Company or the Offer.

Directors' Interests

Set out below are details of the interest of the Directors in the securities of the Company immediately before lodgement of the Prospectus with ASIC. Interest includes those held directly or indirectly or through an Associate. Only the Independent Directors (G Helou, RA Higgins AO and GF Latta AM) are eligible to participate under the Employee Share Plan. The table does not take into account any New Shares the Independent Directors may acquire under the Offer.

Name of Director	How Held	Total Number of A Class Shares	Total Number of B Class Shares
GF Lawson	GF & SB Lawson	1	N/A
	GF & SB Lawson Pty Ltd as trustee for the Lawson Family Superannuation Fund	N/A	222,853
DM Robertson	DM & MS Robertson Pty Ltd	1	60,976
	DM & MS Robertson Superannuation Pty Ltd as trustee for the Robertson Superannuation Fund	N/A	70,340
LJ Arthur	LJ Arthur	1	32,809
	LJ Arthur & RF Arthur	N/A	107,387
NG Graham	NG & LE Graham	1	71,276
G Helou	N/A	N/A	N/A
RA Higgins AO	N/A	N/A	N/A
GL Kirkup	Kirkup Farms Pty Ltd	1	28,365
GF Latta AM	N/A	N/A	N/A
N McAllister	Norman McAllister	1	2,773
	Strathcona Pty Ltd	1	59,303
AD Walsh	AD & KL Walsh	3	124,987
	AD KL TR & R Walsh	1	1,337

Interest and Fees of Professionals

This Section applies to persons named in the Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus, promoters of the Company and stockbrokers or arrangers (but not sub-underwriters) to the Offer (collectively Prescribed Persons).

Other than as set out below or elsewhere in this Prospectus, no Prescribed Person has, or has had in the last 2 years, any interest in:

- (a) The formation or promotion of the Company;
- (b) Property acquired or proposed to be acquired in connection with the formation or promotion of the Company or the Offer; or
- (c) The Offer.

Other than as set out below or elsewhere in this Prospectus, no benefit has been given or agreed to be given to any Prescribed Person for services provided by a Prescribed person in connection with the:

- (a) Formation or promotion of the Company; or
- (b) Offer of B Class Shares under this Prospectus.

DibbsBarker has acted as lawyers to the Company and has performed work in connection with the Offer, for which it will be paid approximately \$20,000 (inclusive of GST) plus disbursements.

4.3 Consents

Written consents to the issue of this Prospectus have been given and at the date of this Prospectus have not been withdrawn by the following parties:

- (a) Each of the Directors has given and has not withdrawn his or her consent to be named in this Prospectus in the form and context in which he or she is named.
- (b) DibbsBarker has given and has not withdrawn its consent to be named in this Prospectus as lawyers to the Company in the form and context in which it is named. It has not authorised or caused the issue of this Prospectus and takes no responsibility for any part of the Prospectus other than references to its name.

SIGNATURE

Signed for the purposes of Section 351 of the Corporations Act on the date of this Prospectus by:

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

Gerry Lawson
Chairman
Ricegrowers Limited

5. GLOSSARY

"A Class Shares" means A Class Shares in the Company.

"Applicant" means an applicant for New Shares under this Prospectus.

"Application" means an application to acquire New Shares pursuant to this Prospectus.

"Application Form" means the Application Form attached to or accompanying this Prospectus.

"Application Monies" means monies received from Applicants in respect of their Applications.

"Approved Entity" means in relation to a person who is a Shareholder, the trustee of a superannuation fund:

- (a) Of which the person is a beneficiary; and
- (b) That has been approved by the Directors.

"Associate" means, in relation to a person ("primary person"):

- (a) 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;
- (b) 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;
- (c) A person with whom the primary person is acting, or proposes to act, in concert in relation to the company's affairs.

For the purposes of this definition, "body corporate", "control", "relevant agreement" and "related body corporate" have the same meaning as in the Corporations Act.

"ASIC" means the Australian Securities and Investments Commission.

"B Class Shares" means B Class Shares in the Company.

"Board" means the board of Directors of the Company.

"Closing Date" means 5.00pm on the date notified to Applicants as the final date for receipt of their Application for New Shares or such later date as the Board determines.

"Company" means Ricegrowers Limited ABN 55 007 481 156.

"Corporations Act" means the Corporations Act 2001 (Cth).

"Crop Year" means the period during which a rice crop is planted, grown and harvested. A particular Crop Year is identified by the calendar year in which the rice crop is harvested.

"Directors" means the directors of the Company.

"Dollars" and the sign "\$" mean Australian Currency.

"Employee Holder" has the same meaning as in the Employee Share Plan and, in broad terms, refers to a person who has received B Class Shares under the Employee Share Plan, other than an individual who also holds B Class Shares in their own right as a former or current Grower.

"Employee Share Plan" means the Company's Employee Share Plan.

“Grower” means a person who grows rice in Australia and supplies it to the Company.

“Independent Director” means a Director of the Company, other than a Director who holds, or is the representative of a body corporate that holds, an A Class Share.

“New Shares” means the new B Class Shares issued under the Offer.

“NSX” means the National Stock Exchange of Australia Limited.

“NSX Listing Rules” means the listing rules of NSX.

“Offer” means the offers of B Class Shares under the Employee Share Plan made in accordance with this Prospectus.

“Quotation” means the quotation of the New Shares on the NSX.

“Rice Milling and Marketing” means business activities conducted by SunRice which include milling, marketing, packaging, branding, which includes all activities relating to the process of transforming raw paddy into bulk or packaged milled rice (Australian and non-Australian rice).

“Ricegrowers Group” means the Company and its controlled entities.

“RMB” means the Rice Marketing Board for the State of New South Wales.

“RMB Equity” means the right to receive a payment under the RMB Capital Equity Rollover Scheme.

“RMB Equity Holder” means the holder of RMB Equity.

“Share Trading Policy” means the Company’s share trading policy.

“Shareholder” means a holder of Shares in the Company.

“Shares” means issued Shares in the Company, including A Class Shares and B Class Shares.

“SunRice” means the business carried on by the Company.

“Transmission Event” means:

- (a) In respect of a Shareholder who is an individual:
 - (i) the death of the Shareholder;
 - (ii) the bankruptcy of the Shareholder;
 - (iii) the Shareholder becoming of unsound mind; or
 - (iv) the Shareholder becoming liable to be dealt with in any way under the law relating to mental health; and
- (b) In respect of a Shareholder who is a body corporate, the dissolution of the Shareholder or the succession by another body corporate to the assets and liabilities of the Shareholder.



The Rice Food Experts

Ricegrowers Limited
trading as SunRice ABN 55 007 481 156