

SHAREHOLDER ANNOUNCEMENT

19 June 2012

Dear Shareholder / Grower,

RE: 2012 FINANCIAL RESULTS

In line with our recent advice to shareholders, I am pleased to confirm that SunRice has achieved a strong financial result and record revenue for 2011/12. This result has been driven by better than expected market conditions and has enabled us to reduce debt, strengthen our balance sheet and position SunRice well for the future.

For the year ended 30 April 2012:

- Consolidated revenue for the year reached \$1 billion for the first time, up 24% on the previous year's \$809 million;
- Consolidated profit after tax for the period was \$33.9 million, up 158.9% compared to the \$13.1 million recorded in 2010/11; and
- Profit for the year attributed to Ricegrowers Limited shareholders was \$31.8 million.

As a result of improved trading performance, reductions in working capital and other factors, SunRice's gearing was 66% at 30 April 2012, down from 102% in the previous year and dropping below the target of 70% set by the Board.

As recently communicated, SunRice has had a strong trading year based on both hard work and favourable international market conditions and opportunities. We have seen the continued recovery of Australian rice production, including receivals of 800,000 tonnes of paddy rice in 2011, up from 205,000 tonnes in the previous year. Accordingly, the Board is pleased to confirm that the total 2011 Crop medium grain paddy price will be \$255 per tonne.

The Board has declared a fully franked dividend of 18 cents per B Class Share, in line with last year's payment. This has allowed for an overall retention of \$21.8 million, including \$11.2 million in after tax profit from our Australian Rice Milling and Marketing business, equivalent to \$20 per tonne before tax.

The activities of 2011/12 have led to the employment of more than 200 new staff, significant local infrastructure upgrades and the re-establishment of regional supply relationships. Including the 2011/12 dividend and paddy payments, this represents an injection of approximately \$300 million into the regional communities where the majority of our growers and shareholders live.

The Board of SunRice has focused firmly on debt reduction over the past 12 months and intends to continue strengthening the company's position given local conditions, market volatility and financial constraints in Europe. At the same time, we will look to take advantage of opportunities to grow the business to ensure SunRice continues to have a strong and prosperous future. This includes creating value for all shareholders, while ensuring strong grower returns for premium Australian rice.

SunRice's financial results will be presented in full at our AGM in Jerilderie on 24 August 2012. We hope to see you there.

Yours sincerely,

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

Gerry Lawson AM
Chairman