



The Rice Food Experts

SHAREHOLDER / GROWER ANNOUNCEMENT

19 December 2012

Dear Shareholder / Grower

RE: NSW GOVERNMENT RETAINS VESTING FOR RICE INDUSTRY

I am delighted to advise that the NSW Minister for Primary Industries the Hon. Katrina Hodgkinson MP has announced that vesting and the sole and exclusive export arrangements will remain in place for the NSW rice industry for a further five years.

The NSW Government's decision to retain vesting is one that will strengthen the rice industry and deliver benefits not only to growers, but to the many families, businesses and rural communities that our industry supports. Importantly, it provides certainty for our growers and will continue to facilitate better export prices, giving Australian rice the ability to compete effectively in global export markets.

SunRice, the Ricegrowers' Association of Australia Inc. (RGA) and the Rice Marketing Board of NSW (RMB) successfully made the case for the retention of the existing arrangements because they are in the best interests of SunRice and growers. As you are aware the retention of the single desk received unanimous support from growers at every RGA Branch Meeting this year and at two public meetings in Deniliquin and Leeton attended by industry, business and community leaders.

Under the NSW Government arrangements, the Sole and Exclusive Export Agreement will continue to be an important cornerstone for our industry by enabling SunRice to maintain its marketing strength and deliver a range of benefits to its shareholders and growers, including price premiums for Australian rice which totalled \$40.3 million or \$69 per paddy tonne last year. This includes the ability to maximize the efficiencies of our supply chain and provide additional investment in research and development for the benefit of growers and shareholders. All of these benefits continue to be important, not only as we recover from the drought years, but as we seek to grow what is now a \$1 billion industry.

Please join me in thanking the NSW Government and Minister Hodgkinson for the consideration given to securing a strong future for our industry and the many families, businesses and communities it supports. We would like also like to acknowledge the RGA's partnership and dedication in continuing to protect the interests of Australian growers on this important matter.

Yours sincerely,

GERRY LAWSON AM
Chairman