



ASX PROPOSAL

INFORMATION SESSIONS



AUGUST 2018



WELCOME CHAIRMAN LAURIE ARTHUR





DIRECTORS' INTENTIONS



THE SUNRICE BOARD CONSIDERS THAT THE ASX PROPOSAL IS IN THE BEST INTERESTS OF A CLASS SHAREHOLDERS AND B CLASS SHAREHOLDERS HAVING REGARD TO THE POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE ASX PROPOSAL

- ▶ **Each Director recommends that:**
 - ▶ **A Class Shareholders vote in favour of the ASX Resolutions at the Annual General Meeting**
 - ▶ **B Class Shareholders vote in favour of the ASX Resolutions at the B Class Meeting**
- ▶ **Each Director intends to vote in favour of the ASX Resolutions for all A Class Shares and B Class Shares held by them or on their behalf**
- ▶ **However, this is ultimately a decision for A and B Class Shareholders. It is important you have all the information you need to make an informed decision**

AGENDA

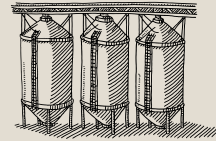
WHY IS THE ASX PROPOSAL REQUIRED?

Rob Gordon, CEO



KEY ELEMENTS OF THE ASX PROPOSAL

Rob Gordon, CEO



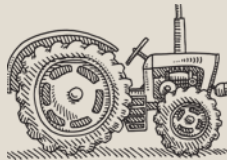
ADVANTAGES AND DISADVANTAGES

Laurie Arthur, Chairman



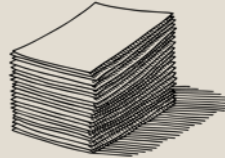
IER CONCLUSION

Laurie Arthur, Chairman



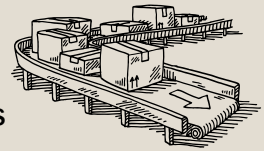
AGM DOCUMENTS, VOTING AND RESOLUTIONS

Laurie Arthur, Chairman



QUESTIONS

Questions and Answers



CEO
ROB GORDON



WHY IS THE ASX PROPOSAL REQUIRED?

SunRice has achieved strong results since 2012, when the Company pursued a strategy that moved from just marketing the Australian rice crop to servicing growing market demand for branded rice product from multiple origins



GROUP REVENUE (\$BN)

\$1 BILLION+
IN TURNOVER



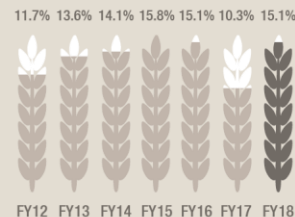
NET PROFIT AFTER TAX (\$M)

RESILIENCE
DEMONSTRATED



RETURN ON CAPITAL EMPLOYED

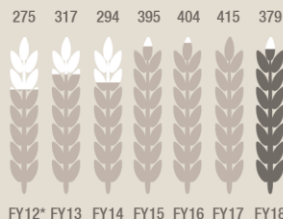
EXPERIENCE
FOR THE FUTURE



*FY12 adjusted for impact of retention (~\$11m)

PADDY PRICE
(YEAR END, \$)

HIGHER
& LESS VOLATILE PRICES



*FY12 adjusted for impact of retention (~\$11m)

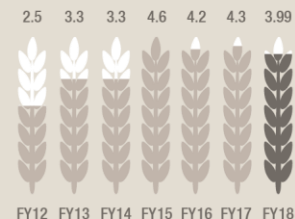
DIVIDENDS
(YEAR END, \$)

RECORD
DIVIDENDS



SHARE PRICE
(YEAR END, \$)

STRONGER
SHARE PRICE





WHY IS THE ASX PROPOSAL REQUIRED?

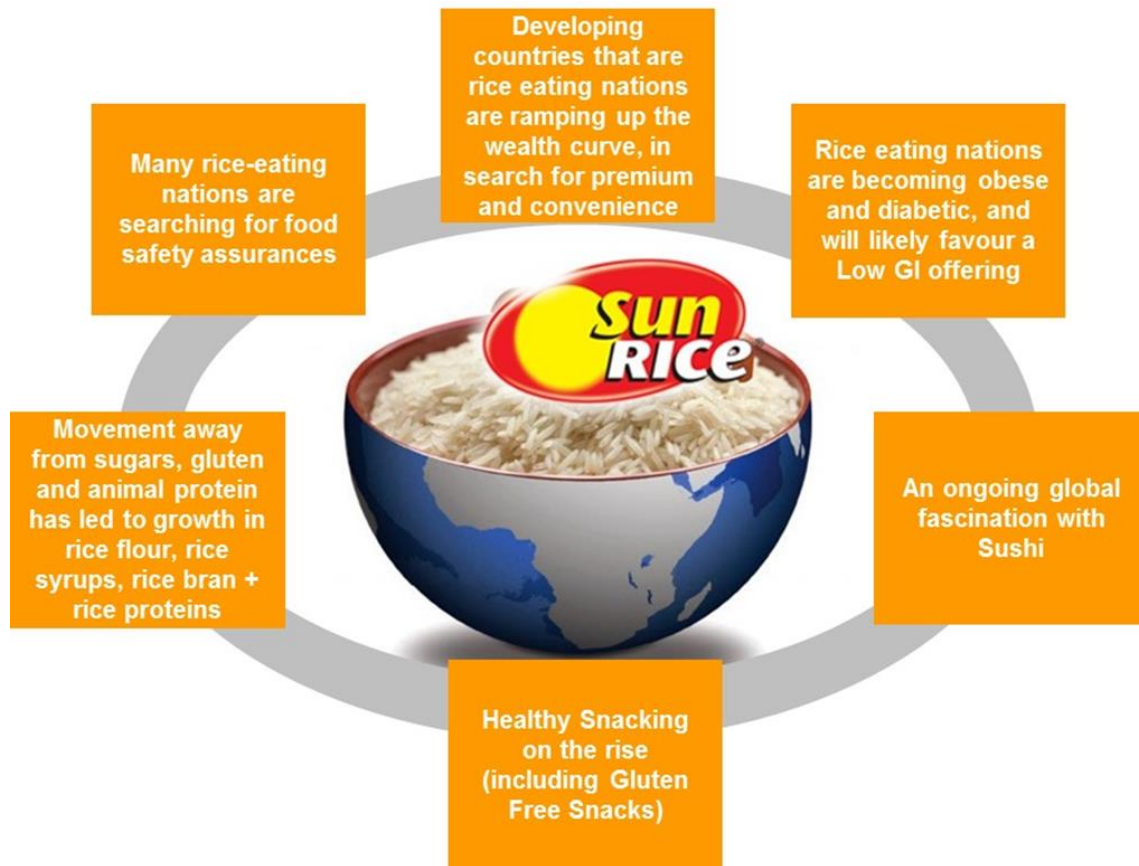
The 2022 Growth Strategy is designed to further strengthen SunRice, building an enduring global company that benefits Growers, Shareholders and employees in the years to come



- ▶ SunRice is now well positioned to:
 - ▶ Embed resilience for the future
 - ▶ Take advantage of global food trends driving consumption
- ▶ The 2022 Growth Strategy is our roadmap to do this. Its objectives are to:
 - ▶ Increase returns for our Growers in the form of improved Paddy Prices; and
 - ▶ Increase returns for our B Class Shareholders in the form of dividends and increased capital value

WHY IS THE ASX PROPOSAL REQUIRED?

The 2022 Growth Strategy has been developed to capitalise on global food trends and the Company's competitive advantages



WHY IS THE ASX PROPOSAL REQUIRED?

In addition, the Strategy seeks to leverage SunRice's competitive advantages:

- ▶ The provenance of Riverina Rice
- ▶ SunRice's Global Supply Chains



STRATEGIC INITIATIVES AND INVESTMENT

Approximately \$200-\$300 million would be required over the next three to five years to implement the 2022 Growth Strategy

Initiative	Investment	Capital requirement
Expanding our Low GI and Sushi rices into new markets	<ul style="list-style-type: none"> ✓ Develop agronomic packages ✓ Update and invest in Australian facilities ✓ Boost Asian sales and marketing ✓ Consumer-led varietal research and development 	\$30-50 million
Growing our healthy snacks business	<ul style="list-style-type: none"> ✓ Accelerate new product development and innovation ✓ Boost global sales and marketing to develop these markets ✓ Invest in lower-cost snacks facilities and global supply chain 	\$30 – 50 million
Building a healthy food ingredients business in rice and rice derived products	<ul style="list-style-type: none"> ✓ Conduct customer-focused research and development ✓ Pursue global partnerships and potential acquisitions ✓ Leverage quality-assured supply chains to maintain our position ✓ Invest in facilities both in Australia and offshore 	\$20-50 million
Cementing one quality-assured global supply chain	<ul style="list-style-type: none"> ✓ Develop quality-assured and traceable supply chains offshore ✓ Conduct customer-focused research and development ✓ Invest in facilities both in Australia and offshore ✓ Build a facility in Asia and invest in a related QA supply chain 	<\$50 million
Expansion of a diversified portfolio	<ul style="list-style-type: none"> ✓ CopRice: Scale up through mergers and acquisitions ✓ Riviana: Scale up through mergers and acquisitions 	\$50 – 100 million

IMPROVING RETURNS OVER TIME



- For Growers and A Class Shareholders, SunRice is targeting initiatives to strengthen the Rice Pool business and improve the Paddy Price



- For B Class Shareholders, SunRice is targeting initiatives to strengthen the Profit businesses and deliver shareholder value

IMPROVING RETURNS OVER TIME

The Rice Pool and the Profit businesses - do not operate in isolation. The two are complementary and work together to minimise risk across the entire SunRice Group





REDUCING RISK



SunRice's 2022 Growth Strategy is also designed to mitigate challenges by building a global business of scale to reduce business risk and increase resilience and balance sheet strength, particularly in periods of adversity

- 
- ▶ SunRice needs to be well placed to face known challenges in the form of:
 - ▶ Sovereign risk in our key markets
 - ▶ Increased competition
 - ▶ Reduced consumer affordability
 - ▶ Oversupply situations
 - ▶ Global pricing
 - ▶ Competition for Riverina resources

WHY THE ASX?

The Board is clear that there is no better destination than the ASX to raise the capital needed to pursue the 2022 Growth Strategy

- ▶ **ASX IS AUSTRALIA'S LEADING SECURITIES EXCHANGE, PROVIDING ACCESS TO A MUCH DEEPER POOL OF CAPITAL**
- ▶ Compared to the limited funding options currently available to SunRice, equity raising through the ASX is anticipated to be:
 - ▶ Less dilutive
 - ▶ Have no recall (unlike debt funding)
 - ▶ Assist in keeping gearing levels manageable
 - ▶ Has the potential to facilitate an increase in both B Class Share liquidity and share price over time*
 - ▶ Accessing funds in this way is likely to be both timely and efficient

**It is important to note that B Class Shares will be subject to market volatility on the ASX, business conditions and various other factors, which may result in both positive and negative movements in the market price.*

KEY ELEMENTS OF THE ASX PROPOSAL



ASX PROPOSAL

An ASX listing will allow new investors to hold SunRice B Class Shares without the need to change the fundamental elements of our existing structure

A CHANGE IN LISTING LOCATION, NOT STRUCTURE



THE BOARD IS RECOMMENDING WE RETAIN SUNRICE'S EXISTING STRUCTURE AND TRANSFER OUR LISTING OF B CLASS SHARES FROM THE NSX TO THE ASX



THE ASX PROPOSAL WILL NOT CHANGE:

- ▶ Our existing dual class structure
- ▶ A Class Grower Shareholder Control*
- ▶ SunRice's management, policies or day-to-day operations

**A Class Grower Shareholder control refers to the right of A Class Shareholders to vote at general meetings, which gives them the right to elect Directors and approve any changes to the Constitution.*

MATERIAL CHANGES UNDER THE ASX PROPOSAL

- ▶ Removing the ownership restrictions, allowing anyone* to invest in SunRice up to the B Class Shareholding Limit
- ▶ Transferring SunRice's listing and quotation of B Class Shares from the NSX to the ASX, with SunRice subject to the ASX Listing Rules
- ▶ Disclosure in SunRice's sixth and tenth annual reports after Listing, and in every third annual report thereafter, whether it has considered removing its "non-standard elements" and if not, the reasons why
- ▶ Changing the current B Class Shareholding Limit in the Constitution from 5% to 10%
- ▶ The 10% B Class Shareholding Limit is required to be approved by a simple majority vote of A Class Shareholders at SunRice's tenth annual general meeting after Listing and at each third annual general meeting thereafter
 - ▶ If the continuation of the Limit is not approved by A Class Shareholders, then approval by a 75% majority of the votes cast by both A and B Class Shareholders will be required to change or remove the Limit at a separate meeting. Until such time, the 10% cap will remain in place
- ▶ Including a list of Deemed Variation Matters for B Class Shareholders in the Constitution
- ▶ The Existing Constitution will be replaced with a New Constitution to reflect the relevant changes noted above

**Employees and Non-Grower Directors will remain subject to the restrictions in the Employee Share Plan Rules.*

KEY IMPLICATIONS

A CLASS SHARE FEATURES

For A Class Shareholders, the ASX Proposal will not result in any change to the fundamental nature and key voting rights of A Class Shares

FEATURE	EXISTING ARRANGEMENT	ARRANGEMENT UNDER ASX PROPOSAL
Director election rights	Director election (50% vote required; majority Grower Directors)	No change
Dividend rights	No rights to dividends	No change
Eligibility criteria to hold A Class Shares	A Class Shares be held by Active Growers	No change
Ownership cap	No shareholder may hold > 5 A Class Shares*	No change
Change of control**	75% vote on change of control of SunRice	No change
Changes to Constitution	75% vote to make changes to SunRice Constitution	No change
Paddy price	Determined per Paddy Pricing Policy (determined by the Board)	No change

* After the ASX Proposal, A Class Shareholder approval and B Class Shareholder approval (by at least a 75% majority vote of each class of Shareholders) will be required for any transaction that will result in a person's voting power in A Class Shares exceeding 10%. **This refers to the threshold required to approve a proposal that involves the acquisition of all A Class Shares.

KEY IMPLICATIONS

B CLASS SHARE FEATURES

For B Class Shareholders, there will be a series of changes, however there will be no change to the rights of B Class Shares to dividends that the Board may declare from time to time

FEATURE	EXISTING ARRANGEMENT	ARRANGEMENT UNDER ASX PROPOSAL
B Class Share	Represents contributed equity capital in SunRice	No change
Dividend rights	Rights to receive dividends	No change
Director election rights	No voting rights in SunRice Director elections	No change
Limited voting rights	Only on a 'variation of class rights'	An expanded list of matters that are deemed to vary B Class rights (Deemed Variation Matters)
Ownership / estate planning	Restricted to current and former growers and employees	Unrestricted (freely held and tradeable)
Liquidity / share price uplift	Comparatively limited	Potential for significant uplift over time*
B Class Shareholding Limit	5% Limit	10% Limit
Takeover	75% vote on a proposal to acquire all B Class Shares by way of scheme of arrangement	No change

** It is important to note that the B Class Shares will be subject to market volatility on the ASX, business conditions and other factors, which may result in both positive and negative movements in the share price.*

DEEMED VARIATION MATTERS

If the ASX Proposal is implemented, SunRice's New Constitution will include Deemed Variation Matters which are deemed to vary B Class Share rights

RIGHT	EXISTING ARRANGEMENTS	ARRANGEMENTS UNDER ASX PROPOSAL
Person acquiring >10% voting power in either A Class or B Class Shares		▶ A Class and B Class approval
Sale of main undertaking or substantially all of the profit business	▶ A Class Shareholders only (50% majority)	▶ A and B Class Shareholder approvals (75% majority)
Scheme of arrangement	<ul style="list-style-type: none"> ▶ A Class Shareholders no rights to approve B Class Scheme of arrangement ▶ B Class Shareholder no right to approve A Class Scheme of arrangement 	▶ A and B Class Shareholders will have the right to approve a Scheme of arrangement of the other class of Shareholders
Issue of other financial products with dividend rights	<ul style="list-style-type: none"> ▶ A Class approval (75%) required ▶ B Class approval (75%) required if varies B Class rights at law 	<ul style="list-style-type: none"> ▶ A Class approval (75%) required ▶ B Class approval (75%) required if adversely affects B Class rights or economic interests
Variation or cancellation of A Class Share rights that adversely affect B Class rights or economic interests	<ul style="list-style-type: none"> ▶ A Class approval (75%) required ▶ B Class approval (75%) required if varies B Class rights at law 	<ul style="list-style-type: none"> ▶ A Class approval (75%) required ▶ B Class approval (75%) required if adversely affects B Class rights or economic interests

DEEMED VARIATION MATTERS

If the ASX Proposal is implemented, SunRice's New Constitution will include Deemed Variation Matters which are deemed to vary B Class Share rights

RIGHT	EXISTING ARRANGEMENTS	ARRANGEMENTS UNDER ASX PROPOSAL
Issue of new class of shares	<ul style="list-style-type: none"> ▶ A Class approval (75%) required ▶ B Class approval required if varies B Class rights at law 	<ul style="list-style-type: none"> ▶ A and B Class shareholder approval required
Capital reduction and share buy back (except A Class Share redemption)	<ul style="list-style-type: none"> ▶ A Class approval required ▶ B Class approval required if varies B Class rights at law 	<ul style="list-style-type: none"> ▶ A and B Class approval required
Constitutional amendment	<ul style="list-style-type: none"> ▶ A Class approval (75%) required ▶ B Class approval (75%) required if varies B Class rights at law 	<ul style="list-style-type: none"> ▶ A Class approval (75%) required ▶ B Class approval (75%) required if adversely affects B Class rights or economic interests
Winding up	<ul style="list-style-type: none"> ▶ A Class approval (75%) required ▶ No B Class vote required 	<ul style="list-style-type: none"> ▶ A and B Class approval (75%) required

NOTE: The Constitution explicitly provides (Rule 5.6(d)) that, for the avoidance of doubt, any future changes to the criteria for holding A Class Shares or the Board structure will not constitute a variation of the rights attaching to the B Class Shares and will be solely determined by the A Class Shareholders.

ASX LISTING RULES

The ASX has its own listing rules, which are different to the listing rules of the NSX

MATERIAL CHANGES FOR A AND B CLASS SHAREHOLDERS

MATTER	NSX	ASX
Appropriate structure for listing	▶ No requirement to review SunRice's dual class structure or Board composition	▶ Disclosure in sixth and tenth annual reports after Listing, and in every third annual report thereafter, whether SunRice has considered removing its "non-standard elements"
Continuation of B Class Shareholding Limit	▶ No requirement to review or renew the B Class Shareholding Limit	▶ The continuation of the B Class Shareholding Limit (10%) to be approved by A Class Shareholders at tenth AGM after Listing and each third AGM thereafter by 50% approval ▶ Importantly, if approval is not granted, the 10% cap will remain in place in the Constitution until A and B Class Shareholders can agree (via a 75% majority vote) on a different cap
Issue of additional B Class Shares in excess of 15%	▶ A Class Shareholder approval is required to issue more than 15% of B Class Shares in any rolling 12-month period. B Class Shareholder approval is not required	▶ B Class Shareholder approval will be required to issue more than 15% of B Class Shares in any rolling 12-month period (with exceptions). A Class Shareholder approval will not be required*
Issue of A Class Shares	▶ No approval is required from A or B Class Shareholders	▶ No change (subject to the issue not resulting in a person acquiring a voting power in A Class Shares of more than 10% or breaching the A Class Shareholding Limit)

**A Class Shareholder approval will not be required for the issue of B Class Shares (subject to the issue not resulting in a breach of the B Class Shareholding Limit or a person acquiring voting power in B Class Shares of more than 10%) unless the issue is to a related third party.*

ASX LISTING RULES

The ASX has its own listing rules, which are different to the listing rules of the NSX

MATERIAL CHANGES FOR A AND B CLASS SHAREHOLDERS

MATTER	NSX	ASX
Major or significant transactions	▶ If required by NSX, A Class Shareholder approval is required for any significant change to the nature or scale of SunRice's activities	▶ If required by the ASX, both A and B Class Shareholder approval is required. SunRice cannot dispose of its main undertaking without both A and B Class Shareholder approval
Issuing of B Class Shares to a related party	▶ A Class Shareholder approval is required if SunRice wishes to issue B Class Shares to related parties (subject to exceptions)	▶ Both A and B Class Shareholder approval will be required for the issue of B Class Shares to a related party, such as SunRice Directors (subject to exceptions)
Directors' participation in employee incentive scheme	▶ An issue of B Class Shares under an employee incentive scheme does not require Shareholder approval	▶ B Class Shareholder approval will be required for Directors to be issued B Class Shares under an employee incentive scheme
Dealing with substantial assets with a related party	▶ SunRice must not acquire or dispose of a substantial asset from or to a related party without A Class Shareholder approval	▶ Both A and B Class Shareholder approval will be required for such related party transactions**

***Except for an acquisition of Paddy on certain conditions, including that such acquisition is on identical terms as paddy acquired from arm's length growers.*

CONSTITUTIONAL CHANGES

Proposed changes can be found in your Explanatory Booklet. See:

- ▶ A summary in Section 4.5 (pages 28 – 30)
- ▶ Proposed changes marked-up in Annexure B




AS A PART OF THE ASX PROPOSAL VARIOUS AMENDMENTS ARE PROPOSED TO BE MADE TO THE EXISTING SUNRICE CONSTITUTION

- ▶ The main change to the Existing Constitution will be to remove the ownership restrictions on SunRice B Class Shares
- ▶ Other changes include increasing the B Class Shareholding Limit from 5% to 10%; adding a list of matters which are deemed to vary B Class Share rights; and proposing the addition of a Non-Grower Director to the Board, although this is separate from the ASX Proposal
- ▶ The New Constitution will also include:
 - ▶ Substantial shareholder disclosure provisions re interests in B Class Shares of 5% or more
 - ▶ Rule 5.6(d)), which explicitly states that any future changes to the criteria for holding A Class Shares or the Board structure will not constitute a variation of rights attached to the B Class Shares and will be solely determined by the A Class Shareholders
- ▶ SunRice is also proposing updating the Constitution given a review has not been undertaken for some years



CHANGE OF CONTROL TRANSACTIONS

- 
- ▶ The ASX Proposal does not change the way in which a takeover approach for SunRice* will be managed, which will remain the same as it does today
 - ▶ A takeover is most likely to involve a transaction to acquire both A and B Class Shares and make changes to the Constitution to allow it to proceed
 - ▶ A takeover proposal of SunRice may take various forms. However, due to the A Class Shareholding Limit and B Class Shareholding Limit in the Constitution, any takeover proposal for SunRice will require an amendment of the Constitution to proceed, which will require:
 - ▶ 75% majority of the votes cast in favour from A Class Shareholders; and
 - ▶ 75% majority of the votes cast in favour from B Class Shareholders.

**This refers to a takeover approach to acquire all or a majority of the A Class Shares and B Class Shares.*



EQUITY RAISING AND OTHER INVESTMENT PLANS

**Further details of SunRice's intended capital raising will be provided in due course if it proceeds, and a disclosure document for the offer will be made available when the B Class Shares are offered.*



Equity Raising

- ▶ SunRice currently has headroom for growth in its balance sheet and does not require access to new capital immediately
 - ▶ However, if the ASX Proposal is successful, a small capital raising may be considered
 - ▶ The ultimate timing, size and method of the raising will be considered by the Board based on a range of factors

Other Investment Plans

- ▶ SunRice currently has the following B Class Share plans in place, which will continue irrespective of the ASX Proposal:
 - ▶ Dividend Reinvestment Plan (DRP)
 - ▶ Grower Share Purchase Plan (GSPP)
 - ▶ Employee Share Plan (ESP)



CHAIRMAN

LAURIE ARTHUR





ADVANTAGES OF AN ASX LISTING



► FOR A CLASS SHAREHOLDERS:

- Preserving existing Control of A Class Shareholders on an ongoing basis*
- Improving ability to raise capital and support future growth initiatives
- Enhancing SunRice's ability to grow its business to increase Paddy Prices

**A Class grower shareholder control means the right of A Class Shareholders to vote at general meetings of SunRice, which gives them the right to elect Directors and approve any changes to the Constitution.*



ADVANTAGES OF AN ASX LISTING CONT.

*** It is important to note that SunRice's shares will be subject to market volatility on the ASX, business conditions and various other factors, which may result in both positive and negative movements in the market price.*



► FOR B CLASS SHAREHOLDERS:

- Expected increased liquidity and potential for increase in the share price** over time
- Improved ability to raise capital and support future growth initiatives, designed to increase Shareholder value over time
- Estate and succession planning flexibility, allowing B Class Shares to be transferred to family members or others
- Enhanced potential to use B Class Shares as collateral
- Additional protection for B Class Shareholder interests with expanded class voting rights of B Class Shares
- No adverse Australian income tax implications are anticipated



DISADVANTAGES OF AN ASX LISTING



► FOR A CLASS SHAREHOLDERS:

- Possible increased cost of entry for A Class shareholders, for the minimum B Class Share purchase
- As B Class Shares can be purchased by anyone, there is likely to be an increasing proportion of B Class Shareholders with no rice industry connection over time
- Potential for increased market scrutiny of SunRice Board and structure
- Some changes to the existing rights of B Class Shares will be required (although this may be viewed as an advantage by some Shareholders)



DISADVANTAGES OF AN ASX LISTING CONT.



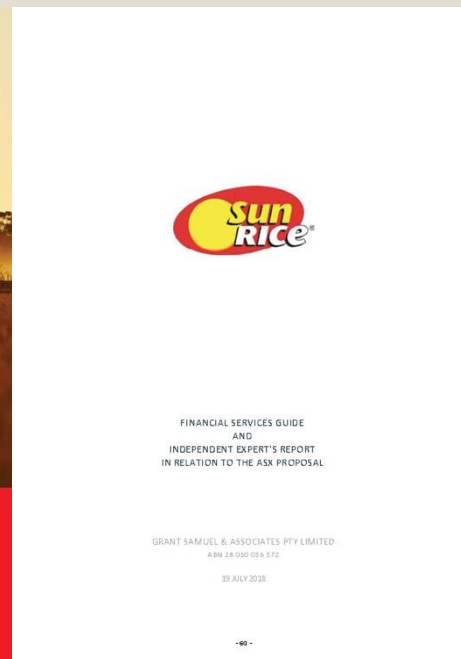
► FOR B CLASS SHAREHOLDERS:

- Potential for greater volatility in the market price of B Class Shares
- As is the case with any capital raising, potential dilution of B Class Shareholding if further B Class Shares are issued in the future
- Increased fees and administrative expenses

I.E.R. CONCLUSION

The Independent Expert has concluded that the ASX Proposal is in the best interests of the A class Shareholders and, separately, also in the best interests of the B class Shareholders

- ▶ The Independent Expert's Report is attached to Explanatory Booklet as Annexure A
- ▶ Shareholders are strongly encouraged to read it in its entirety





ASX PROPOSAL IMPLEMENTATION




TO BE IMPLEMENTED, THE ASX PROPOSAL MUST BE APPROVED BY SHAREHOLDERS AT THE ANNUAL GENERAL MEETING AND THE B CLASS MEETING, WHICH WILL TAKE PLACE IN JERILDERIE NSW ON THURSDAY, 20 SEPTEMBER 2018

- ▶ In general terms the ASX Proposal will not be implemented unless a 75% majority (by votes) of each of A Class and B Class Shareholders vote in favour of it
- ▶ All of these approvals are interdependent, meaning if one of the approvals is not obtained the ASX Proposal cannot be implemented



WHAT IF THE ASX PROPOSAL DOESN'T PROCEED

SunRice's 'Business as Usual' projected performance positions the Company well today but is subject to a range of risks if we are not well funded for the future

- 
- ▶ If the ASX Proposal is not implemented, SunRice will remain listed on the NSX with its current Constitution in place:
 - ▶ B Class Shares will continue to be restricted for estate and succession planning
 - ▶ SunRice will not gain access to equity capital via the ASX and the identified benefits of the ASX Proposal may not become available
 - ▶ The 2022 Growth Strategy would not be able to be implemented in full, limiting SunRice's ability to drive growth and build greater resilience over the long term
 - ▶ It is also possible that the current B Class Share Price would return to preannouncement levels if the Company remains listed on the NSX

AGM

DOCUMENTATION AND VOTING



TIMETABLE & KEY DATES*

EVENT	INDICATIVE DATE (LOCAL TIME APPLIES)
Explanatory Booklet and Notices of Meeting sent to Shareholders	Friday, 27 July 2018
Latest time and date by which the white Annual General Meeting Proxy Form must be received by the Share Registry	10.30am on Tuesday, 18 September 2018
Latest time and date by which the yellow B Class Meeting Proxy Form must be received by the Share Registry	10.30am on Tuesday, 18 September 2018
Time and date for determining eligibility to vote at the Annual General Meeting and B Class Meeting	7.00pm on Tuesday, 18 September 2018
Annual General Meeting to be held at Jerilderie Civic Hall, 33 Jerilderie Street, Jerilderie NSW 2761	10.30am on Thursday, 20 September 2018
B Class Meeting to be held at Jerilderie Civic Hall, 33 Jerilderie Street, Jerilderie NSW 2761	Immediately after the Annual General Meeting on Thursday, 20 September 2018
FOLLOWING THE MEETINGS	
De-listing of SunRice and B Class Shares from NSX	Before 31 December 2018
Listing of SunRice and quotation of B Class Shares on ASX	Before 31 December 2018
Effective date of the New Constitution	Same date as Listing of SunRice on ASX
<i>*Dates and times may be subject to change.</i>	



VOTING

YOUR VOTE IS IMPORTANT

- ▶ It is not compulsory to vote on the ASX Proposal, but your Directors encourage you to do so given the significance of the outcome to SunRice's future and the implications for A and B Class Shareholders
- ▶ The ASX Proposal will not be implemented unless each ASX Resolution is approved by the required majorities
- ▶ If you are in favour of the ASX Proposal you should exercise your vote in favour of each resolution at each of the applicable Meetings
- ▶ Even if you do not vote or you vote against the ASX Proposal, it will still take effect if the ASX Resolutions are approved by the requisite majorities



RESOLUTIONS



▶ ANNUAL GENERAL MEETING:

- ▶ New Constitution Resolution – Resolution 8
- ▶ B Rights Variation Resolution – Resolution 9

▶ B CLASS MEETING:

- ▶ B Rights Variation Resolution – Resolution 1
- ▶ Delisting Resolution – Resolution 2



OTHER AGM RESOLUTIONS



- ▶ Remuneration Report – Resolution 1
- ▶ Election of External Director – Resolution 2
 - ▶ The election of Ms Luisa Catanzaro following the retirement of Mr Grant Latta from the Board
- ▶ Re-Election of External Director, Mr Ian Glasson – Resolution 3
- ▶ Confirmation of Appointment of Elected RMB Members – Resolutions 4(a), 4(b) and 4(c). The appointments of:
 - ▶ a) Mr John Bradford; b) Mrs Gillian Kirkup; and c) Mr Ian Mason
- ▶ Proposed Constitution Change – additional External Director – Resolution 5
- ▶ Election of External Director, Dr Andrew Crane – Resolution 6
- ▶ Directors' participation in Grower Share Purchase Plan – Resolution 7

AGM VOTING

YOUR VOTE IS IMPORTANT

- ▶ You will be entitled to vote at the AGM if you are registered as an A Class Shareholder on the Share Register as at 7.00pm (Local Time) on 18 September 2018
- ▶ In accordance with the Constitution, B Class Shareholders will be entitled to attend, but not vote at, the AGM
- ▶ Voting at the Meetings will be by way of poll. Under the Constitution, on a poll:
 - ▶ At a general meeting, each A Class Shareholder present has one vote. If you are appointed as proxy or attorney for one or more other A Class Shareholders, you will be entitled to cast your own vote and one vote for each of the A Class Shareholders you represent



NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Members of Ricegrowers Limited (ABN 55 007 481 156) ("the Company") will be held at Jerilderie Civic Hall, 33 Jerilderie Street, Jerilderie, at 10.30am on Thursday, 20 September 2018 with registration commencing at 9.30am.

AGENDA

Ordinary Business

1. Financial Reporting

Consideration of the Financial Report, Directors' Report and Independent Audit Report for the year ended 30 April 2018.

2. Remuneration Report – Resolution 1

To adopt the Remuneration Report for the year ended 30 April 2018.

Explanatory Notes

The Remuneration Report forms part of the Directors' Report. The vote on this resolution is advisory only and will not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

Voting Notes

Voting exclusions apply. Please see the "Voting exclusion statements" section of the Notes.

3. Election of External Director – Resolution 2

To consider, and if thought fit, pass the following resolution as an ordinary resolution at the Annual General Meeting:

"That Ms Luisa Catanzaro be elected as a Director of the Company for a period of three years."

Explanatory Notes

Following the retirement of Mr Grant Latta a vacancy will exist on the Board. The Board recommends that Ms Luisa Catanzaro be elected as an External Director (being a Non-Grower Director who is not an employee of the Company). The Board is satisfied that Ms Catanzaro fulfils the qualification requirements applicable to an External Director.

Ms Catanzaro, being eligible, offers herself for election. It is proposed that Ms Catanzaro be elected for a period of three years. Ms Catanzaro's qualifications are set out below.

Ms Luisa Catanzaro BCom, FCA, GAICD

Ms Catanzaro has more than 30 years of professional experience in senior finance executive roles across a range of industries, including FMCG and agriculture sectors, and with ASX listed companies.

B CLASS MEETING



NOTICE OF B CLASS MEETING

The Class Meeting of the B Class Shareholders of Ricegrowers Limited (ACN 007 481 156) ("the Company") will be held at Jerilderie Civic Hall, 33 Jerilderie Street, Jerilderie, immediately after the conclusion or adjournment of the Annual General Meeting on Thursday, 20 September 2018 ("B Class Meeting").

AGENDA

Resolutions to implement the ASX Proposal ("ASX Resolutions"):

1. B Rights Variation Resolution

To consider, and if thought fit, pass the following resolution as a special resolution of B Class Shareholders:

"That, subject to and conditional on:

- each of the ASX Resolutions being passed; and
- the Company being admitted to the official list of the ASX,

with effect from the date on which the Company is admitted to the official list of the ASX ("ASX Listing Date"), the rights of each B Class Share be varied (so as to be as set out in the New Constitution)."

2. Delisting Resolution

To consider, and if thought fit, pass the following resolution as a special resolution of B Class Shareholders:

"That, for the purpose of NSX Listing Rule 2.25 and for all other purposes, subject to and conditional on each of the ASX Resolutions being passed, the Directors of the Company are authorised to voluntarily withdraw the listing of the Company from the official list of the National Stock Exchange of Australia in the manner described in the Explanatory Booklet accompanying this Notice of B Class Meeting."

Explanatory Notes for Resolutions 1 and 2

The "ASX Resolutions" comprise Resolutions 1 and 2 in this Notice of B Class Meeting and Resolutions 8 and 9 in the accompanying Notice of Annual General Meeting. All of the ASX Resolutions are interdependent and will not take effect unless each of the other ASX Resolutions is passed. Information relevant to the ASX Resolutions is set out in the Explanatory Booklet.

YOUR VOTE IS IMPORTANT

- ▶ You will be entitled to vote at the B Class Meeting if you are registered as a B Class Shareholder on the Share Register as at 7.00pm (Local Time) on the 18 September 2018
- ▶ Voting at the Meetings will be by way of poll. Under the Constitution, on a poll:
 - ▶ At a class meeting of B Class Shareholders, each B Class Shareholder present (in person, or by proxy, attorney or corporate representative) has one vote for each B Class Share held

HOW TO VOTE

YOUR VOTE IS IMPORTANT

► Detailed information can be found in Voting Information Schedule:

- Voting in person
- Voting by proxy
- Voting through your attorney
- Other arrangements

SUNRICE ASX PROPOSAL: VOTING INFORMATION SCHEDULE

Entitlement to vote

Annual General Meeting

In accordance with Regulation 7.11.37 of the Corporations Regulations 2001 (Ch) (Corporations Regulations), the Board has determined that the time as at which a person will be recognised as an A Class Shareholder for the purposes of voting at the Annual General Meeting is 7.00pm (Local Time) on Tuesday, 18 September 2018.

Only holders of the A Class Shares registered at that time will be entitled to attend and vote at the Annual General Meeting, either in person, by proxy or attorney, or in the case of a corporate A Class Shareholder, by a body corporate representative. Accordingly, transfers registered after this time will be disregarded in determining entitlements to vote at the Annual General Meeting.

You will be entitled to vote at the Annual General Meeting if you are registered as an A Class Shareholder on the Share Register as at 7.00pm (Local Time) on 18 September 2018.

In accordance with the Constitution, B Class Shareholders will be entitled to attend, but not vote at, the Annual General Meeting.

B Class Meeting

In accordance with the Corporations Regulations, the Board has determined that the time as at which a person will be recognised as a B Class Shareholder for the purposes of voting at the B Class Meeting is 7.00pm (Local Time) on Tuesday, 18 September 2018.

Only holders of the B Class Shares registered at that time will be entitled to attend and vote at the B Class Meeting, either in person, by proxy or attorney, or in the case of a corporate B Class Shareholder, by a body corporate representative. Accordingly, transfers registered after this time will be disregarded in determining entitlements to vote at the B Class Meeting.

You will be entitled to vote at the B Class Meeting if you are registered as a B Class Shareholder on the Share Register as at 7.00pm (Local Time) on the 18 September 2018.

How to vote

You may vote at either Meeting (at which you are entitled to vote) by:

- Attending the Meeting and voting in person;
- Appointing one proxy to attend the Meeting and vote on your behalf, using the corresponding proxy form that accompanies this Explanatory Booklet;
- Appointing one attorney to attend the Meeting and vote on your behalf, using a power of attorney; or
- In the case of a corporate Shareholder, appointing a corporate representative to attend the Meeting and vote on your behalf, using a certificate of appointment of corporate representative.



VOTING BY PROXY

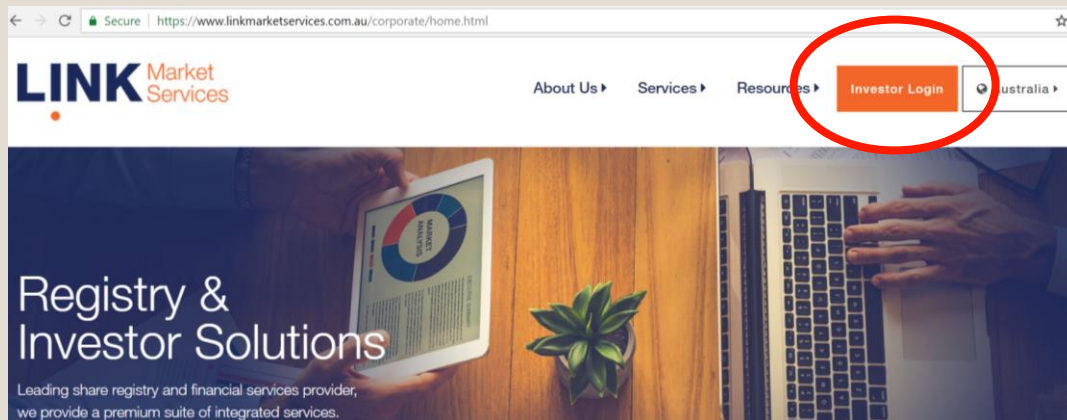
////////////////////
YOUR VOTE IS IMPORTANT

- ▶ If you are not able to attend a Meeting but still wish to vote, you can do so by appointing a proxy to attend and vote on your behalf at that Meeting:
 - ▶ Use the white proxy form for the Annual General Meeting
 - ▶ Use the yellow proxy form for the B Class Meeting
- ▶ A proxy need not be another Shareholder
- ▶ Proxy forms can also be passed to a Director or other SunRice representative to pass on to the Company or Share Registry
- ▶ In order for the appointment of a proxy to be valid, it **MUST** be lodged with the Share Registry by no later than 10.30am (Local Time) on 18 September 2018 for both meetings

ONLINE PROXY LODGEMENT

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YOUR VOTE IS IMPORTANT

- ▶ The online voting facility will open on Friday, 10 August 2018
- ▶ Click on the link in your personalised email OR visit www.linkmarketservices.com.au
- ▶ Shareholders will need to login using the holding details as shown on the relevant proxy form



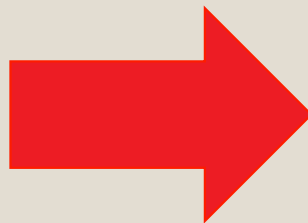
ONLINE PROXY LODGMET

YOUR VOTE IS IMPORTANT

- ▶ Select “Voting” and follow the prompts to lodge your vote:
 - ▶ Shareholders will need their Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form)
- ▶ The deadline for online voting is the same as for other proxy voting forms: 10.30am (Local Time) on Tuesday, 18 September 2018

The screenshot displays two login options on a white background. On the left is the 'Portfolio Login' section, which includes fields for 'Email' and 'Password', a link for 'Forgotten password?', and an orange 'Login' button. On the right is the 'Single Holding Login' section, which is circled in red. This section includes fields for 'Issuer Name', 'HIN/SRN' (with a help icon), 'Postcode' (with a link for 'Outside Australia'), and 'Security Code'. Below the 'Security Code' field, the number '5818' is displayed next to a camera icon. The text 'View single holding by entering all your details.' is positioned above the input fields.

LODGMET OF A PROXY FORM



LINK Market Services

Holdings Payments & Tax Communications Voting Forms

Voting

Meeting name: RICEGROWERS LIMITED TRADING AS SUNRICE - ANNUAL GENERAL MEETING

Holder: [REDACTED]

Voting Type

Select whether you would like to lodge a full, or a partial vote:

- ☒ I/We wish to vote ALL my/our securities on each resolution.
- ☐ I/We wish to specify the number of votes to be voted on for each resolution.

[Back](#) [Cancel](#) [Next](#)

LINK Market Services

Holdings Payments & Tax Communications Voting Forms

Voting

Meeting name: RICEGROWERS LIMITED TRADING AS SUNRICE - ANNUAL GENERAL MEETING

Holder: [REDACTED]

Voting Directions

Your Vote: If you vote "OPEN" below, your appointed proxy will vote solely at his/her discretion.

Important for Resolutions 1 & 7: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 & 7, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP) or Directors' participation in the GSPP.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

Resolutions	For	Against	Abstain	Open
1 ADOPTION OF REMUNERATION REPORT	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
2 ELECTION OF EXTERNAL DIRECTOR, MS LUISA CATANZARO	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
3 ELECTION OF EXTERNAL DIRECTOR, MR IAN GLASSON	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
4A CONFIRMATION OF APPOINTMENT OF ELECTED RMB MEMBER MR JOHN BRADFORD	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
4B CONFIRMATION OF APPOINTMENT OF ELECTED RMB MEMBER MS GILLIAN KIRKUP	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
4C CONFIRMATION OF APPOINTMENT OF ELECTED RMB MEMBER MR IAN MASON	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
5 PROPOSED CONSTITUTION CHANGE ADDITIONAL EXTERNAL DIRECTOR	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
6 ELECTION OF EXTERNAL DIRECTOR DR ANDREW CRANE	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
7 DIRECTORS' PARTICIPATION IN THE CROWTHER SHARE PURCHASE PLAN (GSPP)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
8 NEW CONSTITUTION RESOLUTION	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
9 B RIGHTS VARIATION RESOLUTION	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

* Note if you have already lodged your vote, this vote will override it.

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LODGMET OF A PROXY FORM



LINK Market Services

Holdings Payments & Tax Communications Voting Forms

Voting

Meeting name: RICEGROWERS LIMITED TRADING AS SUNRICE - ANNUAL GENERAL MEETING

Holder: [REDACTED]

Proxy Appointment

☒ I/We wish to appoint the CHAIRMAN OF THE MEETING.

☐ I/We wish to appoint another person to vote on my/our behalf at the meeting.

If you wish to appoint a second proxy holder please contact us.

I/We appoint the nominated proxy holder stated above to act as my/our proxy, and vote on my/our behalf.

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LINK Market Services

Holdings Payments & Tax Communications Voting Forms

Voting

Meeting name: RICEGROWERS LIMITED TRADING AS SUNRICE - ANNUAL GENERAL MEETING

Holder: [REDACTED]

Confirm

Please confirm that the details you have provided are correct before you complete this transaction. Your proposed voting directions for each resolution are shown below:

Your Vote

Appointed Proxy Holder: CHAIRMAN OF THE MEETING

Votes Available: 1

Total votes for this voting instruction: 100%

Resolutions	For	Against	Abstain	Open
1 ADOPTION OF REMUNERATION REPORT				✓
2 ELECTION OF EXTERNAL DIRECTOR, MS LUISA CATANZARO				✓
3 ELECTION OF EXTERNAL DIRECTOR, MR IAN GLASSON				✓
4A CONFIRMATION OF APPOINTMENT OF ELECTED RMB MEMBER MR JOHN BRADFORD				✓
4B CONFIRMATION OF APPOINTMENT OF ELECTED RMB MEMBER MS GILLIAN KIRKUP				✓
4C CONFIRMATION OF APPOINTMENT OF ELECTED RMB MEMBER MR IAN MASON				✓
5 PROPOSED CONSTITUTION CHANGE ADDITIONAL EXTERNAL DIRECTOR				✓
6 ELECTION OF EXTERNAL DIRECTOR DR ANDREW CRANE				✓
7 DIRECTORS' PARTICIPATION IN THE GROWER SHARE PURCHASE PLAN (GSPP)				✓
8 NEW CONSTITUTION RESOLUTION				✓
9 B RIGHTS VARIATION RESOLUTION				✓

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SUMMARY AND NEXT STEPS



**SHAREHOLDERS ARE ENCOURAGED TO HAVE THEIR SAY IN THE
FUTURE OF SUNRICE BY ACTIVELY VOTING AT THE AGM AND B
CLASS MEETING ON 20 SEPTEMBER**

- ▶ If you haven't received your ASX Proposal documentation, including Explanatory Booklet, Notices of Meetings, Voting Schedule and personalised Proxy forms, contact:
 - ▶ **Link Market Services: 1800 237 764**
- ▶ We encourage you to read all of these documents in full, ask questions and seek your own financial and professional advice before deciding on how to vote
- ▶ Access the latest information on the ASX Proposal via:
 - ▶ **www.sunrice.com.au/ASX**
 - ▶ **Information Line: 1800 020 806**
 - ▶ **Chairman: 0428 500 232**



QUESTIONS & ANSWERS



- ▶ Laurie Arthur, Chairman, SunRice Group
- ▶ Rob Gordon, CEO, SunRice Group
- ▶ Li-Jean Chew, Partner, Addisons



THANK YOU



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1800 020 806