

2 June 2026

NSX Announcement

Operational Update on Insourcing Program

Sugar Terminals Limited (STL, NSX:SUG) is progressing the transition of terminal operations from Queensland Sugar Limited (QSL) ahead of the planned commencement of STL-operated activities on 1 July 2026.

The insourcing program remains on schedule. As at 22 May 2026, the overall program was approximately 60% complete with Management's latest risk review identifying no extreme or high residual risks at program level.

Workforce transition is progressing well, with 68% of full-time employees accepting roles with STL so far and at this point none of the team have indicated they will not be accepting roles.

Across the core Phase 1 streams, work has progressed satisfactorily and we have no medium or high-risk items at this point.

Key activities currently underway include:

- implementation of the operational and corporate systems required for STL to operate the terminals;
- employee engagement and completion of employment offers;
- putting in place supplier and service agreements needed for ongoing operations, including transition of existing arrangements where required;
- finalisation of the operational processes, procedures and supporting documentation;
- readiness planning across STL's terminals and support functions.

STL remains focused on delivering a safe, orderly and low-risk transition that maintains operational continuity across the terminals and supports the most cost-effective and efficient outcome for industry.

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Our purpose is to be a sustainable, globally competitive provider of storage and handling solutions for bulk sugar and other commodities.

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