

2016 SunRice Update

Laurie Arthur, SunRice Chairman
Rob Gordon, SunRice CEO

6 – 9 June 2016



Agenda

- SunRice FY16 (C15) guidance
- World markets
- Capital Restructure
- Your questions and comments



FY16 Business performance

- FY16 (C15) results to be announced in June 2016
- Challenging trading environment and market conditions during the second half of FY16
- Excellent domestic and international consumer market sales demonstrate SunRice's ability to leverage brand strength
- Subject to audit, strong financial performance in line with last year anticipated
- SunRice remains well positioned for the future, but anticipates a more challenging year in FY17



FY17 (C16) Outlook

- Challenging trading environment in world rice markets
- Impacts in dairy industry likely to affect domestic sales for CopRice
- Potential PNG issues continue to be closely monitored, including:
 - Exchange rate movements (Kina has declined almost 20% against the US\$ since Jan 2015)
 - Government policy changes
 - Overall macroeconomic outlook
- PNG Kina liquidity issues have the potential to materially impact SunRice's business in PNG in FY17:
 - E.G. A sudden Kina devaluation is likely to considerably reduce trading margins and reduce the intercompany receivable from Trukai to SunRice



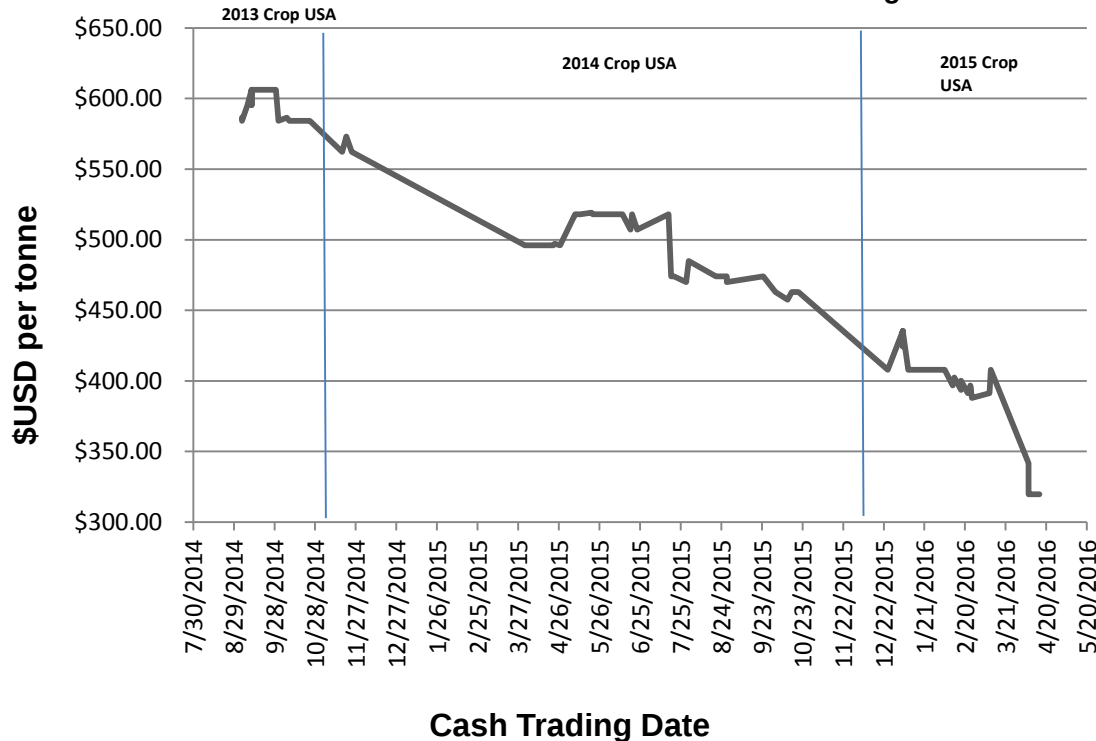
Track record of delivery

- Strong track record of accurate market guidance for A and B Class Shareholders
- Demonstrated ability to balance the needs of both shareholder classes since converting to a company in 2005 and listing on the NSX in 2007
- Between FY12 (C11) and FY15 (C14):
 - 110% increase in earnings per B Class Share and 72% dividend appreciation
 - 44% increase in paddy price paid per tonne for Reiziq
- Board continues to pursue strategies to increase value to all shareholders



C16 Global pricing – Medium Grain

California
21-Month Cash Paddy Prices
Cash Rice Network / Cal Rice Exchange



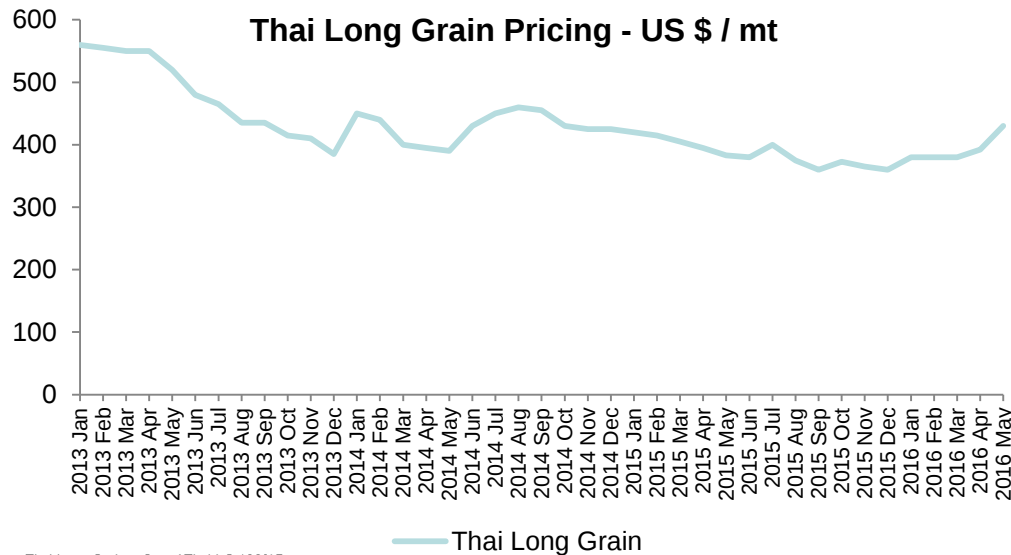
Note: Cash price does not include storage and drying costs, which are deducted from this amount

Source: SunRice

- Japonica surpluses still exist in China and Taiwan
- US MG prices have halved since mid 2014
- Spot paddy cash prices continue to trade at lowest level of the US marketing year
- Drought-breaking rains are boosting anticipated planted area
- US growers are also being required to move or sell old stock by storage sheds and banks
- April-May paddy sales pricing estimated to be \$60-75 per tonne under the Californian cost of production
- Egypt has switched from exporting to importing ahead of Ramadan



C16 Global pricing – Long Grain



*Creed Thai LG 100% B

*Selling prices listed are in U.S. dollars per tonne and for Finished Product tonnes (includes costs for milling and yield losses, packing, distribution and administrative charges)

- 2016 Thai rice export projections revised from 10 to 9 million metric tonnes due to drought
- Prices have increased due to dwindling stockpiles and the effects of El Niño
- 74 of the country's 77 provinces are drought-affected, with dry conditions set to continue until the monsoon season starts
- In April, paddy supplies tightened as exporters covered a sale of 130,000 metric tonnes to China
- Bullish sentiment encouraged by news that off-season crop production is expected to be reduced by up to 60%



World markets outlook

- A more challenging trading environment, particularly for Medium Grain as prices come off
- Conversely, Thailand's drought is driving Long Grain prices up
- Lower Riverina production has resulted in intensified global sourcing activities for SunRice
- Riverina paddy pricing will continue to be impacted by global supply and demand mechanics and SunRice's business needs



Capital Restructure update

- The Capital Restructure is designed to equip SunRice and all growers and shareholders for the future, enabling the company to:
 - Invest for growth;
 - Better manage business risk; and
 - Have greater resilience to benefit all growers and shareholders
- Significant time and resources have been invested to develop a structure that enables SunRice to realise these outcomes while preserving both:
 - Existing grower shareholder control; and
 - Existing economic rights of SunRice B Class investor shareholders



Capital Restructure update

- Timing is being impacted by developments with a joint venture (JV) partner, which recently decided SunRice's proposed Capital Restructure justifies its own review of JV arrangements
- SunRice is working cooperatively on the review, which is in no way impacting on the JV's trading operations
- We will be progressing with the Capital Restructure once the JV issue is resolved
- The timetable for any vote will now also take into account the need to re-establish the strong support received from growers and shareholders to date, particularly in light of recent developments in the dairy industry
- The Board remains firmly committed to the success of the Capital Restructure and its ability to deliver a strong future for SunRice and all shareholders



QUESTIONS

