



Milling Operations Strategy Committee Charter

1. INTRODUCTION

The Board of Directors of Mackay Sugar Limited and its wholly owned subsidiaries has established a Milling Operations Strategy Committee. This document represents the Charter of the Committee as adopted by the Board.

2. ROLE AND RESPONSIBILITIES

2.1 The objective of the Milling Operations Strategy Committee is to provide oversight to the Milling Operations staff in:

2.1.1 The development and execution of operational strategies and policies to direct the Milling Operations for the Company.

2.1.2 Oversight of strategic capital planning activities for the Milling Operations of the Company

2.2 The Milling Operations Strategy Committee is a Committee of the Board and has no independent authority and must report its findings and recommendations directly to the Board.

2.3 The functions of the Milling Operations Strategy Committee do not relieve the Board from any of its responsibilities.

3. MEMBERSHIP

3.1 The Committee will be appointed by the Board and shall consist of two non-executive Directors and independent consultants as required. This will be determined by the Board as the need arises.

3.2 The Committee will appoint the Chairman of the Committee.

3.3 In addition to the members of the Committee, any other Directors wishing to be present are entitled to attend Committee meetings in an ex officio capacity.

3.4 The General Manager - Milling Operations and General Manager - Mossman Mill are required to attend meetings and other staff may be invited to attend at the invitation of the Committee.

4. MEETINGS

4.1 The Committee, subject to availability of members, will meet monthly during the crushing season or as required by the Committee.

4.2 A quorum for any meeting will be at least two Directors (or designates) together with the General Manager - Milling Operations and General Manager - Mossman Mill.

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- 4.3 The meetings will utilise video and teleconferencing facilities to ensure the participation of all Committee members.
 - 4.4 The Committee may extend an invitation to any person to attend all or part of any meeting which it considers appropriate. In particular the Committee may meet with independent experts, any executive or other employees.
 - 4.5 The Secretary will issue a notice of meeting confirming the date, time and agenda to each member of the Committee in the week prior to the date of the meeting.
 - 4.6 The Company Secretary will act as Secretary to the Committee and will prepare minutes of all Committee meetings. A copy of the minutes as approved by the Chairperson will be included in the papers for the next meeting of the Board.

5. TERMS OF REFERENCE

- 5.1 Review and report to the Board regarding operational strategy development and implementation quarterly.
- 5.2 Provide oversight to the Milling Operations staff's execution of the Mackay Sugar operational strategy.
- 5.3 Recommend to the Board an annual capital plan to achieve the operational strategy in place for the Company.
- 5.4 Review and make recommendations to the Board in relation to milling operations, and the cogeneration plant as appropriate.
- 5.5 Consider and report to the Board on such matters as the Board may refer to the Committee from time to time.

6. REPORTING

- 6.1 The Chairman of the Committee will provide a verbal report to the Board at the earliest possible Board meeting after each Committee meeting.
- 6.2 The Committee shall prepare and submit to the Board any additional reports as appropriate.

7. REVIEW OF CHARTER

The Committee must review the Charter annually to ensure that it remains consistent with the Committee's authority, objectives and responsibilities.

8. SELF ASSESSMENT

The Committee will assess its effectiveness annually and report its findings to the Board.

19 October 2017