



18 February 2014

Grower Support Schemes - 2014

For a number of seasons, Mackay Sugar has offered grower support schemes that support the objective of increasing cane supply through increased area under cane. The Board has, for 2014, approved a Plant Loan Scheme and Secure the Future scheme (a forward fixed pricing scheme), for the planting of new cane land.

In addition, the scope of the Plant Loan Scheme and Secure the Future have been expanded and will be available for planting of existing cane land that has been underperforming and that can demonstrate a clear change in management such as a sale or lease. This is a productivity initiative that is aimed at raising productivity from the existing grower group.

Details for these schemes are as follows:

1. Plant Loan Scheme

Mackay Sugar has offered this scheme to growers for a number of seasons. This is an interest free loan of \$2,500/ ha for planting of:

- New land to cane (defined as land that has been out of cane for at least two seasons) and
- Existing cane land where there has been a clear change in management (such as a sale, lease or other acceptable documented change) and the farm is yielding 20% below the zone average.

The loan is repayable over three seasons from cane proceeds.

2. Secure the Future – Forward Pricing

Secure the Future offers growers a fixed price for four seasons. For planting in 2014, Mackay Sugar has secured a forward price of \$470/ tonne IPS, payable for (the sugar equivalent of) 80 tonnes cane per hectare. Secure the Future is available for the planting of:

- New land to cane (defined as land that has been out of cane for at least two seasons) and
- Existing cane land where there has been a clear change in management (such as a sale, lease or other acceptable documented change) and the farm is yielding 20% below the zone average.

How to be part of the schemes

Should you wish to participate in any of these schemes, please request an application form from:

- P.O Box 5720, Mackay Mail Centre, Mackay, Qld, 4741; fax to 4953 8341; email to d.armstrong@mkysugar.com.au or contact David Armstrong on 4953 8588

Please submit the completed application form by the 31 July 2014.

What to expect once your application has been submitted

- Once Mackay Sugar receives your application, we will confirm approval of the application and send you a Plant Verification Form which you need to complete and return to Mackay Sugar after you have planted.
- When you have planted eligible areas of land which you wish to obtain loan assistance on, mail, fax or email your completed Plant Verification Form to the above contact details. You can do this monthly or when your planting is finished.

- Mackay Sugar will then verify that the cane is planted and the loan money will be paid via your cane payment account as soon as the form is processed.

It is important to note that your approved application does not commit you to borrow the money; it merely sets up the facility so that loan money will be available when the cane is planted.



Quinton Hildebrand
Chief Executive Officer