



1 June 2018

CIRCULAR TO GROWERS AND SHAREHOLDERS

Start of Crush at Mackay Mills

As I mentioned earlier in the year, we are continuing to struggle to have sufficient trades labour to put the equipment back together, particularly at Marian and Racecourse. We are getting there but not as quickly as we would like. Our people have been working a lot of overtime over the last few weeks to help but there is a limit as to how many hours people can work safely. We are moving people between the mills to help in specific areas.

Nine harvester groups at Marian and two at Farleigh have advised us they have not started because they are still struggling to finish harvester maintenance because of late delivery of parts. Two other groups have not started for unknown reasons. The groups cutting are getting extra bins to keep the supply up, and all Racecourse groups have confirmed they are ready to go next week.

Growers should check the harvesting for cane cleanliness. This will assist as bin weights are down 5% or so in the Farleigh area partly because of trash levels. At Marian the large bins usually average around 12 tonnes or more but are only averaging 10 tonnes. When we get to full rate this will constrain crushing rates if it stays where it is because of the need for extra cane transport and limits on tipping rates at the mills.

PRS is rising so that is positive! The average yesterday was around 10.8. Farleigh is starting to pick up in rate and reliability as the initial issues have been resolved. Marian A side has also been having some steady runs.

As of today, the plan going forward is:-

Marian

- Finish mechanical and electrical/instrument work on B side crushing train.
- Conduct the final preseason checks for B side.
- Possibly crush some cane on B side over the weekend, with A side off, and then finish the final fixes on B side.
- Aim to have both sides running some time Monday. If all goes to plan we will need more harvesters up and running to maintain crushing early next week.

Racecourse

- In steam trials so far the turbine overspeed tests are complete and there is further preseason work to complete.
- Thorough steam trials and commissioning will continue over the weekend and Monday using bagasse for the first time this year.
- Aim to start crushing Tuesday morning.

Farleigh

- Resolving some issues at the pan stage and are building up the crystal numbers to get to full rate.
- Progressively adjusting protection settings on the turbo generators (3.3kV) now that we have new modern protection systems in place.
- Other than these items Farleigh is crushing okay.

We are looking forward to working with everyone to safely remove the total crop.

A handwritten signature in black ink, appearing to read 'Mark Day', with a stylized, cursive script.

Mark Day
EXECUTIVE CHAIRMAN AND CEO