



1 February 2019

Dear Grower

## **Welcome to grower choice for sugar marketing**

For the 2019 Season, Mackay region growers can choose who markets their GEI sugar. Mackay Sugar now has agreements in place with both of the current marketers, Mackay Sugar's mill-owned marketer QCS, and QSL.

You now have the option to nominate your marketer. You can choose 100% of your GEI sugar to be marketed by one marketer or you can split your economic interest between marketers on a percentage basis. It is up to you.

You also have a third option. You do not have to nominate a marketer. **You can do nothing and leave the marketing with your own Mackay-Sugar owned marketer, QCS.**

Mackay Sugar is still working with Nordzucker to recapitalise Mackay Sugar. Nordzucker wants to see Mackay Sugar's marketing company, QCS, continue into the future so that there is continuity of this service for Mackay growers.

We believe that we have a very strong, experienced marketing team, and they have proven that with their comparative results last season. The enclosed fact sheet outlines some of the benefits of marketing with QCS. One of the benefits is that we have an attractive contract to supply raw sugar direct to the sugar refinery at Racecourse Mill. This arrangement significantly reduces some of the raw sugar transport and storage costs and these savings are shared with growers who commit to Mackay Sugar.

QCS will be in touch with more information about the 2019 Season options. I encourage you to talk with the QCS team - it's worth taking the time to carefully consider the offers available to you.

If you would like to discuss any aspect of GEI marketing with the QCS team, please call 1800 774 246 or email [info@qcs.com.au](mailto:info@qcs.com.au). You can also visit [qcs.com.au](http://qcs.com.au) to find out more.

The closing date for nominations of a marketer is 5 March 2019.

Yours sincerely

Mark Day  
EXECUTIVE CHAIRMAN and CEO

## Why choose QCS for your GEI sugar marketing?

For the 2019 Season, growers in the Mackay region can choose who markets their GEI Sugar.

GEI marketing nominations close on 5 March 2019.

**You don't have to do anything if you want to market with Mackay Sugar via QCS.**

### WHY MARKET YOUR GEI SUGAR WITH QCS?

QCS is your Mackay Sugar Limited GEI marketing services provider. Up until the introduction of grower choice, QCS has been pricing your sugar in the Short Term Pool and via forward pricing options (for the last 15 years).

	<b>INDUSTRY-BEST RETURNS</b>	<b>QCS' 2017 season returns to growers were AUD 45 per IPS tonne of sugar (AUD 6 per tonne of cane) above those of QSL and significantly above those of most other GEI marketers in Australia.</b>
	<b>ACCESS TO THE DOMESTIC MARKET</b>	Mackay Sugar's long-term domestic supply contract with Sugar Australia <b>delivers substantial freight cost savings</b> to growers.
	<b>SIMPLE, FLEXIBLE FORWARD PRICING</b>	Our forward pricing options are <b>flexible &amp; simple</b> to manage. We don't ask you to work out contract expiries or price specific amounts, & tonnage is not committed until priced.
	<b>PRICING EXPERTISE</b>	Our pricing strategy is designed to deliver <b>the best results</b> in Australia, with proven execution and experience in sugar and foreign currency management.
	<b>WORLD-CLASS RISK MANAGEMENT</b>	QCS' pricing expertise is underpinned by a price risk management strategy that <b>delivers strong pool returns, complemented by a low risk profile.</b>

### FIND OUT MORE

Call us for a chat, or read the details of the QCS pooling and pricing options on our website.

Once GEI marketing nominations close on 5 March 2019, you will be able to choose pooling and pricing options for the sugar you have nominated to QCS as a GEI marketer.

#### CONTACT QCS

# GEI Sugar Marketer Nomination Form

As the Cane Supply and Processing Agreement (CSPA) signatory for the Grower and ABN below, I hereby instruct Mackay Sugar Limited to apply the following GEI Sugar marketing nomination.

Name of Grower: \_\_\_\_\_

ABN: \_\_\_\_\_

## GEI SUGAR MARKETER ALLOCATION

GEI Sugar Marketer	2019 Season allocation %	2020 Season allocation %	2021 Season allocation %
Mackay Sugar Limited via Queensland Commodity Services (QCS)	%	%	%
Queensland Sugar Ltd (QSL)  QSL PAYMENT ARRANGEMENTS:  If marketing with QSL, please choose <b>one</b> of the following payment options.  <input type="checkbox"/> I wish to continue to receive my QSL Advances payments via Mackay Sugar  <b>OR</b> <input type="checkbox"/> I wish to receive my QSL Advances payments directly from QSL	%	%	%
Other GEI Marketer: Name: _____	%	%	%
<b>TOTAL GEI sugar</b> (should equal 100%)	%	%	%

*Note: Your GEI Sugar allocation must total 100% for each season. Any unallocated tonnage will be marketed by the default marketer (i.e. your previous marketer).*

## AUTHORISATION

Name: \_\_\_\_\_

Postal address: \_\_\_\_\_

Email: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Please return this form to:**

**Email:** info@mkysugar.com.au

**Fax:** 07 4953 8340

- **Post:** PO Box 5720, Mackay Mail Centre QLD 4741
- **Hand deliver:** Any MSL mill or business centre