

2017 MARKETING CHOICE

22 May 2017

By Greg Beashel, QSL Managing Director and CEO

Dear Grower,

I am pleased to announce that QSL and Wilmar today signed the long-awaited On-Supply Agreement (OSA) which delivers QSL Marketing Choice to Wilmar Growers.

As we enter the new era of Marketing Choice for Wilmar Sugar Growers, I'd like to thank the many Growers who have steadfastly supported QSL during what has been a protracted and frustrating OSA negotiation process. We appreciate that this support has often come at great cost to you – both financially and emotionally – and that has not been lost on the QSL team, nor is it taken for granted.



Greg Beashel, QSL Managing Director and CEO

We also appreciate that some Wilmar Sugar Growers keen to use QSL's services in 2017 were unable to wait for the arrival of QSL Marketing Choice and have instead undertaken pricing with Wilmar. We sincerely hope these Growers will consider using our services in the future. Should they wish to novate pricing to QSL, they should contact their miller as soon as possible to discuss the process involved. QSL will not charge a fee for this service, but other costs may be involved and deadlines apply.

NEXT STEPS

So if you're a Wilmar Sugar Grower, how do you now access the Marketing Choice you've fought so hard to get?

1. You need to have a Grower Pricing Agreement (GPA) with QSL: These are now being issued to Wilmar Sugar Growers who have completed our Pre-Registration Form. If you have not already done so, please complete the pre-registration form available on the Wilmar Growers section of our website (www.qsl.com.au) or visit your local QSL office.
2. You need to choose QSL as your marketer within your CSA: When completing the CSA process, Wilmar Sugar Growers will be asked to nominate a GEI Sugar Marketer and allocate a percentage of your production to that marketer. If you only want to use QSL for pricing services, you need to choose QSL as your GEI Sugar Marketer and allocate 100% to your GEI Sugar production to QSL within your CSA. Please see your local collective for details regarding your CSA arrangements.

Visit www.qsl.com.au for details



An overview of the key steps to choosing QSL and accessing our new grower pricing portal, QSL Direct, are covered in the attached Fact Sheet. Your local QSL Grower Services Team is also available to provide support and information. Their contact details are:

- Herbert River: 11 Lannercost Street, Ingham. Phone 0428 664 057.
- Burdekin: Young Street, Ayr. Phone 0429 054 330.
- Proserpine: 88 Main Street, Proserpine. Phone 0409 285 074
- Plane Creek: 36 Broad Street, Sarina. Phone 0418 978 120

Now that QSL has supply agreements in place with all Queensland Millers, we're keen to refocus all our energies on what we do best – delivering strong returns to the industry we are committed to serve. I look forward to updating you on progress in this regard and showing just why QSL was worth fighting for.

Regards,

A handwritten signature in black ink, appearing to read 'Greg Beashel', is positioned above the printed name.

Greg Beashel
QSL Managing Director and Chief Executive Officer

Visit www.qsl.com.au for details

This report contains information of a general or summary nature. While all care is taken in the preparation of this report, the reliability, accuracy or completeness of the information provided in the document is not guaranteed. Any update on marketing and pricing activity does not constitute financial product or investment advice. Past performance is not an indication of future performance, and this report should not be taken to include representations as to future matters. QSL does not accept any responsibility to any person for the decisions and actions taken by that person with respect to any of the information contained in this report.

HOW WILMAR GROWERS CHOOSE QSL FOR MARKETING AND PRICING SERVICES



1

Submit your Pre-Registration Form

- If you have not already done so, please complete and return your QSL Direct Pre-Registration Form.
- You should have received a copy of this form via email or in the mail. You can obtain another copy from the QSL website (www.qsl.com.au) or your local QSL regional office.
- Your Pre-Registration Form is used by QSL to create your Grower Pricing Agreement.

2

Submit your QSL Grower Pricing Agreement (GPA)

- The Grower Pricing Agreement (GPA) is your contract for marketing and pricing services with QSL for the 2017 Season and beyond.
- Your GPA will be emailed to you and a QSL representative will contact you to ensure you have received your GPA and explain the process moving forward.
- Please note: While your GPA will be processed when you submit it, it does not come into effect until QSL has an On-Supply Agreement in place with Wilmar Sugar and you have chosen QSL as a GEI Sugar Marketer within your CSA.

3

Nominate QSL as a Marketer of your Grower's Economic Interest in sugar (GEI Sugar) in your Cane Supply Agreement (CSA)

- When completing your CSA within the Wilmar Sugar GrowerWeb system, you need to nominate QSL as a GEI Sugar Marketer and allocate a percentage of your GEI Sugar production to QSL for marketing and pricing services.
- This GEI Sugar marketing allocation within your CSA covers all of your GEI Sugar, not just your forward or committed pricing. If you only want to use QSL for marketing and pricing services, you should assign 100% of your GEI Sugar Marketer allocation to QSL.

4

Your GPA with QSL is activated

- Upon confirmation of your GEI Sugar Marketer allocation and CSA from your Miller, QSL will activate your previously submitted Grower Pricing Agreement (GPA).
- **If you have not submitted a GPA prior to choosing QSL in your CSA, a GPA will be issued to you via email and a QSL representative will contact you to discuss the process moving forward.**
- Please note: You cannot access QSL marketing and pricing services until you have both a valid CSA and GPA in place.

5

Your new account on the QSL Direct online grower portal is now available to access your pricing options

- Once QSL has activated your GPA, you will receive an email with details of how to access the QSL Direct online portal for the first time.
- You will use the QSL Direct portal to:
 - Nominate pools
 - Place and track pricing orders
 - View production data
 - Monitor payments from QSL
- The QSL Direct User Guide details how to use the portal and will be available on the QSL website (www.qsl.com.au), with additional support available through local QSL regional offices and the QSL Direct helpline.

GEI SUGAR AND THE NOMINATION PROCESS FOR WILMAR GROWERS

When you nominate QSL as your marketer, you are choosing us to provide marketing and pricing services for an allocated proportion of your Grower's Economic Interest in sugar (GEI Sugar). Your GEI Sugar is the total tonnage that you receive payment for – generally two-thirds of the sugar produced from your crop. This means your GEI Sugar tonnage includes your Harvest Pool and US Quota tonnages as well as any other committed pricing (QSL-managed pools or grower-managed pricing) that you may choose to undertake.

Completing QSL's Grower Pricing Agreement

- In order to access QSL's pools and pricing products, you must have a Grower Pricing Agreement (GPA) with QSL. To receive your GPA, please complete the Pre-Registration form available from the QSL website (www.qsl.com.au) or from your local QSL regional office.
- Your GPA will be emailed to you and you can also return this document via email, if you choose to do so. A hard-copy version of your GPA will also be available from your local QSL regional office and can be submitted at this same office or via mail.
- Your QSL GPA will include some pre-populated information. You will be asked to check this information and complete additional fields before returning the completed document to QSL for execution. Should you require changes to this information, please contact QSL to organise for an amended GPA to be issued.

Electing your GEI Sugar Marketer

- As a Wilmar Sugar Grower, you must select QSL as a GEI Sugar Marketer and allocate a percentage of your GEI Sugar production to QSL within your Cane Supply Agreement in order to access QSL's marketing and pricing services for the 2017 Season and beyond.
- If you do not choose QSL as a GEI Sugar Marketer by Wilmar Sugar's GEI Sugar Marketer nomination deadline for the Season concerned, all of your GEI Sugar tonnes for that Season will be priced and marketed through Wilmar Sugar.
- You can nominate QSL as your GEI Sugar Marketer for one or multiple seasons.
- Even if you only want to participate in the QSL Harvest Pool, you must nominate QSL as your GEI Sugar Marketer within your Cane Supply Agreement.

- By choosing QSL as a GEI Sugar Marketer, you have access to the QSL Harvest and US Quota pools, as well as the following 2017-Season QSL Pools and Pricing Products:

- QSL Actively Managed Pool;
- QSL Guaranteed Floor Pool;
- QSL 2-Season Forward Pool;
- QSL Fixed Price Contract (grower-managed pricing product);
- QSL Target Price Contract (grower-managed pricing product);
- QSL In-Season Fixed Price Contract (grower-managed in-season pricing product);
- QSL In-Season Target Price Contract (grower-managed in-season pricing product); and
- Any other pools and pricing products QSL makes available in respect to the 2017 Season.

QSL Direct and your pricing options

- After QSL has received confirmation that you have chosen QSL as your GEI Sugar Marketer within your CSA and you have a GPA in place, you will receive an email with log-on information and instructions to access your new account on the QSL Direct online grower portal.
- If you encounter any problems during the log-on process, please call the QSL Direct helpline on **1800 870 756**.
- You must use your account on QSL Direct to make your QSL pool and pricing nominations by QSL's 2017-Season Pricing Declaration Date, to be advised by QSL upon finalisation of the On-Supply Agreement with Wilmar Sugar.
- Details of your QSL pool and pricing options are featured in the 2017-Season Pricing Pool Terms available at www.qsl.com.au. Growers should read these terms before making any pricing decisions.
- An automatic and mandatory allocation of 35% of your 2017-Season QSL tonnage allocation will be made to the 2017 QSL Harvest Pool. An additional mandatory allocation of up to 5% will be made to the 2017 QSL US Quota Pool.
- Any GEI Sugar nominated to QSL but unallocated to a QSL pool or pricing product after QSL's pricing nomination deadline will default to the QSL Harvest Pool.

FURTHER INFORMATION

For more information contact:

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