

Burdekin Region Update



JUNE 2018

LOOKING AHEAD – the 2018 crush



Paul Turnbull
Burdekin Regional Operations Manager

We have reached the end of a big maintenance season, which has seen more than \$50 million invested in capital and maintenance projects across Wilmar Sugar's four Burdekin mills.

With the start of crushing just days away, the focus now is on finalising maintenance installations and conducting trials to ensure our new and upgraded equipment runs smoothly.

As well as the large number of projects carried out at our factories over the past six months, we have installed Australia's largest raw sugar bin at Pioneer Mill. We have also invested millions of dollars upgrading our sugar rail lines to heavier axle loadings.

These projects are key elements in Wilmar's new rail freight arrangements, which will see Pacific National haul raw sugar from the Burdekin to the Port of Townsville in 88 new-

generation sugar wagons from next week.

The new sugar bin will provide an additional storage buffer for the Burdekin region and the rail upgrades will ensure the new, larger sugar wagons can operate safely on the track.

During the first few weeks of the crush, we will be working closely with our rail freight provider to commission the new equipment and refine the new train schedule.

The 2018 Burdekin crop estimate of 8.46 million tonnes is about 340,000 tonnes more than last year's total, adding an extra week to the expected season length.

Hence, a key focus this season will be making sure we are maximising crushing rates at all sites so we can achieve better daily loadings.

On a final note, I would like to commend Wilmar's Burdekin workforce and our major contractors for completing such a large body of maintenance and capital work in a safe

2018 CRUSH AT A GLANCE	
Crop estimate	8.46 million tonnes
Start date	12 June 2018
End date - Invicta, Pioneer, Kalamia	25 November 2018
Wet weather allowance - Invicta, Pioneer, Kalamia	14.5 days
End date - Inkerman	5 December 2018
Wet weather allowance - Inkerman	16 days

and efficient manner.

I look forward to an equally safe and successful crushing season.

Burdekin mills - 2018 maintenance season projects



Pioneer Mill sugar bin

Costing **\$8.5 million**, Pioneer Mill's new sugar bin was one of the biggest capital investments for the Burdekin region this year. It has a capacity of 3500 tonnes, making it the largest raw sugar storage bin in Australia. The sugar bin is nearly four times bigger than the old one, providing an important buffer in the Burdekin's overall sugar storage capacity. The extra capacity also enables a more efficient transport schedule, whereby three trains will service the Burdekin mills instead of four.

Pioneer Mill air heater

A new air heater was installed on the No. 2 boiler at a cost of **\$4 million**, replacing the old air heater that had completed its service life. This upgrade will result in better boiler efficiency. It will ensure more steam for the milling process, which will help maintain good crush rates.

Inkerman Mill pan

A new No. 1 pan has been installed at Inkerman Mill at a cost of **\$3.2 million**. The pan was fabricated in-house at the Pioneer Mill workshop and installed by the team at Inkerman Mill. The No. 1 pan is the vessel where the initial sugar crystals are grown from microscopic starter crystals. Replacement of the old pan vessel reduces the risk of failure, which would impact our daily throughputs.



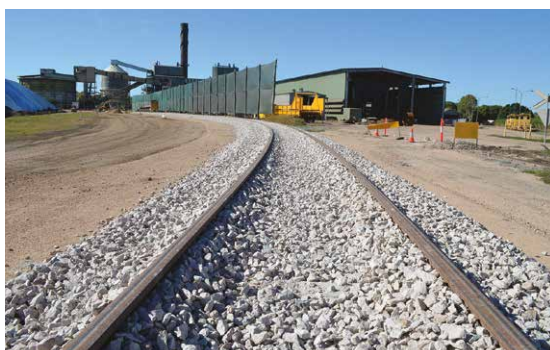
Invicta Mill milling train

Invicta Mill's A-side milling train has had **\$2 million** invested across four major projects. These include the replacement of the low-speed gearing on the No. 2 mill and upgrades to the No. 1 intermediate carrier. We've installed a new programmable logic controller (PLC) to replace ageing control system hardware, and upgraded all the control software on the A-side milling train. We have also installed a new rotary juice screen (pictured), which was manufactured in-house at Wilmar's Herbert centralised workshop.



Kalamia Mill low-speed gearing

Kalamia Mill's No. 4 low-speed gearing has been completely replaced at a cost of **\$1 million**. The new gearing, which drives one of the factory's five milling units, will help ensure reliable milling operations. The old gearing had reached end of life and was at risk of failure. Because of the long lead time needed to obtain custom-built gears of this size, the replacement was ordered last year so it could be installed ahead of the 2018 crush.



Sugar line upgrades

Wilmar is investing a total of **\$10.6 million** this year and next to upgrade the sugar rail lines at Pioneer and Kalamia mills to 20-tonne axle loading. The accelerated works program is due to the heavier axle loading of the new Pacific National sugar wagons, which will be commissioned this crush. Wilmar's total investment in sugar line upgrades will be more than **\$14 million** when the five-year program ends, demonstrating the company's commitment to keeping sugar on rail.

Loco upgrades

The Jardine and Hodel locos got major upgrades at a total cost of **\$1.9 million**. They are among four 40-tonne locos across the Wilmar group to get new Mercedes Benz engines, high-efficiency transmissions, cooling systems and control systems. The upgrades are expected to deliver fuel savings of about 33 per cent. The Jardine will be on the line for the 12 June start of crush, while the Hodel will be commissioned at the end of June. The Jerona and Cromarty will receive similar upgrades next year.

