BUSINESS UPDATE



Wednesday, 8 April 2020

Dear Grower

- This year's crop is slightly up on last year's
- We're continuing to prepare for the 2020 crush
- The first of our mills is expected to start the season on 2 June

In my first business update, I gave an assurance that we were continuing to prepare for the start of crushing, while managing the risks posed by COVID-19.

We have now finalised our pre-season crop estimates and consulted with grower collectives on proposed start dates for our eight mills.

This year's total crop is estimated at **15.07 million tonnes** - slightly up on last year's total throughput of 14.78 million tonnes.

Our regional crop estimates are:

- Herbert 4.16 million tonnes
- Burdekin 8.04 million tonnes
- Proserpine 1.62 million tonnes
- Plane Creek 1.25 million tonnes

We are planning to start crushing at **Inkerman Mill** in the Burdekin on **2 June**, with **Kalamia**, **Invicta** and **Pioneer** mills starting up a week later on **9 June**.

Crushing operations are scheduled to commence in the **Herbert** on **16 June**, **Plane Creek** on **23 June** and **Proserpine** on **30 June**.

The coronavirus pandemic has caused a level of uncertainty in the community and created new challenges for our sugar business. But we are optimistic about our ability to continue operating through this crisis and are pressing ahead with preparations for the upcoming crush.

Recruitment for 550 seasonal workers is under way. Given the heavy job losses across many industries in recent weeks, we expect to attract strong interest in the positions on offer.

We're continuing with our maintenance season program, albeit with some changes due to the COVID-19 threat. Our business continuity measures include:

- Reprioritising projects to ensure critical jobs are completed early
- Deferring projects that are non-critical
- Manufacturing components in-house to overcome challenges in sourcing parts from overseas
- Boosting our labour force hours now so we can complete the works program sooner
- Working towards an earlier commissioning of key items of plant.

I acknowledge the concern in the community about Wilmar's ability to continue operating should the COVID-19 crisis escalate and Australia go into full lockdown.

The federal government has not made any formal declarations about what industries would be considered 'essential' in this scenario. However, both the federal and state governments have made it clear that a number of key industries and their supply chains are essential in supporting the community and the economy through the current public health emergency.

Food, fuel, energy and health are being given priority along with agriculture and manufacturing.

As a producer of raw sugar, electricity, ethanol, fertiliser and stockfeed, we play a key role in the supply chains for all of these essential industries. Our mills are also important to the local communities in which we operate.

So, we continue to monitor the unfolding coronavirus situation closely. We continue to protect the health, safety and wellbeing of our employees, our contractors and our

growers. And we continue to prepare for the start of crush with a 'business as usual' mindset - under these extraordinary circumstances.

Best regards

JOHN PRATT

Executive General Manager - North Queensland

