



9 October 2017

NOTICE TO GROWERS AND SHAREHOLDERS

At this time, Mackay Sugar is able to confirm the current status of the asset sales processes underway:

1. Non-binding indicative offers were received from six parties in response to the information memorandum issued for the cogeneration assets sale.
2. Those offers included a wide range of financial offerings for the assets including the straight acquisition to sale and leaseback offers.
3. Kidder Williams has considered those offers and recommended to Mackay Sugar that the bidders should be approached to resubmit their offers based purely on the outright acquisition of the assets.
4. That process has now been finalised and the resulting bids are being reviewed.
5. There is continuing interaction with the Mossman and Tablelands growers and their advisers as to the possible sale of Mossman mill with the growers having access to the data room established as part of the due diligence process.
6. In the event that the bids do not meet the expectations of the Board for a sale, the Board has indicated previously it would be prepared to consider a capital investment in, or sale of, the entire business.

A. S. Cappello
CHAIRMAN