



Lease Subsidy - 2018

Mackay Sugar Limited (**MSL**), in order to meet the strategic objectives of the business, wishes to increase the cane supply from the Mackay area to a long term average of **5.8 million** tonnes per annum. Our average crush for the past eight seasons has been just over **5.1 million** tonnes cane and must be increased to align with MSL's strategic objectives.

Leasing is considered to be a solution to some of the issues that cause land to go out of cane production or that result in low farm productivity. In order to promote leasing and thereby increase productivity within the Mackay region, MSL is offering a lease subsidy to eligible growers.

The intention of the lease subsidy is to encourage more growers and land owners to enter into leasing transactions by bridging the gap between the lease rates sought by the lessor and the rate willing to be paid by the lessee, particularly in the first years of the lease when the farm may require additional investment by the lessee.

The Grower/ Lessee must be an MSL grower with above average yields from their existing farms. They must demonstrate an ability to scale up their operation to incorporate the leased land. There must be a change in management of the leased land to ensure increased productivity.

The Land to be leased must be approved by MSL. It must be within the MSL cane supply area and must have the potential to increase production by 20% (either measured against the zone average or against the lands production potential).

The **Lease Subsidy** will be a percentage of gross proceeds and agreed between MSL and the Grower who is leasing land. It will be for a maximum of three seasons and must achieve the MSL objective of increasing productivity.

Mackay Sugar would like to hear from anyone interested in leasing out land or those looking to increase the size of their farming operation.

Please complete the attached Lease Subsidy Enquiry Form (Page 2)

LEASE SUBSIDY ENQUIRY FORM – 2018

1. GROWER/ LESSEE DETAILS

Name: _____

Farm No/s: _____

ABN: _____

Telephone No: _____ Mobile No: _____

Email address: _____

2. LEASE LAND DETAILS

Owner Name: _____

Farm No/s (if available): _____

Lot No/s if available): _____

Telephone No: _____ Mobile No: _____

Email address: _____

Cane area (current): _____ ha

Cane area (potential): _____ ha

Yield potential: _____ tc/ha

3. LEASE DETAILS (Proposed/if available)

(a) Commencement Date: _____

(b) Lease duration: _____ years

(c) Lease type: Percentage of gross proceeds or,
Fixed - \$/ ha or annum:

(d) Land owner asking: _____ %

(e) Grower offering: _____ %

Enquiries can be submitted to:

Harvest and Cane Development Manager, P.O Box 5720, Mackay Mail Centre, Mackay, Qld, 4741, fax to 4953 8341, or email to k.moore@mkysugar.com.au