

Herbert Region Update



JUNE 2018

LOOKING AHEAD – the 2018 crush



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We have reached the end of a big maintenance season, which has seen more than \$35 million invested in capital and maintenance projects at Wilmar Sugar's two Herbert 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.

This year, we will be firing up the boilers at Victoria Mill two days ahead of the crush to run cogeneration.

It's the first time we have had enough surplus bagasse to do this and it means we will be able to further commission the factory on Sunday and Monday, in preparation for the start of crushing on Tuesday 12 June.

In my first Herbert Region Update in January, I provided an overview of some key capital projects being carried out during the maintenance season.

I'd like to congratulate our Herbert workforce on completing such a large body of work safely, and in a compressed timeframe. I urge all employees to stay focused on safety as we move into the crushing season.

While the operations team prepares for the crush, our asset management team is already focusing on next year's maintenance season strategy.

This includes finalising capital work design and doing pre-construction work ahead of the 2019 maintenance period.

Funding has been approved for the next phase of our cane bin construction project. About 185 new bins will be constructed during the 2018 crush, ready for assembly in the 2019 maintenance period. The new 11-tonne bins perform better in the feeding station and have been proven to increase our crush rate.

Wilmar has continued to invest in harvest optimisation trials. We look forward to working with Sugar Research Australia again

2018 CRUSH AT A GLANCE

Crop estimate	4.77 million tonnes
Start date	12 June 2018
Estimated end date	24 November 2018
Wet weather allowance	12.8 days
Average CCS (budget)	13.40
Availability	88.3%

this year to further improve the industry's understanding of the financial impact of different harvesting practices.

On a final note, I'd like to wish all sectors of the industry good luck as we start processing this year's crop.

I look forward to a safe and successful season.

Herbert mills – 2018 maintenance season projects



Macknade Mill shredder and turbine

At **\$2.5 million**, the installation of a new cane shredder at Macknade Mill (far left) has been one of the Herbert's major capital investments this year. Commissioned successfully during steam trials this week, the new shredder is more powerful than its predecessor and provides improved cane preparation for the mill. The shredder's primary turbine (left) has also been upgraded from 4 megawatt to 4.7 megawatt power consumption.

New mud filters

Victoria Mill's mud filtering capacity will be boosted by almost 50 per cent with the addition of two new mud filters, which will be commissioned in mid-July. The upgrade will greatly reduce sugar loss in mud when the factory is experiencing high mud loadings at the tail end of the season. The **\$6.5 million** project includes a new electrical switch room with a new programmable logic controller for the entire filter station.



Bagasse loading station

A new bagasse load-out facility at Macknade Mill will eliminate the need to double-handle bagasse. The mill produces surplus bagasse due to the current high fibre levels of cane in the Herbert. This excess bagasse is transferred to Victoria and Pioneer mills for cogeneration. The **\$750,000** load-out facility enables bagasse trucks to be loaded via a conveyor system instead of a loader.

Low-speed gearing

Victoria Mill's A3 and A4 low-speed gearing has been completely replaced at a cost of **\$1.5 million**. The new gearing, which drives two of the factory's 10 milling units, will help ensure reliable milling operations. The old gearing systems had reached end of life and were at risk of failure. The old gears will be repurposed as modern art pieces in Hinchinbrook Shire parks.



Cane rail network

About **\$1.3 million** was spent on capital upgrades to the Herbert cane rail network. Three sidings on the Stone River line have been redesigned to enable the use of remote shunting units, and one siding was fully rebuilt, expanding its capacity significantly. A new section of main line was upgraded at Yaruga on the Bambaroo line with heavier rail. Following the March floods, more than \$800,000 was spent on track repairs and drainage improvements.

Major loco upgrade

The MKD 19 loco has undergone a **\$730,000** upgrade that includes a new engine, transmission, control system and remote shunting unit (RSU). It also got a redesigned cab. The major upgrade will deliver greater hauling capacity and improved reliability. In addition, state-of-the-art brake wagon management technology will reduce the risk of derailment. The loco will be on the rails by mid-July.

