

Proserpine Mill Update



JUNE 2018

LOOKING FORWARD – The 2018 crush



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We have reached the end of a big maintenance season, which has seen more than \$15 million invested in capital and maintenance projects at Wilmar Sugar's Proserpine Mill.

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

The 2018 crush signals a fresh start for the Proserpine sugar industry, following the trail of damage left by Cyclone Debbie in March last year.

The crop has begun to recover. This year's estimate of 1.76 million tonnes is a sizable increase on last year's 1.43 million tonne crop.

It's pleasing to see such a good increase, and we look forward to seeing the district return to the 2 million tonne mark in the coming years.

The 2018 maintenance season saw us complete the last of the cyclone repairs to our factory and cane rail network.

The highest profile repair job was to the mill's No. 3 boiler stack, which was surrounded by scaffolding for many weeks. Work crews have completed the massive job of replacing the stack's refractory liner, which collapsed in the cyclone. The stack will be repainted during the crush.

Many other work projects were carried out over the past few months, and all of these will contribute to the improved reliability and performance of Proserpine Mill.

I'd like to commend our Proserpine workforce for completing such a large body of work safely, on time and on budget. 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.

2018 CRUSH AT A GLANCE

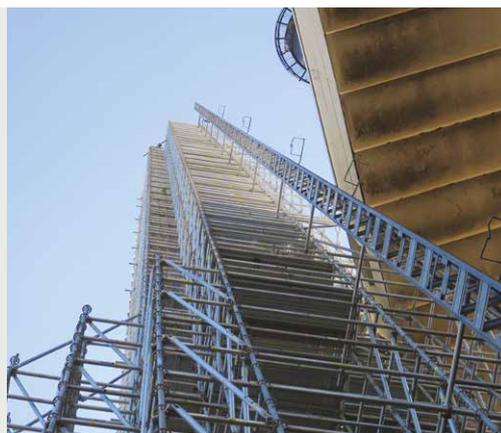
Crop estimate	1.76 million tonnes
Start date	19 June 2018
Estimated end date	7 November 2018
Wet weather allowance	9.42 days
Average CCS (budget)	14.21
Availability	87.5%

Funding has been approved for continued investment in key assets including boilers, turbines and pressure vessels.

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.

Proserpine Mill - 2018 maintenance season projects



Boiler stack repairs

Proserpine Mill's No. 3 boiler stack was extensively damaged during Cyclone Debbie and repairs have totalled **\$2.4 million**. This maintenance season, the 65 metre structure was clad in scaffolding so work crews could replace the refractory liner – a high-temperature concrete liner on the interior wall of the stack. But first, they had to weld more than 10,000 stainless steel anchor points to the inside of the stack so the concrete would have something to grip.

No. 11 loco upgrade

Sporting a new Mercedes Benz engine and high-performance Renk-Maag transmission, Proserpine Mill's No.11 loco will be back on the rails with greater hauling capacity, improved fuel efficiency and better reliability. At a cost of **\$960,000**, the No.11 loco has had a complete rebuild, including a fresh paint job. It's the first of Proserpine Mill's locos to receive the upgrade, and plans are already in place to upgrade the site's other 40-tonne locos.



New centrifugal

Upgrades to the mill's centrifugal station continued this year, with the installation of a new BMA high-grade centrifugal. Costing **\$780,000**, the new centrifugal will boost reliability in the factory's process house and improve sugar quality. It's stage two of a three-year upgrade program, with an identical model installed last year. The project will standardise centrifugal models for the Mackay region, allowing for more focused expertise around their operation and maintenance.

Advanced control system

A programmable logic controller (PLC) with an advanced safety processor has been installed on the factory's milling train at a cost of **\$700,000**. The new system allows for the use of advanced coding, enabling refined operational controls and rapid programming changes. Control and emergency stops can also be integrated into the system, improving overall safety along the milling train. Proserpine Mill is one of the first sites in Australia to install this new type of safety PLC.



Cooling tower repairs

More than 500 pieces of broken timber uprights and beams have been replaced in Proserpine Mill's cooling tower this year, signalling one of the site's last repairs from Cyclone Debbie. A further 300 pieces of plywood were installed to replace the top floor of the tower's water deck, bringing the total cost of repairs to **\$1.3 million**. A combined team of mill employees and contractors managed to complete the project in time for the first steam commissioning trial. The structure will provide reliable operation for the next 10 years.

Cane rail upgrades

A total of **\$1.5 million** has been spent on maintaining and upgrading Proserpine Mill's cane rail network this maintenance season. This includes \$750,000 to upgrade 2.7km of railway on the Up River line (pictured), and another \$750,000 to upgrade 1.1km along the Cannonvalley line. Upgrades will continue through the crushing season, with **\$1.47 million** allocated to reconfigure sidings on the Up River and Gregory lines to allow for the operation of remote shunting unit (RSU) locos.

