

30 January 2014

Dear SunWater customer

As 2014 gets underway we would like to take this opportunity to update you on our investigations into the prospect of local management of the Mareeba- Dimbulah channel scheme and outline how we will keep you informed along the way.

We anticipate that we will be receiving an initial engineering due diligence report on the scheme's key channel assets in the third week of February. The contents of the final report, likely to be received in March, will assist us to complete financial modelling on the financial viability of the scheme.

Once financial models have been completed we plan to hold a number of focus group meetings, of about 30 customers each, to discuss the findings of the reports and receive some early feedback on the business proposal we are developing for government on whether irrigators should own and manage the channel scheme.

At this stage it is envisaged that the focus groups, that will be broadly representative of the various types of water users in the scheme, will be held at the end of March. The time and venue for those meetings will be made available closer to the time. In the meantime if any customer would like to express an interest in being a member of the focus group, please email mareeba-dimbulah@lmairrigation.com.au.

Following input from the focus groups the interim board will finalise the draft business proposal and seek your "in principle" support for its recommendations. We plan to hold a customer meeting in late March/early April to gauge the level of support for the proposal for local management of the Mareeba-Dimbulah scheme.

I will write to you again to update you on our progress once the interim board has received the all-important engineering due diligence report. In the meantime if you would like to discuss any aspect of the local management process please contact me on 0418 966 960 or email mareeba-dimbulah@lmairrigation.com.au.

Joe Moro  
Chair  
Mareeba Dimbulah Interim Board