



9 May 2007

## Important Information

Dear Shareholder

To be a holder of "G" class shares, or grower shares, in Sugar Terminals Limited ("**Grower Shareholder**"), the holder of the shares or member must be an Active Grower as that term is defined in the Company's Constitution. The Constitution requires all such members to remain Active Growers in order to remain a member of Sugar Terminals Limited.

An Active Grower is defined in the Constitution as "a person who has delivered or will deliver sugar cane to a mill in Queensland under a cane supply contract during the current year's production season". A "person" includes a trustee, an executor or personal representative and any party to a partnership or sharefarming agreement."

Article 3.5 of the Constitution provides that a "member who becomes an Inactive Grower must:

- (a) dispose of all their "G" class shares as soon as practicable after becoming an Inactive Grower; and
- (b) immediately notify the Directors in writing that they have become an Inactive Grower."

The Directors of Sugar Terminals Limited have become aware that there may be a number of Grower Shareholders who are no longer Active Growers, and have failed to notify the Directors that they have become Inactive Growers as required by Article 3.6 of the Constitution. It is probable that this has arisen because some Grower Shareholders were not aware of their obligations under the Constitution when they ceased to be Active Growers.

It is important to note that some Grower Shareholders who may consider themselves to be Active Growers may no longer be considered as an Active Grower because of the way they have re-arranged their affairs. Under the Constitution, an Active Grower is considered to be the person who has "delivered, or who will deliver, sugar cane to a mill in Queensland under a cane supply contract..." It follows that if a Grower Shareholder does not hold a cane supply contract with a mill then that person is not an Active Grower for the purposes of the Company's Constitution.

For example:

- (a) if the cane supply contract is held by a company, then the company is the Active Grower for the purposes of the Company's Constitution. The shareholders and directors of that company are not Active Growers.

- (b) if the cane supply contract is held by a partnership then any of the partners are considered to be Active Growers.
- (c) if the cane supply contract is held by a trustee (including a trustee of a superannuation fund), then the trustee in his or its (in the case of a corporate trustee) capacity as trustee of the trust or superannuation fund is an Active Grower. The trustee in his or its personal capacity is not an Active Grower. Also, a beneficiary under the trust is not an Active Grower.

The purpose of this letter has been to set out the requirements of the Constitution for Grower Shareholders to remain as Active Growers. We recommend that you familiarise yourself with your obligations under the Constitution to remain as an Active Grower.

In the near future, Directors will be writing to all Grower Shareholders requiring them to provide a duly signed Member Status Declaration confirming that they are an Active Grower. Such Declaration will be used by the Directors to determine the status of a Grower Shareholder as an Active Grower.

Should you have any queries, please contact your financial advisor or the Company Secretary.

Yours sincerely

A handwritten signature in black ink, appearing to read 'RB Farquhar', written in a cursive style.

RB Farquhar  
**Company Secretary**