

23 August 2010

Dear Shareholder,

The Maryborough Sugar Factory Limited released its annual results on 19 August 2010 for the year ended 30 June 2010. Net profit after tax of \$7 million was achieved (compared to a loss of \$0.8 million for the previous year) which was a pleasing result and reflective of the progress made during the year in a number of areas across the business.

Your directors have resolved to pay a final fully franked dividend of 4.0 cents per share on 30 September 2010, for all registered shareholders at 5.00 pm on Monday 30 August 2010. (This final dividend, when added to the interim dividend of 2.5 cents per ordinary share paid earlier this year, results in a total fully franked dividend for the year of 6.5 cents per ordinary share).

You have two options as to how you receive your entitlement to this final dividend:

- By cheque or direct credit to your nominated financial institution account; and/or
- Total or partial reinvestment of your dividend in additional ordinary shares in the company.

The first option of a payment by cheque to your registered address (or direct credit to your nominated financial institution if you provide the necessary details) is the default option and no further action is required by you.

The second option is to participate in the company's Dividend Reinvestment Plan (DRP), which allows you to reinvest your dividend entitlements by acquiring further ordinary shares in the company, without incurring brokerage or other transaction costs. If you wish to take up this voluntary option in full, or partially, for this upcoming dividend payment, you must complete and lodge the enclosed nomination form with the company's share registry, Link Market Services Limited. The form must be received **no later than 5.00 pm on Monday 30 August 2010**. Contact details for the share registry are contained on the enclosed form should you require assistance.

The price at which these new ordinary shares will be issued will be calculated as provided under the terms and conditions of the DRP. These state, in part, that the Issue Price includes the volume weighted average price per share of all shares sold in the ordinary course of trading on the stock market of the ASX in the five trading days up to and including the Record Date for the relevant dividend to which the DRP relates (i.e. 30 August 2010). The full terms and conditions of the DRP rules are contained in the dividend section of the company's website, www.marysug.com.au and you should refer to these if you require further details as you will be bound by these if you decide to participate.

As a service to shareholders, the company's offices at Maryborough and Gordonvale can assist with the faxing of these DRP nomination forms, provided they are completed and received at either of these offices at **least 30 minutes prior to the 5.00 pm deadline on 30 August 2010.**

If you are in any doubt on which option is best for you, you should consult your accountant or financial adviser without delay.

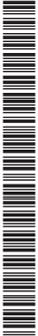
Thank you for your ongoing support.

Yours sincerely

A handwritten signature in black ink, appearing to read 'James Jackson', with a long horizontal flourish extending to the right.

James Jackson
Chairman

Encl.



A REINVESTMENT PLAN APPLICATION OR VARIATION

Please use a BLACK pen. Print CAPITAL letters inside the shaded areas.

A	B	C
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1	2	3
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Where a choice is required, mark the box with an 'X'

X

This form is to be completed where the securityholder wishes to have their payments reinvested under the rules of the Reinvestment Plan.

I/We being the above named holder of registered securities wish to participate in the DRP as indicated below.

I/We authorise the application of the payment to me/us with respect to the number of securities participating in the Plan at the price and subject to the rules of the Plan.

I/We hereby agree to be bound by the rules of the Plan in subscribing for additional securities.

I/We acknowledge that I/we may vary or cancel my/our participation in the Plan, in accordance with the rules of the Plan. This will cancel any earlier Plan instructions and take priority over any direct credit instructions.

Degree of Participation (cross appropriate box):

<input type="checkbox"/>	FULL PARTICIPATION	– Including any further acquisitions.
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or

<input type="checkbox"/>	PARTIAL PARTICIPATION	– Please specify the number of securities to participate in the Plan								
<table border="1" style="width: 200px; height: 30px; margin: auto;"> <tr> <td style="width: 25px;"> </td> </tr> </table>										

B SIGNATURE(S) OF SECURITYHOLDER(S) – THIS MUST BE COMPLETED

Securityholder 1 (Individual)

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Sole Director and Sole Company Secretary/Director (delete one)

Joint Securityholder 2 (Individual)

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Director/Company Secretary (delete one)

Joint Securityholder 3 (Individual)

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Date ___/___/___

Signing Instructions: This form should be signed by the securityholder. If a joint holding, all securityholders should sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the securityholder's constitution and the *Corporations Act 2001* (Cwlth) (or for New Zealand companies, the *Companies Act 1993*).

Privacy Clause: Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the entity in which you hold securities. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website (www.linkmarketservices.com.au).

