



COMPANY ANNOUNCEMENT

21 June 2010

FAR NORTH QUEENSLAND SUGAR CANE MILLING JOINT VENTURE CLEARS FINAL REGULATORY HURDLE

The planned joint venture of sugar cane milling facilities in Far North Queensland between The Maryborough Sugar Factory Limited (MSF) and Bundaberg Sugar Ltd (BSL) has cleared its final regulatory hurdle.

The Australian Competition & Consumer Commission (ACCC) notified the parties that it does not intend to intervene in the proposed joint venture.

The remaining steps now include the completion and execution of detailed documentation between the parties. Under the terms of the joint venture, MSF will have a call option to buy BSL's 50% interest in the joint venture exercisable from 1 December 2010 until 29 February 2012 for an agreed amount of \$50 million.

On 19 April 2010, MSF and BSL announced plans for a 50/50 joint venture covering the Far North Queensland sugar cane milling operations of both parties.

MSF Chief Executive Officer, Mr Mike Barry, said today, "Regulatory clearances were an essential step in the establishment of this exciting project.

"We are now proceeding with final arrangements and look forward to having the joint venture ready for the 2011 sugar crushing season. It is expected the parties will operate the joint venture from 1 December 2010 in readiness for the 2011 crushing season, which will commence in June 2011.

"The joint venture will provide our investors with further exposure to prime sugar producing regions in Far North Queensland whilst increasing our production of raw sugar volumes from our 50% ownership of the joint venture," said Mr Barry.

Further information:

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The Maryborough Sugar Factory Limited (ASX code: MSF) is an integrated sugar company based in Queensland, Australia. It first listed on the Australian Stock Exchange in 1956 and has recently entered into a dynamic new phase of its history with the acquisition of and interests in, additional sugar producing assets in Far North Queensland.

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