



16 November 2011

The Manger  
Company Announcements Platform  
Australian Securities Exchange Limited  
Sydney Office

Dear Sir/Madam,

**Re: MSF Sugar Limited and Mitr Phol Sugar Corp., Ltd. Announced Recommended Takeover Offer**

Please find attached copies of correspondence to be sent to MSF Shareholders (with attachment) and Growers who provide sugar cane to our mills.

Yours faithfully,

A handwritten signature in black ink, appearing to read "C. Lobb".

**Chris Lobb**  
Company Secretary



16 November 2011

Dear Shareholder,

**RECOMMENDED TAKEOVER OFFER FROM MITR PHOL SUGAR CORP., LTD.**

On 16 November 2011, MSF Sugar Limited (“**MSF**”) and Mitr Phol Sugar Corp., Ltd. (“**Mitr Phol**”) announced that Mitr Phol intends, via a wholly owned subsidiary Mitr Siam International PTE. LTD., to make an all cash off-market takeover offer to acquire all the outstanding shares in MSF not controlled by Mitr Phol for an offer consideration of \$4.45 cash per share (the “**Mitr Phol Offer**”).

**Board of Directors Recommendation**

The Board of Directors of MSF unanimously recommend that MSF shareholders accept the Mitr Phol Offer, subject to there being no superior proposal and subject to the independent expert determining that the Mitr Phol Offer is fair and reasonable for non-Mitr Phol shareholders.

Each director who holds shares either directly or indirectly in MSF intends to accept the Mitr Phol Offer for all their shares in the absence of a superior proposal and subject to the independent expert determining that the Mitr Phol Offer is fair and reasonable for non-Mitr Phol shareholders.

MSF has appointed Lonergan Edwards and Associates Limited to prepare an independent expert’s report on whether the Mitr Phol Offer is fair and reasonable for non-Mitr Phol shareholders. Details of their opinion will be included in the Target’s Statement.

**Summary of the Mitr Phol Offer**

The Mitr Phol Offer, which will be implemented by way of an off-market takeover offer, values the total equity of MSF at approximately \$313 million. The Mitr Phol Offer of \$4.45 cash per share represents a premium of:

- 30.9% to the closing share price of \$3.40 on 4 November 2011, being the last trading day prior to the commencement of the MSF trading halt on 7 November 2011;
- 37.8% to the 1 month volume weighted average price of MSF shares to 4 November 2011 of \$3.23; and
- 37.3% to the 3 month volume weighted average price of MSF shares to 4 November 2011 of \$3.24.

The Mitr Phol Offer is subject to the satisfaction of certain conditions and Mitr Phol has been provided with customary transaction protection arrangements. The Mitr Phol Offer conditions include a 50.1% minimum acceptance condition, approval from the Foreign Investment Review Board, required approvals from regulatory authorities (including Bank of Thailand approval in respect of the Mitr Phol Offer and its financing) and no material adverse change occurring in MSF during the Mitr Phol Offer period. Further details are set out in the MSF announcement dated 16 November 2011 available on the MSF website [www.msfsugar.com.au](http://www.msfsugar.com.au).

### **Chairman's Comment**

MSF Chairman Mr James A Jackson said "The Mitr Phol Offer is an attractive offer and provides all MSF shareholders with a substantial premium to the price at which MSF shares last traded prior to the announcement of the conditional agreement with Mitr Phol on 9 November 2011".

### **Next Steps**

Mitr Phol's Bidder's Statement is expected to be dispatched to MSF shareholders during early December 2011. MSF expects to dispatch its Target's Statement to MSF shareholders shortly thereafter.

The Target's Statement will set out the detailed reasons for the recommendation by the Board of Directors of MSF and will include the opinion of the Independent Expert, Lonergan Edwards and Associates.

Further information is available on the MSF website [www.msfsugar.com.au](http://www.msfsugar.com.au) which will be updated regularly with any new developments.

Also enclosed with this letter is a form which allows you to receive future correspondence electronically on the provision of your email address. We would encourage you to complete this form and return as directed. This will allow you to receive any company correspondence in a timely matter and also help the environment.

Yours sincerely,

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

James A. Jackson  
Chairman  
MSF Sugar Limited

## **About MSF**

*MSF Sugar Limited (ASX: MSF) is an integrated sugar company based in Queensland, Australia. It first listed on the Australian Stock Exchange in 1956 and in 2011 entered into a dynamic new phase of its history with the acquisition of additional sugar producing assets in Far North Queensland. It now has four sugar mills and is the only listed sugar miller on the ASX.*

## **About Mitr Phol**

*Mitr Phol is one of the world's largest sugar producers, with a history dating back over 70 years starting as a grower. Presently Mitr Phol is one of the largest sugar producers in Asia, with an estimated market share of 19% in Thailand (ranked first in production and exports), and 9% in China (Mitr Phol first invested in China mills in 1993 and today is ranked second in terms of production).*

*Mitr Phol has six principal lines of business: sugar production and sales in Thailand, China and ASEAN, ethanol production and sales, energy production and sales from biomass, logistics, and particle board from bagasse operations. Current sugar production capacity in Thailand is approximately 1.8 mtpa and capacity in China is approximately 1.2 mtpa.*

*Mitr Phol currently controls approximately 22% of MSF's issued shares.*



**X99999999999**

# PRESERVING TOMORROW TOGETHER TODAY

**By electing to receive all of your communications electronically you can receive immediate advice whilst helping to reduce paper use, cut carbon emissions, and reduce costs.**

**MSF Sugar will:**

- Email you when your dividend payment statement is made available for downloading from the website of the Share Registry, Link Market Services Limited;
- Email you when company announcements, annual reports and notices of meeting documents are made available for downloading from the MSF Sugar website; and
- No longer send you printed versions of these documents in the mail.

**How to nominate your communications via email:**

**Online** Visit the Share Registry website at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) (nomination of your method of communication online will save on postage costs)

**Mail** Complete this form and return it to us in the reply paid envelope

**Phone** Call the Share Registry on 1300 554 474



Yes, I would like to receive my communications electronically as permitted by the *Corporations Act 2001*, including by email notification and internet access. I have provided my email address below.

My email address is:

**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](http://www.linkmarketservices.com.au)).





16 November 2011

Dear Grower,

**RECOMMENDED TAKEOVER OFFER FROM MITR PHOL SUGAR CORP., LTD.**

On 16 November 2011, MSF Sugar Limited (“**MSF**”) and Mitr Phol Sugar Corp., Ltd. (“**Mitr Phol**”) announced that Mitr Phol intends, via a wholly owned subsidiary Mitr Siam International PTE. LTD., to make an all cash off-market takeover offer to acquire all the outstanding shares in MSF not controlled by Mitr Phol for an offer consideration of \$4.45 cash per share (the “**Mitr Phol Offer**”).

The Mitr Phol Offer has been recommended by the Board of Directors of MSF, subject to there being no superior proposal and subject to an independent expert determining that the Mitr Phol offer is fair and reasonable for non-Mitr Phol shareholders.

Further details of the Mitr Phol Offer and its conditions are available on the MSF website ([www.msfsugar.com.au](http://www.msfsugar.com.au)) or via the ASX company announcements platform.

We understand that a proposal of this nature raises questions for you as growers.

We expect that further information will be included in Mitr Phol’s Bidder’s Statement which is expected to be released in early December 2011.

In the meantime we refer you to the joint MSF and Mitr Phol announcement on 16 November 2011 where Mitr Phol’s President, Mr Krisda Monthienvichienchai said:

*“Our objective is to work with the company’s management, employees and cane farmers to grow the business. We believe that this transaction provides a strong platform for not only MSF’s growth aspirations, but also for canegrowers and other stakeholders to work confidently with MSF going forward. Mitr Phol offers a unique combination of experience, sugar industry understanding and global reach to help make this happen.”*

As a valued grower and supplier to our mill, we look forward to continuing to work closely with you. For further information please visit MSF’s website which will be updated regularly with material developments that become available to us.

Yours sincerely,

A handwritten signature in black ink, appearing to read "James A. Jackson", written over a horizontal line.

James A. Jackson  
Chairman  
MSF Sugar Limited

## **About MSF**

*MSF Sugar Limited (ASX: MSF) is an integrated sugar company based in Queensland, Australia. It first listed on the Australian Stock Exchange in 1956 and in 2011 entered into a dynamic new phase of its history with the acquisition of additional sugar producing assets in Far North Queensland. It now has four sugar mills and is the only listed sugar miller on the ASX.*

## **About Mitr Phol**

*Mitr Phol is one of the world's largest sugar producers, with a history dating back over 70 years starting as a grower. Presently Mitr Phol is one of the largest sugar producers in Asia, with an estimated market share of 19% in Thailand (ranked first in production and exports), and 9% in China (Mitr Phol first invested in China mills in 1993 and today is ranked second in terms of production).*

*Mitr Phol has six principal lines of business: sugar production and sales in Thailand, China and ASEAN, ethanol production and sales, energy production and sales from biomass, logistics, and particle board from bagasse operations. Current sugar production capacity in Thailand is approximately 1.8 mtpa and capacity in China is approximately 1.2 mtpa.*

*Mitr Phol currently controls approximately 22% of MSF's issued shares.*