



COMPANY ANNOUNCEMENT

28 June 2011

NOTICE GIVEN TO WITHDRAW FROM QSL MARKETING ARRANGEMENT IN 2014

MSF Sugar Limited (“MSF”) has today forwarded to Queensland Sugar Limited (“QSL”) a notice advising them it will not be taking up its option to further extend its raw sugar marketing arrangements under the Raw Sugar Supply Agreement (“RSSA”) between the two organisations.

MSF has been conducting its own independent sugar marketing for all of its production since industry deregulation in 2006. The sugar production obtained in the acquisition of the Bundaberg Sugar Ltd (“BSL”) northern milling assets in April 2011, had an obligation to retain BSL’s existing raw sugar marketing arrangements with QSL until at least the notice period provided under the RSSA, which is the completion of the 2013 season.

The effect of MSF not exercising its option is that raw sugar currently supplied to QSL from the South Johnstone and Tableland Mills for them to market will cease from June 2014.

MSF’s CEO, Mr Mike Barry, said “This decision to provide notice under the agreement was reached after canvassing a range of views from our growers and other stakeholders but it is in keeping with our current strategy to control the marketing of raw sugar produced from our mills. We have developed a proven track record in the marketing of our sugar and it removes a degree of uncertainty at a time when the sugar industry is undergoing fundamental changes in its structures and participants”.

Further information:

Mike Barry
Chief Executive Officer

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MSF Sugar 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 additional sugar producing assets in Far North Queensland. It is the only listed sugar miller on the ASX.