



MSF Sugar

9 February 2012

The Manager
ASX Market Announcements
Australian Securities Exchange Limited
SYDNEY NSW

Dear Sir/Madam,

Re: Letter to Shareholders in relation to the Off-Market Takeover Bid by Mitr Siam International Pte. Ltd for MSF Sugar Limited (MSF)

As per Listing Rule 3.17 please find attached a copy of the correspondence being mailed to all shareholders of MSF today.

Yours faithfully,

Chris Lobb
Company Secretary



8 February 2012

Dear Shareholder,

Re: Off-Market Takeover Bid by Mitr Siam International Pte. Ltd

Please find enclosed the following important documents:

- A copy of the Joint ASX Announcement made by MSF Sugar Limited and Mitr Phol Sugar Corp., Ltd dated 7 February 2012; and
- A Supplementary Target's Statement dated 8 February 2012.

Please note this Offer is now due to close at **7.00pm (AEDT) on 24 February 2012** (unless further extended) and **you must lodge your Acceptance Form** prior to this time to take up the Offer.

If you need further information in relation to either of these documents please contact the Offer Information Line on 1300 551 472 (within Australia) and +61 2 8280 7706 (from outside Australia) Monday to Friday between 9.00am and 5.00pm (AEDT) or refer to the Bidder's Statement and Supplementary Bidder's Statements and the Original Target's Statement which are available at www.msfsugar.com.au or via the ASX website, www.asx.com.au.

Should you require a replacement Acceptance Form, please contact Mitr Phol's Offer Information Line on 1800 622 202 (toll free for callers within Australia) or +61 2 8280 7694 (for callers outside Australia).

Yours faithfully,

Chris Lobb
Company Secretary



JOINT ASX AND MEDIA RELEASE

7 February 2012

MITR PHOL'S RECOMMENDED OFFER FOR MSF DECLARED UNCONDITIONAL AND MITR PHOL ACHIEVES CONTROLLING INTEREST IN MSF

Mitr Phol Sugar Corp., Ltd ("**Mitr Phol**") and MSF Sugar Limited ("**MSF**") today provided the following update on Mitr Phol's recommended off-market takeover offer ("**Offer**") for MSF.

Offer is now unconditional

Mitr Phol today announced it has declared the Offer for MSF free of all defeating conditions, after it waived the 50.1% minimum acceptance condition together with all other outstanding conditions. **Mitr Phol's Offer is now unconditional.**

As a result, within 21 days from the date of their acceptance, payment will be made to MSF shareholders who submit their acceptance forms before the end of the offer period. Payment will be made within 21 days from the date of this announcement to MSF shareholders who have already accepted.

Mitr Phol now holds an interest in 57.69% of MSF shares including 19.80% held through the Institutional Acceptance Facility (**Facility**). Mitr Phol today provided a Confirmation Notice to the Facility Operator under the terms of the Facility, and has commenced processing acceptance instructions received into the Facility, upon completion of which Mitr Phol will hold a relevant interest in these MSF shares.

A number of large institutional MSF shareholders have lodged their acceptances into the Facility.

Mitr Phol's President, Mr. Krisda Monthienvichienchai said: "Our Offer has received strong support from MSF shareholders to date and we are pleased to declare the Offer unconditional now that we have a majority interest in MSF."

MSF Chairman, James Jackson said: "The Offer of \$4.45 per MSF share has been unanimously recommended by the MSF Board of Directors, in the absence of a superior proposal."

"No approaches have been received or discussions held by the MSF Board of Directors in relation to a potential superior proposal and the Board is not aware of any party having an intention to make such a proposal. All directors who hold

MSF shares have lodged their acceptances. Mitr Phol now has a controlling interest in MSF.”

“The MSF Board continues to strongly encourage all remaining shareholders to accept the Offer as soon as possible and submit their acceptance forms in order to receive their payment.”

Mitr Phol’s Offer is scheduled to close at 7.00pm, Sydney time, on 24 February 2012, unless further extended. To ensure receipt of the Offer consideration within 21 days of acceptance, MSF shareholders who intend to accept the Offer must lodge their acceptance forms before the end of the Offer period. Payment will be made within 21 days from the date of this announcement to shareholders who have already accepted.

Change of Control of MSF

Mitr Phol now has a controlling interest in MSF. Consistent with its stated intentions and the terms of the Takeover Implementation Agreement with MSF, Mitr Phol will now proceed, subject to the Corporations Act 2001 (Cwlth), the MSF Constitution and the terms of the Takeover Implementation Agreement, to procure majority representation of the MSF Board of Directors.

Mitr Phol notes that MSF shareholders who have not yet accepted the Offer may face a number of potential adverse consequences of remaining a minority shareholder in MSF. These include:

- Lower liquidity in MSF shares which means MSF shareholders may find it more difficult to buy and sell MSF shares;
- Mitr Phol, through its representatives on the MSF Board (once appointed), will control the future direction of MSF including the payment of any future dividends;
- As disclosed in Mitr Phol's Bidder's Statement, Mitr Phol intends to undertake a detailed review of MSF's assets, strategy, operations and employees to evaluate performance, profitability and prospects in light of the more detailed information that will be available to it. One of the areas proposed to be addressed in that review is the additional capital investment that may be required to improve operational performance of MSF's mills;
- A competing proposal for MSF is now less likely to emerge given Mitr Phol has a majority interest in MSF; and
- The MSF share price may fall once the Offer closes if MSF remains listed.

MSF and Mitr Phol strongly encourage all remaining MSF shareholders to ACCEPT the Offer as soon as possible.

If Mitr Phol achieves a relevant interest in 90% or more of MSF shares upon the Offer closing, it intends to compulsorily acquire any remaining MSF shares not owned by Mitr Phol at that time. MSF shareholders that are subject to compulsory acquisition will receive the same Offer consideration as accepting shareholders, however will be paid at a later date than shareholders that have accepted the Offer during the Offer period.

MSF shareholders seeking further information regarding the Offer, or requiring assistance with acceptance, a replacement Acceptance Form or Bidder's Statement, should contact Mitr Phol's Offer Information Line on 1800 622 202 (toll free for callers within Australia) or +61 2 8280 7694 (for callers outside Australia). Alternatively, MSF shareholders requiring further information or requiring a replacement Target's Statement should contact MSF's Offer Information Line on 1300 551 472 (within Australia) or +61 2 8280 7706 (outside Australia).

A copy of the notice under section 650F of the Corporations Act (Cwlth), which declares that the Offer is freed from all defeating conditions is attached.

END

For further information contact:

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Mitr Siam International Pte. Ltd

Notice to free Offer from conditions under section 650F of the Corporations Act

To: MSF Sugar Limited (ABN 11 009 658 708) (*MSF*)

And to: ASX Limited (*ASX*)

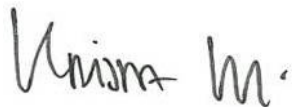
In relation to the offer (*Offer*) under the Bidder's Statement dated 2 December 2011 (*Bidder's Statement*) by Mitr Siam International Pte. Ltd (*Mitr Siam*) for MSF shares, Mitr Siam gives notice that:

- (a) it declares the Offer, and any takeover contract arising from acceptance of the Offer, free from the conditions set out in Annexure 2 of the Bidder's Statement; and
- (b) as at the date of this notice, Mitr Siam has voting power in MSF of 37.90%.

Unless the context requires otherwise, defined terms in this notice have the same meaning as in the Bidder's Statement.

This notice is dated 7 February 2012.

Signed for and on behalf of Mitr Siam.



Krisda Monthienvichienchai
Director
Mitr Siam International Pte. Ltd



SUPPLEMENTARY TARGET'S STATEMENT

This Supplementary Target's Statement is issued by MSF Sugar Limited (ABN 11 009 658 708) in response to the off-market takeover bid by Mitr Siam International Pte. Ltd, an entity controlled by Mitr Phol Sugar Corp., Ltd, to acquire all of your ordinary shares in MSF Sugar Limited

This document ("**Supplementary Target's Statement**") is a supplementary target's statement under section 644 of the Corporations Act in relation to the off-market takeover bid by Mitr Siam International Pte. Ltd ("**Mitr Siam**"), an entity controlled by Mitr Phol Sugar Corp., Ltd ("**Mitr Phol**"), to acquire all of your shares in MSF Sugar Limited ("**MSF**").

This document supplements and is to be read together with the Target's Statement dated 13 December 2011 ("**Original Target's Statement**"). Unless the context requires otherwise, the defined terms in the Original Target's Statement have the same meaning in this Supplementary Target's Statement.

A copy of this Supplementary Target's Statement was lodged with ASIC on 8 February 2012. Neither ASIC nor any of its officers take any responsibility for the contents of this Supplementary Target's Statement. A copy of this Supplementary Target's Statement has also been provided to ASX. Neither ASX nor any of its officers take any responsibility for the contents of this Supplementary Target's Statement.

1 Important developments in relation to the Offer

1.1 Extension of the Offer Period

Mitr Phol, in a joint announcement with MSF on 3 February 2012, announced that the Offer Period has been extended by a period of 14 days. The original Offer Period was due to close at 7.00pm (AEDT) on 10 February 2012.

The Offer is now due to close at **7.00pm (AEDT) on 24 February 2012** (unless further extended) and shareholders need to lodge their Acceptance Forms prior to this time to take up the Offer.

1.2 Status of Offer Conditions

When Mitr Phol first announced the Offer, it was subject to various conditions (see section 2.9 of the Bidder's Statement and section 7.5 of the Original Target's Statement).

On 7 February 2012, Mitr Phol announced that it had declared the Offer, and any takeover contract arising from acceptance of the Offer, free from the 50.1% minimum acceptance condition and each of the other Offer Conditions that had not already been waived.

Accordingly, the Offer is now unconditional.

As a result of the Offer becoming unconditional, Mitr Phol will pay the Offer Consideration:

- (a) to MSF Shareholders who have already accepted the Offer, within 21 days from the date of Mitr Phol's announcement on 7 February 2012 (ie prior to 28 February 2012); and
- (b) to MSF Shareholders who submit their acceptance forms before the end of the Offer Period, within 21 days from the date of receipt of the acceptance.

If Mitr Phol becomes entitled to compulsorily acquire all outstanding MSF Shares under the Corporations Act, it intends to exercise its rights of compulsory acquisition. MSF Shareholders that are subject to compulsory acquisition will receive the same Offer Consideration as accepting MSF Shareholders, however will receive the Offer Consideration at a later date than those MSF Shareholders that have accepted the Offer during the Offer Period.

For further information, please refer to the ASX announcement entitled "Mitr Phol offer declared unconditional" dated 7 February 2012.

1.3 Institutional acceptance facility

On 31 January 2012, Mitr Phol announced that Mitr Phol had established an institutional acceptance facility ("**Facility**") in relation to the Offer. The Facility is only open to MSF Shareholders who are both professional investors (as defined in section 9 of the Corporations Act) and who hold at least 100,000 MSF Shares. MSF Shareholders who are not eligible cannot participate in the Facility.

On 7 February 2012, Mitr Phol announced that it had provided a "Confirmation Notice" to the Facility Operator under the terms of the Facility and the Facility Operator had commenced processing acceptance instructions received into the Facility. Once processing is complete, Mitr Phol will have a relevant interest in those MSF Shares in respect of which acceptance instructions were received.

For further information in relation to the operation and terms of the Facility, please refer to the Second Supplementary Bidder's Statement dated 31 January 2012 and the ASX announcement entitled "Mitr Phol offer declared unconditional" dated 7 February 2012.

1.4 Mitr Phol's relevant interest in MSF

When Mitr Phol announced the Offer, Mitr Phol (and its associates) held a relevant interest in 22.01% of MSF Shares.

On 8 February 2012, Mitr Phol announced that the aggregate of:

- (a) the percentage of MSF Shares in respect of which acceptance instructions had been received in the Facility; and
- (b) the percentage of MSF Shares in which Mitr Phol and its associates have a relevant interest,

was 72.54% based on acceptances received up to 7 February 2012.

Based on the substantial shareholding notice lodged by Mitr Phol on 8 February 2012, Mitr Phol holds a relevant interest in 55.37% of MSF Shares and acceptance instructions in respect of 17.17% of MSF Shares have been received in the Facility. MSF Shareholders should refer to Mitr Phol's lodgements with ASX for updated information in relation to the level of acceptances.

MSF Shareholders should note that Mitr Phol now has a controlling interest in MSF and Mitr Phol has indicated in its announcement of 7 February 2012 that it will now proceed to implement its intentions for MSF as set out in section 7 of the Bidder's Statement. MSF Shareholders should take particular note of the risks of remaining a minority shareholder in MSF as set out in section 7.18 of the Original Target's Statement.

2 Other material information

2.1 Change in control consents

As noted in section 9.3 of the Original Target's Statement, MSF (and certain of its subsidiaries) is party to a number of material contracts which include change in control provisions which may be triggered if Mitr Phol is successful in acquiring control of MSF.

MSF advises that consents or waivers (as applicable) have been received in respect of the following contracts:

- Cane Cartage Contract dated 25 August 2011 between MSF and Maryborough Cane Hauliers Pty Ltd; and
- the Lease dated 19 April 2011 between MSF and Bermdale Pty Ltd, as trustee.

The process of procuring the consents or waivers (as applicable) in respect of the other material contracts, including MSF's financing arrangements, remains ongoing.

As noted in the Original Target's Statement, prior to the Bid Announcement Date, MSF had fairly disclosed to Mitr Phol details of the material contracts which contain change of control clauses as part of Mitr Phol's due diligence investigations prior to

Mitr Phol waiving its due diligence bid condition under the Takeover Implementation Agreement. Accordingly, in the event a counterparty to the relevant contracts does not provide a consent or waiver (as applicable) and exercises certain rights in respect of the relevant material contract, Mitr Phol was not entitled to withdraw the Offer for breach of the Offer Condition set out in section 7.5(i) of the Original Target's Statement (which in any event has now been waived by Mitr Phol).

2.2 Sale and purchase agreement with BSL

MSF Shareholders should note that the Share Sale and Purchase Agreement dated 25 July 2011, as amended on or about 21 September 2011, between MSF and Bundaberg Sugar Ltd lapsed on 24 December 2011 and has therefore been terminated in accordance with its terms. The agreement (referred to in section 9.4 of the Original Target's Statement) related to the proposed acquisition by MSF of 15,328,437 M-Class Shares in Sugar Terminals Limited from Bundaberg Sugar Ltd.

For further information, see the ASX announcement entitled "Update on Share Sale and Purchase Agreement with BSL" dated 28 December 2011.

3 Recommendation

3.1 MSF Board recommendation

As at the date of the Original Target's Statement, the Board of Directors of MSF recommended that you accept the Offer in the absence of a Superior Proposal.

The MSF Board of Directors continues to recommend that MSF Shareholders accept Mitr Phol's Offer in the absence of a Superior Proposal.

No approaches have been received or discussions held by the MSF Board in relation to a potential Superior Proposal and the MSF Board is not aware of any party having an intention to make such a proposal.

Each MSF Director who held Shares either directly or indirectly in MSF has accepted the Offer for all of their MSF Shares.

The Independent Expert commissioned by the MSF Board at the time of the Offer concluded that the Offer is fair and reasonable for MSF Shareholders. The Independent Expert also noted that in its opinion, if the Offer is unsuccessful and in the absence of an alternative proposal, it is likely (at least in the short-term) that MSF Shares will trade at a discount to the Offer Price of \$4.45 per Share. A concise version of this report is contained in the Original Target's Statement.

3.2 Further information

MSF Shareholders seeking further information regarding the Offer should contact the Offer Information Line on 1300 551 472 (within Australia) or +61 2 8280 7706 (from outside Australia) Monday to Friday between 9.00am and 5.00pm (AEDT) or refer to the Bidder's Statement and Supplementary Bidder's Statements and the Original Target's Statement which are available at www.msfsugar.com.au or via the ASX website.

4 Approval

This Supplementary Target's Statement has been approved by a resolution passed by the Directors of MSF on 8 February 2012.

Signed for and on behalf of MSF Sugar Limited
8 February 2012

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

James A Jackson
Chairman