



SUGAR TERMINALS LIMITED

ABN 17 084 059 601

NOTICE OF ANNUAL GENERAL MEETING

26 October 2006

Notice is hereby given that the Annual General Meeting of Members of Sugar Terminals Limited, ABN 17 084 059 601, ("the Company") will be held at the office of Queensland Sugar Limited, Mincom Building, North Podium Level, 192 Ann Street, Brisbane, on Thursday, 26 October 2006 commencing at 10:00am (Brisbane time).

BUSINESS

Financial Statements and Reports

1. To receive and consider the financial report, directors' report and auditor's report for the Company for the year ended 30 June 2006.

Remuneration Report

2. To consider and, if thought fit, to pass the following ordinary resolution:

That the Remuneration Report for the year ended 30 June 2006 be adopted.

(Note: The Remuneration Report is set out on pages 7 to 9 of the 2006 annual report. The vote on this resolution is advisory only and does not bind the directors or the Company.)

Election of a Grower Director

Mr John Grasso retires by rotation and, being eligible, offers himself for re-election. One other nomination has been received, nominating Mr David Groves for election.

An election will be held at the meeting.

By Order of the Board

RB Farquhar
Company Secretary

21 September 2006

VOTING AND PROXIES

Eligibility to Vote

For the purposes of determining entitlements to vote at the meeting, shares will be taken to be held by the people registered as holders at 7.00pm (Brisbane time) on Tuesday 24 October 2006 (excluding those members to whom a transfer notice has been issued under Clause 3.6 of the Constitution).

A member is not entitled to vote on any resolution, whether on a show of hands or on a poll, unless the member has executed and provided to the Company a Member Status Declaration. A Member Status Declaration accompanies this Notice. If you are attending in person you must bring with you a completed Member Status Declaration. If you will be voting by proxy, the completed Member Status Declaration must be returned to the share registry with the proxy appointment form. If you are attending the meeting please bring with you your personalised proxy form. The bar code at the top of the form will help you register.

Proxies

A member entitled to attend and vote is entitled to appoint a person as the member's proxy and vote in his/her stead. A proxy need not be a member of the Company. If a member does not complete the section of the form directing his or her proxy how to vote, the proxy may vote as he or she thinks fit or abstain from voting. Unless instructed to the contrary, the Chairman intends to vote proxies in favour of the resolutions before the meeting.

If a member is entitled to cast 2 or more votes at the meeting, that member may appoint 2 proxies. Where a member appoints 2 proxies, each proxy may be appointed to represent a specified proportion of the member's voting rights and the member must fill in the proportion of voting rights allotted to each proxy. Failure to specify the proportion of voting rights will mean that each proxy may exercise one half of that member's votes.

To be effective the completed proxy form and a completed Member Status Declaration and, if applicable, the powers of attorney under which they are signed must be received by the share registry, Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235, or alternatively faxed to Link Market Services on (02) 9287 0309 **not later than 10.00am 24 October 2006.**

A representative appointed by a corporation, pursuant to Section 250D of the *Corporations Act*, to vote on its behalf should bring to the meeting a duly executed certificate of appointment for presentation and Member Status Declaration and register at the registration desk on the day of the meeting. The certificate of appointment must be executed in accordance with the relevant company constitution, or as permitted by the Corporations Act. The certificate of appointment must be available for inspection at the meeting.

Questions and Comments by Shareholders at the Meeting

A reasonable opportunity will be given to members at the meeting to ask questions about, or make comments on, the management of the Company and the reports presented at the meeting. To facilitate answering questions from members, the enclosed form can be sent to the share registry at the address above not later than 10.00am 24 October 2006.

EXPLANATORY NOTES

These explanatory notes have been prepared to assist members to understand the business to be put to members at the meeting.

1. Financial Report, Directors' Report and Auditor's Report

The financial report, directors' report and auditor's report for the year ended 30 June 2006 will be laid before the meeting. The annual report of the Company which contains these reports has been provided to you with the Notice of Annual General Meeting of the Company. There is no requirement for members to vote on, approve or adopt these reports however members will have a reasonable opportunity at the meeting to ask questions of the Directors and the Auditor in relation to these reports and to make comments on these reports and on the management of the Company.

2. Remuneration Report

This resolution is a requirement of Section 250R of the Corporations Act.

Section 250R of the Corporations Act requires that the members vote on whether or not the remuneration report should be adopted. The vote on this resolution is advisory only and does not bind the Directors or the Company. Prior to the holding of this vote, the chairman will allow a reasonable opportunity for shareholders to ask questions or make comments about the remuneration report.

The Remuneration Report is set out on pages 7 to 9 of the Company's Annual Report 2006.

3. Election of a Grower Director

Clause 18.2 of the Company's Constitution requires one third of all the Directors to retire from office at each annual general meeting. Provided such retiring director has not served more than 2 consecutive terms, the retiring director is eligible for re-election.

Mr John Grasso, a Grower Director, retires by rotation in accordance with the Company's constitution and, being eligible, offers himself for re-election. Mr Grasso has been a Grower Director since October 2003.

The Company has received only one other nomination, nominating Mr David Groves for election as a Grower Director.

Voting is to be decided at the meeting on a show of hands unless, before a vote is taken, or before or immediately after the declaration of the result of the show of hands, a poll is demanded:

- by the Chairperson,
- by at least 5 members (present in person or by proxy or attorney or by a representative) having the right to vote at the meeting, or
- by any member(s) (present in person or by proxy or attorney or by representative) who are together entitled to at least 1% of the votes that may be cast on a poll.

Under the Company's constitution only "G" class shareholders may vote to elect a Grower Director.

Brief resumes of the candidates are as follows:

JOHN GRASSO Dip FS (FP)

Mr Grasso is a principal of Grasso Financial Services. He is a third generation sugar cane farming family. Mr Grasso is a current director of Sugar Terminals Limited and also holds directorships with his private family companies. His stated objective as a director of the Company is to represent, protect and add value for the Shareholders of Sugar Terminals Limited.

DAVID GROVES B.Com, M.Com, CA, FAICD

Mr Groves is a director of Vixbridge Pty Ltd, a grower shareholder in the Company.

Since 1994, he has been a director of Graincorp Limited, a grower-controlled company which merged with Grainco Ltd. Since 2000, Mr Groves has also been a director of an 118 year old trustee company, Equity Trustees Ltd.

Mr Groves owns vineyards in Tasmania and Victoria. He recently attended an international Fuel Ethanol Conference in the USA.