

[STL LOGO]

NOTICE OF ANNUAL GENERAL MEETING

22 October 2004

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 in the King George Room, Carlton Crest Hotel, King George Square (Ann Street), Brisbane, on Friday, 22 October 2004 commencing at 10:00 am.

ORDINARY BUSINESS

1 Reports

To receive and consider the statement of financial performance, statement of financial position and statement of cash flows of the Company for the year ended 30 June 2004, together with the reports of the directors and auditors thereon.

2 Election of a Director representing 'M' Class shareholders

To consider and if thought fit, to pass the following resolution as an ordinary resolution:

That Mr James Frederick Hesp be elected as a Miller Director of the Company.

SPECIAL BUSINESS

3 Amendment of Constitution - Part A

To consider, and if thought fit, pass the following resolution as a special resolution:

That the Constitution of the Company be amended in accordance with the Schedule of Amendments- Part A set out in the attached Explanatory Note and as tabled by the Chairman at the meeting.

4 Amendment of Constitution - Part B

To consider, and if thought fit, pass the following resolution as a special resolution:

That the Constitution of the Company be amended in accordance with the Schedule of Amendments- Part B set out in the attached Explanatory Note and as tabled by the Chairman at the meeting.

OTHER BUSINESS

5 Other Business

To transact any other business which may be brought forward in conformity with the Company's Constitution.

By Order of the Board

R B Farquhar
Company Secretary

29 September 2004

EXPLANATORY NOTE

Introduction

The purpose of this Explanatory Note is to explain to shareholders the reasons for proposing each of the items and resolutions to be considered by the Annual General Meeting of the Company.

Reports

The first item for business is the consideration of the annual financial report, directors' report and auditor's report for the 12 months ended 30 June 2004. 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. Shareholders will be given the opportunity to ask questions of the Directors and the Auditor in relation to these reports at the Annual General Meeting.

Resolution 2 Election of Director representing "M" Class shareholders

Mr Alfio J Musumeci, a Miller Director, has advised that he will retire from the Board on 22 October 2004, effective as at the conclusion of the Annual General Meeting, and does not seek re-election.

In accordance with the Company's Constitution, there is to be an election to appoint a new Director to replace Mr Musumeci. Mr James Hesp has nominated for the position. Mr Hesp is a cane farmer and Chairman of The Mulgrave Central Mill Co Ltd. He is also a director of the Australian Sugar Milling Council. If elected Mr Hesp's appointment will be effective as at the conclusion of the Annual General Meeting.

Voting on Resolution 2

Resolution 2 is an ordinary resolution and will require the support of at least 50% of the votes cast by "M" Class shareholders at the meeting in order that it be passed. Only "M" Class shareholders can vote on resolution 2.

Resolutions 3 and 4 - Amendment of Constitution

The proposed amendments to the Constitution are being presented to you in 2 parts.

Resolution 3 - Part A comprises proposed amendments to -

- provide for changes required as a consequence of the listing of "G" Class shares on the Newcastle Stock Exchange (NSX);
- remove the provisions in the Constitution that were required to transfer assets to the Company from Queensland Sugar Corporation on the formation of the Company. These provisions are obsolete;
- deal with the pending abolition of cane production areas, as cane production areas are, at present, an integral part of the definition of a grower;
- amend the quorum for meetings of members and meetings of "G" class shareholders from 25 Eligible Voters to 10 Eligible Voters.
- amend the procedure for verifying the "active" status of members as a grower or miller. Prior to voting at any meeting of members each "G" class and "M" class shareholder will be required to confirm their status as a grower or miller by providing a Member Status Declaration;
- update the Constitution to reflect changes brought about by the *Corporations Act* and make several miscellaneous changes to update and clarify provisions of the Constitution.

Resolution 4 - Part B comprise proposed amendments relating only to "G" class shares. These proposed amendments permit "inactive growers" to remain as "G" class shareholders of the Company on the basis that

they will not have any rights to vote at any meeting of members of the Company. All transferees of "G" class shares are still required to be "active" at the time of acquisition of the "G" class shares.

All of the proposed changes to the Constitution have been approved by the NSX. A complete copy of the proposed amended Constitution will be available to shareholders to inspect prior to the Annual General Meeting. A complete copy of the proposed amended Constitution is also available for viewing at www.sugarterminals.com.au. The proposed amendments and an explanation of the nature and purpose of those amendments follows.

Resolution 3 - Amendment of Constitution - Part A

The proposed amendments - Part A to the Constitution are set out in the schedule below -

SCHEDULE OF AMENDMENTS - PART A

No.	Proposed Amendment	Explanation
1.	<p>Insert the following definitions in clause 1.1 –</p> <p><i>Listing Rules</i> <i>the Listing Rules of NSX and any other rules of NSX which are applicable while the Company is admitted to the Official List of NSX, each as amended or replaced from time to time, except to the extent of any express written waiver by NSX.</i></p> <p><i>NSX</i> <i>Stock Exchange of Newcastle Limited or Newcastle Stock Exchange</i></p> <p><i>Official List</i> <i>the list of issuers maintained by NSX</i></p>	<p>These insertions provide definitions for the terms used in proposed new clause 1.6.</p>
2.	<p>Insert new clause 1.6 –</p> <p>1.6 Constitution subject to Listing Rules</p> <p><i>If the Company is admitted to the Official List of NSX the following clauses apply:</i></p> <p>a) <i>Despite anything contained in this Constitution, if the Listing Rules prohibit an act being done, the act must not be done.</i></p> <p>b) <i>Nothing contained in this Constitution prevents an act being done that the Listing Rules requires to be done.</i></p> <p>c) <i>If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).</i></p> <p>d) <i>If the Listing Rules require this Constitution to contain a provision and it does not contain that provision, is deemed to contain that provision.</i></p> <p>e) <i>If the Listing Rules require this Constitution not to contain a provision and it contains that provision, this Constitution is deemed not to contain that provision.</i></p> <p>f) <i>If any provision of this Constitution is or becomes inconsistent with the Listing Rules, this Constitution is deemed not to contain that provision to the extent of the inconsistency.</i></p>	<p>Proposed new clause 1.6 provides that the Constitution will be subject to the listing rules of the exchange on which the "G" class shares are traded. As the "G" class shares are traded on the NSX, the Constitution of the Company must comply with the Listing Rules of the NSX. It is a requirement of the listing of the Company on NSX that this change be proposed to shareholders at the Annual General Meeting of the Company.</p> <p>The current process that the NSX goes through in order to change its Listing Rules includes consultation with the Company for a period of up to 3 months. The NSX is aware of the share structure and voting restrictions within the STL Constitution and have advised the Company that the NSX would not specifically change a listing rule adversely affecting the Company unless there were over riding issues of market integrity and transparency involved giving rise to lower investor protection and confidence in the market. Any changes to the Listing Rules would apply to all companies trading on</p>

		the NSX.
3.	<p>Insert the following new definition in clause 1.1 –</p> <p><i>Applicable Law</i> means the Corporations Law, the Listing Rules and the ATSC Operating Rules</p> <p>Amend clauses 4.1 and 4.2 by deleting a reference to "Corporations Law or the Market Rules". "Corporations Law and the Market Rules" and "Corporations Law" and replacing them with a reference to <i>Applicable Law</i>.</p> <p>Delete the following definitions from clause 1.1-</p> <p><i>Market Rules</i> and <i>Exempt Stock Markets</i></p> <p>Delete the reference to <i>Market Rules</i> in clause 1.4(b) and replace with the reference to <i>Applicable Law</i>.</p>	<p>The rules relating to the exempt market are no longer relevant to the Company. As "G" class shares are now traded on the NSX, the NSX market rules relevant to this trading apply to the Company.</p>
4.	<p>Delete the definition of <i>Corporations Law</i> from clause 1.1 and replace it with a new definition of <i>Corporation Law</i> in clause 1.1 –</p> <p><i>Corporations Law</i> Corporations Act 2001 and its regulations as amended from time to time.</p>	<p>The definition of Corporations Law has been updated.</p>
5.	<p>Insert the following new definition in clause 1.1 –</p> <p><i>ASTC Operating Rules</i> means the operating rules of ASX Settlement and Transfer Corporation Pty Ltd in its capacity as a CS facility licensee.</p> <p><i>CHESS</i> the meaning in section 2 of the clearing and settlement rules made by ASX Settlement and Transfer Corporation Pty Ltd.</p> <p>Insert a new clause 9.1 –</p> <p>9.1 Electronic Transfer Systems <i>The Company may do any act, matter or thing permitted under the Applicable Law to facilitate involvement by the Company in any clearing and settlement facility provided under the Applicable Law for the transfer of securities.</i></p> <p>Renumber the existing clause 9.1 to clause 9.2 and amend renumbered clause 9.2 to read –</p> <p>9.2 Forms of transfer</p> <p>(a) <i>Subject to this Constitution, a Member may transfer any Shares it holds by:</i></p> <ul style="list-style-type: none"> (i) <i>a proper ASTC transfer;</i> (ii) <i>a written instrument of transfer in any usual form;</i> (iii) <i>or in any other form approved by the Directors, that is otherwise permitted by the Applicable</i> 	<p>These changes facilitate the electronic transfer of “G” class shares on the NSX as these shares are traded on the NSX.</p> <p>ASX Settlement and Transfer Corporation Pty Ltd is the company that operates the CHESS system.</p>

	<p><i>Law.</i></p> <p>(b) <i>Except as permitted by the Listing Rules, a Member must not dispose of restricted securities during the escrow period for those securities.</i></p> <p>Amend clause 9.4 (as renumbered clause 9.5) to read –</p> <p>9.5 Directors to register transfers</p> <p><i>Subject to Articles 5.3, 8.2(k), 9.3 and 9.4, the Directors will not refuse to register or fail to register or give effect to a transfer of Shares. Subject to the ATSC Operating Rules, a person transferring a Share remains the registered holder of that Share until the transfer for that Share is registered and the name of the person to whom the Share is being transferred is entered in the register as the holder of that Share.</i></p>	
6.	<p>Delete the definition of <i>Active Grower</i> in clause 1.1 and insert a new definition to read –</p> <p>Active Grower <i>a person who has delivered or will deliver Sugar Cane to a Mill in Queensland under a cane supply contract during the current year's Production Season. "Person" shall include a trustee, an executor or personal representative and any party to a partnership or sharefarming agreement.</i></p> <p>Amend the definition of <i>Production Season</i> in clause 1.1 by deleting the words <i>for each mill area</i>.</p> <p>Insert the following new definition in clause 1.1 –</p> <p>Member Status Declaration <i>a document to confirm the status of a Member as an Active Grower or an Active Miller in such form as prescribed by the Directors from time to time.</i></p> <p>Amend clause 3.2 by adding to the first line of clause 3.2(a) after the words <i>Article 3.2(b)</i> the words <i>and 15.7</i>.</p> <p>Amend clause 3.3 by adding to the first line of clause 3.3(a) after the words <i>Article 3.3(b)</i> the words <i>and 15.7</i>.</p> <p>Delete clause 3.6(c) in its entirety and replace with a new proposed clause 3.6(c) to read –</p> <p>(c) <i>The Directors may at any time, by written notice, require a Member to provide a duly signed Member Status Declaration which may be relied upon by the Directors to determine the status of a Member as an Active Grower or Active Miller.</i></p> <p>Delete clause 3.6(d) in its entirety.</p> <p>Delete clause 9.2(b)(ii) and replace with –</p>	<p>The abolition of cane production areas from 1 January 2005 requires an amendment to the definition of <i>Active Grower</i> and <i>Production Season</i> as the concept of cane production areas are part of these definitions.</p> <p>The abolition of cane production areas also removes the current reference source to accurately identify all growers who become inactive.</p> <p>The proposed amendments require shareholders to provide a completed and signed Member Status Declaration to confirm their status as active growers and active millers. The Declaration is required upon notice from the Directors and prior to the shareholder voting on company matters in a meeting of members or a "G" Class or "M" Class shareholders meeting.</p> <p>Confirmation of status as an active grower or active miller is also required by the Company at the time of acquisition of either "G" Class or "M" Class shares.</p> <p>The form of the Member Status Declaration will be as prescribed by the Directors from time to time.</p>

	<p><i>9.2(b)(ii) a duly executed Member Status Declaration.</i></p> <p>Delete clause 9.3(a)(ii) and (iii) and replace with -</p> <p><i>9.3(a)(ii) the Shares are "G" Class Shares and the transferee has not provided a duly executed Member Status Declaration.</i></p> <p><i>9.3(a)(iii) the Shares are "M" Class Shares and the transferee has not provided a duly executed Member Status Declaration.</i></p> <p>Delete clause 9.6 in its entirety.</p> <p>Insert a new clause 13.8(h) –</p> <p><i>(h) enclose the Member Status Declaration and advise Members of the requirements of clause 15.7.</i></p> <p>Insert a new clause 15.7 –</p> <p>15.7 No vote without Member Status Declaration</p> <p><i>(a) An Eligible Voter will not be 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 at -</i></p> <p><i>(i) the beginning of the meeting where the vote is to be taken; or</i></p> <p><i>(ii) if a Member is appointing a proxy, at the time the Member provides the appointment of the proxy to the Company.</i></p> <p><i>(b) The Directors' or chairperson's decision as to the validity of a Member Status Declaration will be final and binding.</i></p>	
7.	<p>Amend clause 18.2 by inserting the words <i>rounded down to</i> in the words in brackets and after the phrase <i>is not a multiple of 3</i> so that the clause now reads –</p> <p>18.2 Retirement of Directors at annual general meetings <i>At the annual general meeting of the Company held in the year 2004 and at every subsequent annual general meeting, one third of all the Directors (or if their number is not a multiple of 3 then rounded down to the whole number nearest to one-third) shall retire from office and be eligible for re-election provided that the Director has served no more than 2 consecutive terms immediately prior to the annual general meeting at which he or she is retiring.</i></p>	<p>Currently one third of directors are required to retire from office at each annual general meeting. Because the current size of the board is 5 directors it means that directors are not able to serve a term of 3 years. By rounding down to the nearest whole number means that annual rotation of directors will allow directors to serve a 3 year term.</p>

8.	<p>Delete the definitions of <i>Initial Shareholder</i> and “F” Class Redeemable Preference Shares in clause 1.1.</p> <p>Delete clause 2.1(c) in its entirety as it provides for the issue of “F” Class Redeemable Preference Shares.</p> <p>Delete the reference to <i>Initial Shareholder</i> in clause 2.2(d).</p> <p>Delete the references to <i>Initial Shareholder</i> in clause 3.1 by removing the words subclauses 3.1(a)(ii) and 3.1(b)(ii) in their entirety.</p> <p>Delete clause 3.4 in its entirety as it sets out the rights and restrictions attaching to “F” Class Redeemable Preference Shares.</p> <p>Amend clause 3.5(a), (b) and (c) by deleting the reference to <i>an Initial Shareholder</i>.</p> <p>Delete clause 9.4(c) in its entirety which provides for the issue of shares to the Initial Shareholder.</p>	<p>These changes are to remove provisions which facilitated the transfer of the assets to the Company from Queensland Sugar Corporation on the formation of the Company. These provisions are now obsolete.</p> <p>The provisions created “F” Class Redeemable Preference Shares which were issued to Queensland Sugar Corporation in exchange for the assets. These shares were then redeemed and no longer exist.</p> <p>The Initial Shareholder was Queensland Sugar Corporation.</p>
9.	<p>Amend clause 3.8 by inserting in the first line before the word <i>Member</i> the word <i>Retiring</i>.</p>	<p>The change confirms the correct interpretation of the clause in that it is only a <i>Retiring Member</i> who has to comply with a Transfer Notice.</p>
10	<p>Amend clause 9.7(a) by inserting the words <i>for a period of one year</i> at the end of the clause. The clause will now read –</p> <p>9.7 Retention of transfers by Company</p> <p>(a) <i>All instruments of transfer of Shares which are registered will be retained by the Company for a period of one year.</i></p>	<p>The purpose of this amendment is to ensure that the Company does not have to retain instruments of transfer of shares indefinitely.</p>
11.	<p>Amend clause 14.3(a) and 14.3(b) by deleting the reference to <i>25 Eligible Voters</i> and replacing it with a reference to <i>10 Eligible Voters</i></p>	<p>This change is recommended to facilitate the quorum requirements of general meetings of members and class meetings of members holding “G” class shares. The current quorum requirement for Eligible Voters representing “G” Class shares is presently 25. This is proposed to be reduced to 10</p>
12.	<p>Amend clause 27.2 (b) by adding an additional new subclause 27.2(b)(iv) to read –</p> <p>(iv) <i>whether the dividend is franked, the franking percentage and the franking class.</i></p>	<p>This amendment is to clarify that the directors may determine the franking treatment of a dividend of the Company.</p>
13.	<p>Insert in clause 1.1 new definitions to read –</p> <p>Liability <i>any liability incurred by that person as an officer of</i></p>	<p>This amendment updates the existing clause on indemnity and insurance to bring the treatment of indemnity and insurance</p>

	<p><i>the Company or a subsidiary of the Company.</i></p> <p>Legal Costs <i>legal costs incurred by that person in defending an action for a Liability of that person.</i></p> <p>Delete clause 34 in its entirety and insert in its place a new clause 34 to read –</p> <p>34. Indemnity and Insurance</p> <p><i>To the extent permitted by law, the Company -</i></p> <ul style="list-style-type: none"> <i>(a) Must indemnify each Director and Secretary against a Liability of that person and Legal Costs of that person.</i> <i>(b) May make a payment to a Director or Secretary in respect of Legal Costs of that person.</i> <i>(c) May pay, or agree to pay, a premium for a contract of insurance insuring a Director or Secretary against a Liability of that person and Legal Costs of that person.</i> <i>(d) Enter into an agreement or deed with each Director and Secretary under which the Company may do all or any of the following</i> <ul style="list-style-type: none"> <i>(i) indemnifies that person against any Liability of that person:</i> <i>(ii) make a payment to that person in respect of Legal Costs of that person;</i> <i>(iii) keep that person insured in respect of any act or omission by that person while a Director or Secretary of the Company.</i> 	<p>in line with the provisions of the Corporations Act 2001.</p> <p>The liability being indemnified is only liability incurred by the person in their role as an officer of the Company</p>
14.	The amendments above will require consequential numbering and grammatical changes.	

Resolution 4 - Proposed Amendments to Constitution - Part B

The proposed amendments - Part B to the Constitution are set out in the schedule below -

SCHEDULE OF AMENDMENTS - PART B

1.	<p>Delete the following definitions from clause 1.1 –</p> <p><i>Cane Production Area, Grower, Exempt Active Grower and Inactive Grower</i></p> <p>Replace the reference to <i>Active Grower</i> with the term <i>Grower</i> in the definition of <i>Active Grower</i> in clause 1.1.</p> <p>Replace the reference to <i>Active Growers</i> with the term <i>Growers</i> in the definition of <i>Active Miller</i> in clause 1.1.</p> <p>Amend the definition of <i>Member Status Declaration</i> in clause 1.1 by deleting the reference to <i>Active Grower</i> and replacing it with a reference to <i>Grower</i>.</p> <p>Amend clause 2.2(d) by deleting the reference to <i>Active Growers</i> and replace it with a reference to <i>Growers</i>.</p> <p>Amend clause 3.1 of the Constitution by deleting the reference to <i>Active Growers</i> in subclauses 3.1(a) and replacing it with the term <i>Growers</i>.</p> <p>Amend clauses 3.5(a) and (c) and clause 3.6(c) by deleting the reference to <i>an Active Grower</i> and replacing it with a reference to <i>a Grower</i>.</p> <p>Deleting clause 3.6(a) in its entirety.</p> <p>Amend clause 3.7(a) by deleting the reference to an <i>Inactive Grower</i>.</p> <p>Amend clauses 9.3, 9.4, and the definition of <i>Insolvency Event</i> in clause 1.1 by deleting the reference to an <i>Active Grower</i> and replace it with a <i>Grower</i></p>	<p>Feedback received by the Company from “G” Class shareholders is supportive of permitting “inactive” growers to remain as shareholders of the Company. The Directors have considered this feedback and propose that, once "G" Class shares are acquired, the shareholder can continue to hold “G” class shares even if they become "inactive" ie do not meet the definition of <i>Grower</i>.</p> <p>A person must still be a <i>Grower</i>, as defined, to acquire “G” class shares. A person must also be a <i>Grower</i> (ie. an active grower) to vote at meetings of members and meetings of "G" Class shareholders.</p>
2.	<p>The amendments above will require consequential numbering and grammatical changes.</p>	

Voting on Resolutions 3 and 4

Resolutions 3 and 4 are special resolutions and will require the support of at least 75% of the votes cast at the meeting in order that each be passed. In addition each of the special resolutions will require the support of at least:

- (a) 75% of the votes cast by Eligible Voters in relation to "G" Class Shares and provided that that 75% of votes has been cast by Eligible Voters representing the holders of at least 20% of the "G" Class Shares; and
- (b) 75% of the votes cast by Eligible Voters in relation to "M" Class Shares.

Proxies and Authorised Representatives

1. A member entitled to attend and vote at the Annual General Meeting 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. Please refer to the accompanying Proxy Form for details in relation to the procedure for appointing a proxy. 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.
2. If a member is entitled to cast 2 or more votes at a meeting of members, 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 half of that member's votes.
3. For an appointment of a proxy to be effective, proxy form and, if applicable, the powers of attorney under which they are signed must be received by ASX Perpetual at Level 22, 300 Queen Street, Brisbane, 4000 or GPO Box 2537, Brisbane, Qld, 4001 or alternatively faxed to ASX Perpetual on (07) 3221 3149 **not later than 48 hours before the meeting ie not later than 10am 20 October 2004.**
4. A corporation that has appointed a representative, pursuant to Section 250D of the *Corporations Act*, to vote on its behalf at the Annual General Meeting, should bring to the meeting a duly executed certificate of appointment for presentation 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 Annual General Meeting.