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If you have sold or transferred all your shares in Star Reefers Inc., you should at once hand this Notice to the purchaser or to the bank, stockbroker or other agent through which the sale was effected for transmission to the purchaser.

STAR REEFERS INC.
(Incorporated in the Cayman Islands with Limited Liability)

NOTICE OF ANNUAL GENERAL MEETING

The Directors, whose names appear on page 1, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

21st April, 2006

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LETTER FROM THE CHAIRMAN

STAR REEFERS INC.

(Incorporated in the Cayman Islands with Limited Liability)

Directors:

Kristian Siem
Ole Martin Siem
Per Christian Haukenes
Michael Delouche
Horst Schomburg

Registered Office:

P.O. Box 309GT
South Church Street
George Town, Grand Cayman
Cayman Islands, BWI

Secretary:

Terje Aschim

To the Shareholders of Star Reefers Inc.

21st April, 2006

Dear Shareholder,

ANNUAL GENERAL MEETING

INTRODUCTION

I have pleasure in enclosing the notice of the Annual General Meeting of the Company to be held at 9:00 a.m. local time, Wednesday, 12 July 2006, at the offices of the Company Harbour Place - 5th Floor, 103 South Church Street, George Town, Grand Cayman, Cayman Islands.

I set out below the background to the proposals that will be put to the Shareholders at the Annual General Meeting.

BACKGROUND ON THE RESOLUTIONS

1. Ordinary Business

The ordinary business to be conducted at the Annual General Meeting will be to approve the financial statements of the Company for the financial year ending 31 December 2005, to

approve the re-appointment of Rothman Pantall as auditors of the Company, to grant authority to your Board to fix the remuneration of the Company's auditors, to approve the re-appointment of Ole Martin Siem and Horst Schomburg as Class II Directors of the Company, to grant authority to the Board to fix remuneration of the Directors, to ratify the actions of the Directors of the Company during 2005 and to consider any other business properly brought before the Meeting.

2. Special Business - Approval of share option plan

As special business, it will be proposed to the Meeting that the Meeting approves the adoption of a share option plan as described in Appendix 1 to this letter.

3. Special Business – Standing authorisation to issue shares

As special business, the following will be proposed to the Meeting, to be approved by way of Special Resolution:

To approve the granting of a new general authorisation to the Board (or any committee hereof) to issue new shares, unissued shares, warrants or convertible bonds in the Company in one or more tranches and from time to time and in exchange for cash, without regard to the shareholders' pre-emption rights as per Article 15 of the Articles of Association, such general authorisation to be valid only for a period of two years from the date of passing of the Special Resolution and subject to the restriction that the total number of shares that the Board (or any committee thereof) may issue pursuant to such general authorisation shall not exceed that number of shares which equals 50% of shares in issue at the time of passing this Special Resolution.

The reasons for requesting that the Shareholders grant the new standing authority are:

Firstly, the new standing authority will give the Board flexibility to finance investments, acquisitions and other business combinations on short notice through the issue of shares or certain other equity instruments in the Company.

Secondly, the existing standing authority expires 9 July 2006. Your Board considers the granting of a new standing authority at the time of holding an Annual General Meeting rather than convening an Extraordinary General Meeting at some future time to be in the best interests of the Company, as this will result in cost savings and more effective time management for both the Company's senior management and its Shareholders.

ANNUAL REPORT AND FINANCIAL STATEMENTS

A copy of the Company's annual report and accounts for the financial year ended 31 December 2005 is enclosed.

VOTING BY PROXY AND THROUGH DEPOSITORIES

Registered Shareholders in the Company should complete the enclosed Proxy Form for the Annual General Meeting and return it to the offices of Star Reefers Inc, P.O. Box 10718 APO,

Harbour Place - 5th Floor, 103 South Church Street, George Town, Grand Cayman, Cayman Islands, telefax no. +1 345 946 3342, or the offices of Star Reefers AS at Jerpefaret 12, 0788 Oslo, Norway, telefax no. +47 23 22 04 00. The Proxy Form should be returned as soon as possible and, in any event, so as to arrive not later than 24 hours prior to the time appointed for holding the Annual General Meeting. Completing a Proxy Form will not preclude Shareholders from attending the Annual General Meeting and voting in person (or by corporate representative) if they wish to do so. If any assistance is required, please contact the Company Secretary.

RECOMMENDATION

The Company's Directors consider that approval of the Ordinary Business and Special Business to be conducted at the Annual General Meeting is in the Company's best interests and recommend that you vote in favour of each of the ordinary and special resolutions to be proposed at the meeting. Except where required to abstain by law or by the provisions of the Company's Articles of Association, Siem Industries Inc. and the Directors who hold shares in the Company intend to vote in favour of each of the resolutions in respect of their shares. Siem Industries Inc. holds 6,272,534 shares in the Company, Ole Martin Siem holds 6,000 shares, and Per Christian Haukenes holds 4,400 shares. None of the other Directors holds shares in the Company.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Memorandum and Articles of Association of the Company will be available for inspection by appointment only at the offices of Star Reefers AS at Jerpefaret 12, 0788 Oslo, Norway, and the offices of Maples and Calder, P.O. Box 309GT, South Church Street, Grand Cayman, Cayman Islands, British West Indies during normal business hours until 12 July 2006 and at the Annual General Meeting itself.

Yours faithfully,

Kristian Siem
Chairman

Appendix 1

SUMMARY OF PROPOSED NEW SHARE OPTION PLAN FOR STAR REEFERS INC (the “Plan”).

Following a review of the Company’s compensation package it is proposed that a share option scheme be introduced in order to reward, incentivise, attract and retain key employees.

1. GENERAL

The operation of the Plan will be supervised by the Board.

The duration of the Plan will be 10 years.

2. Operation and Eligibility

The Plan has been written to be flexible and the Board will operate the Plan and may vary the Plan as the Company develops by introducing such things as performance conditions for example. Options may be granted to such key employees of the Star Reefers Group as the Board in its sole discretion may select or approve.

3. Grant of Options

Options may be granted at any time unless there are insider trading rules that prevent the Company from making a grant. No more than 5% of the Company’s issued share capital from time to time may be subscribed on the exercise of options over a ten year period under the Plan.

4. Exercise Price

The exercise price of options will be not less than the fair market value of the shares at the time of grant.

5. Vesting, exercise and lapse of options

Options granted under the Plan have a ten year life.

Options vest 20% per annum provided the employee has been employed for a period of 24 months from the date of the grant and become exercisable on vesting.

Vested options can only be exercised in the seven day period following the quarterly announcements of the Company. There is, however, a facility for the Board to specify an extension of exercise “windows” in the future.

On a cessation of employment, vested options may be exercised until the end of the next seven day exercise period occurring immediately after the cessation of employment.

On a cessation of employment the unvested part of an option terminates unless the Board in its absolute discretion determines that it may vest.

The Plan is envisaged to be approved by Her Majesty’s Revenue and Customs in the UK. Under the Plan, approved options may be granted to individuals in the UK which will, provided certain

conditions are met, provide participants with certain tax and National Insurance Contributions (“NIC”) benefits and the company with NIC benefits. The main condition to obtain these benefits is that the option must not be exercised before the third anniversary of the date of grant (an “Approved Exercise”). Although a vested option can be exercised earlier than this date, such exercise loses the tax and NIC relief. For an Approved Exercise, no UK income tax or NIC liability will arise but only capital gains tax on the sale of the shares (potentially at a lower rate than income tax and with various exemptions and reliefs available). There is, however, a limit on the total value of shares that may be subject to an approved option scheme (currently £30,000 per individual) calculated based upon the fair market value of the shares at the date of grant.

Appendix 2

NOTICE OF ANNUAL GENERAL MEETING OF STAR REEFERS INC. (the “Company”)

NOTICE is hereby given that the Annual General Meeting of the Shareholders of the Company will be held at 9 am on Wednesday, 12 July 2006, at the offices of the Company in Harbour Place – 5th Floor, 103 South Church Street, George Town, Grand Cayman, Cayman Islands, for the following purposes:-

To consider and, if appropriate, pass the following resolutions as Ordinary Resolutions (unless when stated that a Special Resolution is required):

1. Approval of the financial statements of the Company for the financial year ending 31 December 2005.
2. Approval of the re-appointment of Rothman Pantall as Auditors of the Company.
3. Approval of the remuneration of the Auditors of the Company.
4. Approval of the reappointment of Ole Martin Siem and Horst Schomburg as Class II Directors of the Company.
5. By way of a Special Resolution, pursuant to the terms of Article 16 of the Articles of Association of the Company, to approve the granting of a new general authorisation to the Board (or any committee thereof) to issue new shares, unissued shares, warrants or convertible bonds in the Company in one or more tranches and from time to time and in exchange for cash, such general authorisation to be valid only for a period of two years from the date of passing of the Special Resolution and subject to the restriction that the total number of shares that the Board (or any committee thereof) may issue pursuant to such general authorisation shall not exceed that number of shares which equals 50% of shares in issue at the time of passing this Special Resolution.
6. Ratification and approval of the Company’s share option plan.
7. Approval of the remuneration of the Directors of the Company.
8. Ratification of the actions of the Directors and officers of the Company.
9. Consideration of any other business properly brought before the Meeting.

By order of the Board of Directors
Registered Office:
M&C Corporate Services Ltd.
P O Box 309GT, Uglan House,
South Church Street, George Town,
Grand Cayman, Cayman Islands

21st April, 2006

Terje Aschim
Secretary

NOTES:

1. A member entitled to attend and vote at the above meeting (the "**Meeting**") is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. A form of proxy for use at the Meeting is enclosed. Whether or not you propose to attend the Meeting in person, you are strongly urged to complete and sign the enclosed form of proxy in accordance with the instructions printed on it and to send it to, or deposit it (together with any power of attorney or other authority under which it is signed, or a certified and notarised copy) to the offices of Star Reefers Inc, P.O. Box 10718 APO, Harbour Place - 5th Floor, 103 South Church Street, George Town, Grand Cayman, Cayman Islands, telefax no. +1 345 946 3342, or the offices of Star Reefers AS at Jerpefaret 12, 0788 Oslo, Norway, telefax no. +47 23 22 04 00. The Proxy Form should be returned as soon as possible and, in any event, so as to arrive not later than 24 hours prior to the time appointed for holding the Annual General Meeting. Completing a Proxy Form will not preclude Shareholders from attending the Annual General Meeting and voting in person (or by corporate representative) if they wish to do so. If any assistance is required, please contact the Company Secretary.
3. If two or more persons are jointly regarded as holders of a share the vote of the senior shareholder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other registered holders of the shares. For this purpose seniority shall be determined by the order in which the names stand on the register of members.