

5 October 2017

The Secretary  
Australian Securities and Investments Commission  
PO Box 4000  
GIPPSLAND MAIL CENTRE VIC 3841

Dear Sir/Madam

**Gunns Plantations Limited**  
**ACN 091 232 209**  
**(In Liquidation) (Receivers and Managers Appointed)**  
**(the Company)**

**Great Southern Plantations Scheme 2001**  
**ARSN 089 958 029**  
**(the Scheme)**

#### **Contents of report**

In accordance with ASIC Instrument 2015/251 and s601NFA of the *Corporations Act 2001* (**the Act**), we provide the following report relating to the Scheme for the 12-month period ending 7 July 2017:

1. **Background to appointment**
2. **GPL's role as RE**
3. **Sale of assets**
4. **Other funds available to Scheme members**
5. **Actions taken during the previous 12 months**
6. **Actions required to complete the winding up**
7. **Estimated time to complete the winding up**
8. **Return to Scheme members**
9. **Receipts and payments**

#### **1. Background to appointment**

Messrs Craig Crosbie, Daniel Bryant and Ian Carson were appointed as Joint and Several Administrators of the Gunns Group of Companies (listing of all entities can be found in Annexure A) (**Gunns Group**) on 25 September 2012.

On the same date, Messrs Mark Korda and Bryan Webster of KordaMentha were appointed as Receivers and Managers of the Gunns Group by the parties who provided credit facilities to the Gunns Group under a Facility Agreement dated 31 January 2007 (**the Lenders**). The Receivers were not appointed to Gunns Plantations Limited (In Liquidation) (Receivers and Managers Appointed) (**GPL**) in its capacity as responsible entity (**RE**) of the managed investment schemes.

#### **2. GPL's role as RE**

GPL's role as RE of the Scheme was to establish, manage and administer the Scheme including plantation maintenance and the harvesting and sale of the plantation tree crop.

### 3. Sale of assets

Most of the land used in the Great Southern Plantations 1998 to 2006 Schemes (**GSP Schemes**) was owned by The Trust Company (Australia) Limited as trustee for the Forestry Investment Trust (**FIT**). In October 2013, the RE agreed to:

- surrender the leases on the land owned by FIT and used in the GSP Schemes (**FIT Land**)
- sell the trees located on the FIT Land (**GSP Trees**) to FIT; and
- extinguish the rights of Growers in the GSP Schemes to the FIT Land, leases and GSP Trees (**FIT Sale**).

The proceeds from this transaction were \$38.5 million (**Sale Proceeds**).

As the FIT Sale involved the sale of trees used in each of the nine GSP Schemes, the Sale Proceeds had to be allocated between the nine GSP Schemes. Once the Sale Proceeds were allocated between the GSP Schemes, they would be used to pay certain costs approved by the Supreme Court (**the Court**), with the balance subsequently distributed to members of the relevant GSP Schemes.

The Court ultimately approved the allocation of Sale Proceeds between the GSP Schemes as follows:

<b>GSP Schemes</b>	<b>Gross Scheme allocation<sup>1</sup></b> <b>(\$'000)</b>
GSP 1998	-
GSP 1999	-
GSP 2000	921
GSP 2001	577
GSP 2002	5,745
GSP 2003	16,469
GSP 2004	5,283
GSP 2005	5,359
GSP 2006	4,146
<b>Total</b>	<b>38,500</b>

**Notes:**

1. *Gross Scheme allocation is an allocation of the gross proceeds received, i.e. before consideration of any costs*
2. *Interest earned on Sale Proceeds up to date of distribution is not included in the table above, but is for the benefit of Scheme Members at the distribution date.*

### 4. Other funds available to Scheme members

There are no other funds available to members of the Scheme.

### 5. Actions taken during the previous 12 months

The Liquidators' commenced winding up the Scheme on 8 July 2016.

The key task completed since the winding up commenced has been seeking cost approval from the Court for costs incurred by the Liquidators relating to the Scheme.

### 6. Actions required to complete the winding up

The following actions need to be completed by the RE to complete the winding-up of the Scheme:

- Obtain Court approval to pay Scheme related costs out of Scheme proceeds
- Lodge Form 5138 with ASIC advising completion of winding up.

## 7. Estimated time to completion of the winding up

We expect that the Scheme will be wound up within the next 12 months. Any delay in winding up the Scheme is likely to be the result of timing of obtaining Court approval to pay Scheme related costs.

## 8. Return to Scheme members

The costs involved in realising the Scheme Assets and administering the Scheme outweigh the proceeds received and therefore no distribution was available to Scheme members. A summary of the source and application of funds is set out as follows:

<b>Great Southern Plantations Scheme 2001</b>		<b>\$</b>
<b>Source of Funds</b>		
Proceeds from Timber Sales		568,844
Maintenance Reserve Funds		123,055
Post-app custodial account (incl.int)		1
Pre-app custodial account (incl.int)		-
Interest Earned		40,278
<b>Total Income</b>		<b>\$732,178</b>
<b>Application of Funds</b>		
Liquidators costs	(241,725)	
Legal costs	(59,974)	
Receivers & Managers lien	(240,828)	
GPL Indemnity costs	(128,604)	
Third Party Costs	(149,485)	
<b>Total Expenses</b>	<b>(\$820,616)</b>	
Distribution Expenses	-	
<b>Surplus funds after costs</b>		<b>(\$88,438)</b>
No. of woodlots in Scheme		13,734
<b>Net return per woodlot (\$)</b>		<b>-</b>

## 9. Receipts and Payments

There were no receipts and payments for the period ended 7 July 2017.

If you have any queries please contact Miranda Priddle on (03) 9269 4163.

Yours faithfully

  
**Craig Crosbie, Daniel Bryant and Ian Carson**  
Liquidators

Contact name: Miranda Priddle  
Date of appointment: 5 March 2013  
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## ANNEXURE A

### GUNNS GROUP COMPANIES

ASSOCIATED FOREST HOLDINGS PTY LTD	ACN 004 352 078
AUSPINE LTD	ACN 004 289 730
AUSPINE PLANTATIONS PTY LTD	ACN 002 327 808
AUSPINE TREE FARMS PTY LTD	ACN 100 307 373
EAST COAST PASTORAL CO PTY LTD	ACN 009 519 528
GTP ALEXANDRA PTY LTD	ACN 121 653 772
GTP CHINA PTY LTD	ACN 093 919 414
GTP HEYFIELD PTY LTD	ACN 000 041 814
GTP HOLDINGS PTY LTD	ACN 009 478 068
GTP SEYMOUR PTY LTD	ACN 091 652 550
GTP SOUTHWOOD PTY LTD	ACN 081 613 710
GUNNS CONSOLIDATED INVESTMENTS PTY LTD	ACN 128 619 045
GUNNS FINANCE PTY LTD	ACN 091 861 700
GUNNS FOREST PRODUCTS PTY LTD	ACN 004 208 904
GUNNS HOLDINGS PTY LTD	ACN 009 520 085
GUNNS LTD	ACN 009 478 148
GUNNS NEW ZEALAND PTY LTD	ACN 069 051 378
GUNNS PLANTATIONS LTD	ACN 091 232 209
KAURI TIMBER COMPANY LTD	ACN 004 085 714
KVIC PTY LTD	ACN 126 089 950
MANNA HOLDINGS PTY LTD	ACN 008 008 197
NORTHERN FOREST INVESTMENTS PTY LTD	ACN 009 493 707
S.E.A.S. ESTATES PTY LTD	ACN 007 923 971
S.E.A.S. PLANTATIONS PTY LTD	ACN 005 791 695
S.E.A.S. SAPFOR FORESTS PTY LTD	ACN 007 872 120
S.E.A.S. SAPFOR HARVESTING PTY LTD	ACN 007 511 211
S.E.A.S. SAPFOR INVESTMENT SERVICES PTY LTD	ACN 008 164 289
SAPFOR TRADING PTY LTD	ACN 007 924 254
SORISDALE PTY LTD	ACN 054 548 971
SOUTH EAST AFFORESTATION SERVICES PTY LTD	ACN 007 898 259
TASMANIAN PULP & FOREST HOLDINGS LTD	ACN 009 488 733
TASMANIAN SOFTWOODS PTY LTD	ACN 009 501 786
TASPINE PTY LTD	ACN 009 477 730
TBVIC PTY LTD	ACN 004 161 782
TIMBERSALES PTY LTD	ACN 004 848 864
WESLEY VALE ENGINEERING PTY LTD	ACN 006 955 568
(ALL LIQUIDATORS APPOINTED) (ALL RECEIVERS AND MANAGERS APPOINTED) (THE 'GUNNS GROUP')	