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GUNNS PLANTATIONS LIMITED
ABN 36 091 232 209
AFSL NO. 238701
(Receivers & Managers Appointed) (In Liquidation)

A WHOLLY OWNED SUBSIDIARY OF GUNNS LIMITED
ABN 29 09 478 148
(Receivers & Managers Appointed) (In Liquidation)(Gunns)

Grower update – 15 April 2014
This update relates to Gunns Plantations Woodlot Schemes
2000 to 2006 & 2008 and 2009
(GPL Woodlot Schemes)
(Excludes the Great Southern Schemes)

GPL Woodlot Schemes sale process update

This update provides GPL Woodlot Schemes Growers with information relating to the GPL Woodlot Schemes assets (Scheme Assets), including:

- 1. Joint sale process with Gunns Receivers**
- 2. Next steps**
- 3. GPL Woodlot Schemes Growers' loans with Gunns Finance (Receivers and Managers Appointed)(In Liquidation) (Gunns Finance)**

1. Joint Sale Process with Gunns' Receivers

In our Grower update of 5 March 2014, we advised Growers that, under the Joint Sale process with the Gunns' Receivers:

- the assets being offered for sale include a wood-chipping business, land, timber plantations and an opportunity to build a pulp mill.
- seven parties that made indicative bids were invited to progress to the second stage of due diligence of the Joint Sale Process.
- final bids were due to be submitted by 31 March 2014.

A number of final bids were received, and negotiations with some of these bidders have been ongoing. We expect that the selection of the preferred bidder of the Joint Sale Process will be made within the next 7 days.

Details of the preferred bidder's offer will remain confidential and commercially sensitive, and cannot be disclosed at this time.

Disclaimer

Growers are encouraged to read this update in its entirety before making any decisions concerning their investment. Growers should make their own independent evaluation of the relevance and adequacy of the information contained herein.

PPB Advisory has not considered the investment objectives, financial situation or particular needs of individual Growers or any other person. Accordingly, this update should not be relied upon as the sole basis for any decision in relation to your investment. Growers should obtain and rely on professional advice from their own tax, legal, accounting and other professional advisers in respect of the Growers' investment objectives, financial position or particular needs.

2. Next steps

We will provide Growers over the coming weeks a detailed update, setting out:

- the outcome of the Joint Sale Process and why we consider that this is in the best interests of Growers relative to alternate courses of action
- the process the GPL Liquidators will follow, including:
 - Court directions, that the liquidators are justified and acting properly and reasonably in proceeding with the Joint Sale Process
 - how Growers may become involved in the Court process
- the process the GPL Liquidators will follow for allocation of net sale proceeds (from the Joint Sale Process) across the 9 GPL Woodlot schemes, including:
 - the rationale for the proposed allocation
 - Court directions, that the liquidators are justified and acting properly and reasonably in proceeding with the proposed allocation
 - how Growers may become involved in the Court process

Interested parties will be provided with sufficient notice to enable them to appear and make submissions to the Court.

The GPL Liquidators will continue to keep Growers informed with any material developments.

3. GPL Woodlot Schemes Growers loans with Gunns Finance

The GPL Liquidators have recently received correspondence from Growers relating to loans made by Gunns Finance and / or other financiers, to fund their investment in the GPL Woodlot Schemes.

Any queries relating to the repayment of your loans should be directed to:

- for loans by Gunns Finance, to the to the Gunns Receivers at (gnsenquiries@kordamentha.com)
- for loans by other financiers, to the respective financier direct

Growers should consider seeking professional advice in relation to their investment.

Further questions?

If you have any further questions please address them to the following contacts:

Contact	Contact Phone Number	Contact Email Address
GPL Client Services	(03) 6335 5290	gunns.plantations@gunns.com.au
PPB Advisory	(03) 9269 4160	gunns@ppbadvisory.com