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GUNNS PLANTATIONS LIMITED
ABN 36 091 232 209
AFSL NO. 238701

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

Grower update – 15 May 2013

This update relates to Great Southern Plantations Schemes 1998 to 2006 (GSP Schemes)

(Excludes the Gunns Plantations Woodlot Schemes)

This communication updates you on:

1. the court hearing date for the court approved power of sale application
2. the sale process (including indicative interest from potential purchasers)
3. the status of GSP Schemes leases
4. potential harvests.

1. Court sets a hearing date for the application for power of sale

The Supreme Court of Victoria (the **Court**) will hear our application seeking approval of a power of sale in respect of the Growers' trees on 30 May 2013.

Our update of [26 April 2013](#) outlined the rationale for pursuing a Court approved sale process for the trees of the GSP Schemes to best serve the interests of Growers.

2. Sale process

We have already received a pleasing level of interest from a variety of domestic and international parties despite not yet having advertised the Growers' trees for sale.

We will be in a position to inform the market of our intended process once a power of sale has been granted and stakeholders consulted. Preparatory work on the sale process has already commenced (including preparing a potential purchaser list, data room set-up, information memorandum and advertisement drafting).

On obtaining approval for the power of sale from the Court, we will be in a position to commence immediately the formal competitive and orderly sale process. This process will target both local and global interested parties and is expected to take approximately three to four months.

This Court approved sale process will ensure that the Court will provide appropriate oversight to the merits of and approve (where it agrees that it is in the best interests of Growers):

- our application for the power of sale
- any offer received for Grower assets considered acceptable.

Growers are able to apply to have their voices heard at any of the Court hearings of the Court approved sale process.

It is important to note that we do not have to accept an offer for your assets if it is deemed not in the best interests of Growers. We will continue to explore other options if an acceptable offer is not obtained.

3. Lease status

A conditional standstill on lease termination notices has recently been agreed in principle (formal documentation is being finalised) with New Forests Asset Management Pty Ltd (**New Forests**) (the manager of the major landowner's land) whilst constructive discussions on alleged maintenance issues continue. The standstill will help protect the value of the Schemes for the Growers benefit.

4. Potential harvests

We are currently seeking expressions of interest for the harvest of approximately 270k green metric tonnes of GSP Schemes trees. Indicative interest has been received.

5. Next update timing

We will post further updates on our website at www.ppbadvisory.com over the coming weeks and will advise GSP Schemes Growers on or around Friday 31 May 2013 of the progress of the power of sale application to the Court and sale process.

6. 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