

Administration Bulletin No. 2

3 June 2009

Great Southern Limited ACN 052 046 536
 (Receivers and Managers Appointed) (Administrators Appointed) ("GSL")



Week Two

- On Wednesday May 27, 2009, the **first meeting of creditors** took place at the Melbourne Convention and Exhibition Centre in Melbourne.
 - Just less than 400 people physically attended the meeting, while another 3,700 people logged in via the internet to view the meeting webcast. These people were mainly in Australia, but there were also people from as far away as Qatar, Switzerland and Slovakia.
 - The webcast is still available on the Ferrier Hodgson website (www.ferrierhodgson.com) – follow the Great Southern links.
 - The Administrator's presentation to creditors can also be downloaded from the Ferrier Hodgson website. It incorporates diagrams that may be useful to improve your understanding of the Group structure and the Administration.
 - Three Committees of Creditors were established at the meeting. The role of the Committees is to represent the interests of the Great Southern creditors and liaise with the Administrators. If you have an issue you want the Committee to raise with the Administrators, you should speak to one of the Committee members.

Great Southern Managers Australia Limited

Representative	Creditor/Investor name
Peter Burke	Private Investor
Michael Butler	Australian Financial Solutions Limited
Neil White	33 rd JAF Pty Ltd
Alan Friday	Bendigo and Adelaide Bank
Marcello Blasi	Tarello Pty Ltd ATF Blasi Family Super Fund
Robert Quinby	Quinby Property Services
Mark Kailis	Kailis Olive Processing Pty Ltd
Peter Young	Complete Investments
John Dehne	Private Investor
Phillip Capicchiano	Private Investor

GSPT Debenture Holdings Ltd

Representative	Creditor/Investor name
James Thackray	GSL

Great Southern Limited	
Representative	Creditor/Investor name
Mark Sheldon-Stemm	CRC Forestry Limited
Phillip Joseph	Australian Executive Trustee
Sandra Gibson	GSL Employee Representative
Alan Friday	Bendigo and Adelaide Bank

- Since our appointment we have been focussing on the following tasks:

- We have established dedicated teams to address three key areas:

Operations	Administration	Investigation
<ul style="list-style-type: none"> ▪ Entity by entity analysis ▪ Control of assets and operations (those not controlled by R&Ms) ▪ Cashflow forecasts ▪ Asset and liability identification ▪ Valuations 	<ul style="list-style-type: none"> ▪ MIS viability analysis and compliance ▪ Reporting, communication and meetings ▪ Legal review ▪ Interaction with receivers and managers ▪ Monitoring of outcomes from receivership 	<ul style="list-style-type: none"> ▪ Report to creditors, investors, ASIC ▪ Review of historical events ▪ Source and application ▪ Solvency and other recoveries ▪ Project Transform

- We continue to work with management and staff to deal with investors' issues.
 - The Receivers have commenced a review of each of the Schemes and, as they are in control of the Responsible Entity, they will be considering the future of each of the Schemes. The Receiver also intends to keep investors apprised of the outcome of that work, which is not expected for some weeks. We are working closely with the Receivers on this and will be considering those outcomes.
 - Confirmed that the Receivers have maintained the current insurance policies of the Group and that these appear sufficiently adequate to protect the grower's interests.

The week ahead

- In the next week we will be focussing on the following tasks:
 - Continuing with the review of the MIS schemes.
 - Where appropriate, apply for an extension for the convening period for the second meeting of creditors (see below).

Second meetings of creditors

- No decision has yet been made on extending the convening period for the **second meetings of creditors**. This is something we will decide on this week. The purpose of these meetings is to consider the future of the Great Southern Group and whether we should: establish a Deed of Company Arrangement; end the Administration; place the Group in liquidation.
- Before these meetings, the Administrators will issue a **report to creditors** outlining details of the Group's business, property, affairs and financial circumstances to help make your decisions about the future of the Group.
- The Corporations Act states that this meeting must be held by Monday 22 June 2009 unless the Administrators apply to the Court to extend this date. Given the complexity of the Great Southern Administration, an extension of the convening period remains a strong possibility.
- For details on the meeting process please refer to the **FAQ document** on the Ferrier Hodgson website (www.ferrierhodgson.com).

Going forward

- The Administrators will be examining the various MIS projects.
- The Administrators are looking at the potential for reorganising the Group and will engage with the key stakeholder groups as appropriate.
- We understand that some creditors/growers did not receive the circular until after the first creditors meeting. Under the Corporations Act, we were required to post this by no later than Tuesday 19 May 2009 and we confirm this deadline was met. Unfortunately, Australia Post has advised that it is unable to give any guarantee over the length of time required to deliver mail from the West Coast to the East Coast.
- We will distribute future correspondence as much in advance of meetings as possible, however this may not always be possible or practicable. Therefore, in order to minimise delays in future we recommend that creditors/investors nominate to receive electronic communication by emailing us at the following addresses:

Stakeholder	Email address
Investor enquiries	gsl_investors@perth.fh.com.au
Shareholder enquiries	gsl_shareholders@perth.fh.com.au
Creditor enquiries	gsl_creditors@perth.fh.com.au

Contact us

- Further details about the Administration can be found on the Ferrier Hodgson website. There you will find **circulars to creditors, employees, investors and shareholders**. There is also a link to a document containing answers to Frequently Asked Questions which is regularly updated. Go to www.ferrierhodgson.com and click the Great Southern link.
- For other questions, please call the **Great Southern Hotline** on 1800 258 348.