

IN THE SUPREME COURT OF VICTORIA AT MELBOURNE  
COMMERCIAL & EQUITY DIVISION  
COMMERCIAL COURT

r8.05

LIST E

No 9998 of 2009

IN THE MATTER OF TIMBERCORP SECURITIES LIMITED  
(IN LIQUIDATION)  
ACN 092 311 469

TIMBERCORP SECURITIES LIMITED  
(IN LIQUIDATION) ACN 092 311 469  
IN ITS CAPACITY AS RESPONSIBLE ENTITY OF EACH OF THE  
MANAGED INVESTMENT SCHEMES LISTED IN SCHEDULE 1  
AND OTHERS ACCORDING TO THE SCHEDULE  
Plaintiffs

CERTIFICATE IDENTIFYING EXHIBIT

Date of document:  
Filed on behalf of:  
Prepared by:  
Clarendon Lawyers  
Level 17, Rialto North Tower  
525 Collins Street  
MELBOURNE VIC 3000

11 November 2009  
John Angus Hordern

Tel: 03 8681 4400  
Fax: 03 8681 4499  
Solicitors Code: 101294  
Ref: MJF:0900460

This is the exhibit marked "GK-13" now produced and shown to **GEORGE KALIL** at the time of  
swearing his affidavit on 4.11.09

Before me:.....

**KATE FELICITY DESMOND**  
of Clarendon Lawyers Pty Ltd  
Level 17, Rialto North Tower  
525 Collins St, Melbourne Victoria 3000  
an Australian Legal Practitioner within the  
meaning of the *Legal Profession Act 2004*

## Lauree Blair

---

**From:** George Kalil [gk@axisfinancial.net.au]  
**Sent:** Thursday, 29 October 2009 9:59 AM  
**To:** Lauree Blair  
**Subject:** FW: Boort Olive Assets

Regards,

**George Kalil**  
Financial Adviser

**Axis Financial Advisers Pty Ltd**

Suite 3, Level 3, 96 Phillip Street  
PARRAMATTA NSW 2150  
Ph: 02 9635 6655  
Fax: 02 9635 6688  
[gk@axisfinancial.net.au](mailto:gk@axisfinancial.net.au)

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---

**From:** Andrew Malarkey [mailto:amalarkey@kordamentha.com]  
**Sent:** Monday, 12 October 2009 8:30 PM  
**To:** George Kalil  
**Cc:** Mark Bland; Martyn, Stuart; Andrew Ryan; Mark Korda  
**Subject:** Boort Olive Assets

George

This afternoon we executed sale and purchase deeds with Boundary Bend Limited in respect of both the Boort and Boundary Bend olive assets. As such we will therefore not be pursuing your offer in respect of the assets. Thank you for your interest. Please call me if you have any queries.

Regards

**Andrew Malarkey** | Partner  
**KordaMentha** | Level 24, 333 Collins Street, Melbourne VIC 3000  
t +61 3 8623 3347 | f +61 3 8623 3399 | m +61 414 460 156  
e [amalarkey@kordamentha.com](mailto:amalarkey@kordamentha.com) | w [www.kordamentha.com](http://www.kordamentha.com)

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**From:** George Kalil [mailto:gk@axisfinancial.net.au]  
**Sent:** Monday, 12 October 2009 5:18 PM  
**To:** Andrew Malarkey  
**Cc:** Mark Bland; Rob Garton Smith; Martyn, Stuart  
**Subject:** GLO Bid - URGENT

Please find attached response to your letter and budgets requested.

Regards,

**George Kalil**  
Financial Adviser

**Axis Financial Advisers Pty Ltd**

Suite 3, Level 3, 96 Phillip Street  
PARRAMATTA NSW 2150  
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---

**From:** Andrew Malarkey [mailto:[amalarkey@kordamentha.com](mailto:amalarkey@kordamentha.com)]  
**Sent:** Friday, 9 October 2009 6:03 PM  
**To:** George Kalil  
**Cc:** Andrew Ryan  
**Subject:** Timbercorp

George

Please see attached letter.

Regards

**Andrew Malarkey** | Partner  
**KordaMentha** | Level 24, 333 Collins Street, Melbourne VIC 3000  
t +61 3 8623 3347 | f +61 3 8623 3399 | m +61 414 460 156  
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IN THE SUPREME COURT OF VICTORIA AT MELBOURNE  
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LIST E

No 1498 of 2009

IN THE MATTER OF TIMBERCORP SECURITIES LIMITED  
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Plaintiffs

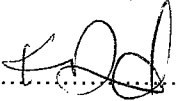
CERTIFICATE IDENTIFYING EXHIBIT

Date of document:  
Filed on behalf of:  
Prepared by:  
Clarendon Lawyers  
Level 17, Rialto North Tower  
525 Collins Street  
MELBOURNE VIC 3000

17 November 2009  
John Angus Hordern

Tel: 03 8681 4400  
Fax: 03 8681 4499  
Solicitors Code: 101294  
Ref: MJF:0900460

This is the exhibit marked "GK-14" now produced and shown to **GEORGE KALIL** at the time of  
swearing his affidavit on 11.11.09

Before me:.....

**KATE FELICITY DESMOND**  
of Clarendon Lawyers Pty Ltd  
Level 17, Rialto North Tower  
525 Collins St, Melbourne Victoria 3000  
an Australian Legal Practitioner within the  
meaning of the *Legal Profession Act 2004*

## Katie Desmond

---

**From:** Martyn, Stuart [Stuart.Martyn@fnis.com]  
**Sent:** Wednesday, 4 November 2009 10:52 AM  
**To:** Katie Desmond  
**Cc:** George Kalil; george.kalil@yahoo.com  
**Subject:** FW: Boort Olive Assets

FYI

**From:** George Kalil [mailto:gk@axisfinancial.net.au]  
**Sent:** Tuesday, 13 October 2009 1:18 PM  
**To:** Andrew Malarkey  
**Cc:** Mark Bland; Martyn, Stuart; Andrew Ryan; Mark Korda  
**Subject:** RE: Boort Olive Assets

Andrew,

We are extremely disappointed, yet not surprised to hear your decision. Without Boort revenue Boundary Bend would be unable to complete and fund its Sale.

This decision completely sells out the Boort Grower who shall receive virtually no value for the \$170,000,000.00 they have collectively poured into this project.

The viability "MAK-6" statement you presented to the courts were seriously flawed and misrepresented the projects current solvency and will form the basis for action against your firm.

We are taking advice from our legal team and will consider asking the court not to ratify the Sale and Purchase Deed because Boundary Bend fraudulently inflated their invoices in the September 2009 Crop Sale Agreement.

Also KordaMentha can not cause TSL to terminate L&JV / sub-leases because our bid provides a better outcome to growers and it would be a breach of their duty as an RE to do so.

However we realise that has not stopped you in the past, but as I told you on the conclusion of our last meeting the \$1,500,000 that I pleaded with you to take as a deposit for the Boort Assets will now be used as a litigation fund.

Seven more days for Boundary Bend to validate their expenditure.

Hope they can get the work done in that time.

For your sake Andrew.

Regards,

**George Kalil**  
Financial Adviser

**Axis Financial Advisers Pty Ltd**  
Suite 3, Level 3, 96 Phillip Street  
PARRAMATTA NSW 2150  
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**Sent:** Monday, 12 October 2009 8:30 PM  
**To:** George Kalil  
**Cc:** Mark Bland; Martyn, Stuart; Andrew Ryan; Mark Korda  
**Subject:** Boort Olive Assets

George

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Regards

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**Sent:** Monday, 12 October 2009 5:18 PM  
**To:** Andrew Malarkey  
**Cc:** Mark Bland; Rob Garton Smith; Martyn, Stuart  
**Subject:** GLO Bid - URGENT

Please find attached response to your letter and budgets requested.

Regards,

**George Kalil**  
Financial Adviser

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**From:** Andrew Malarkey [mailto:amalarkey@kordamentha.com]  
**Sent:** Friday, 9 October 2009 6:03 PM  
**To:** George Kalil  
**Cc:** Andrew Ryan  
**Subject:** Timbercorp

George

Please see attached letter.

Regards

**Andrew Malarkey** | Partner  
**KordaMentha** | Level 24, 333 Collins Street, Melbourne VIC 3000  
t +61 3 8623 3347 | f +61 3 8623 3399 | m +61 414 460 156  
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IN THE SUPREME COURT OF VICTORIA AT MELBOURNE  
COMMERCIAL & EQUITY DIVISION  
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r8.05

LIST E

No 9998 of 2009

IN THE MATTER OF TIMBERCORP SECURITIES LIMITED  
(IN LIQUIDATION)  
ACN 092 311 469

TIMBERCORP SECURITIES LIMITED  
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MANAGED INVESTMENT SCHEMES LISTED IN SCHEDULE 1  
AND OTHERS ACCORDING TO THE SCHEDULE  
Plaintiffs

CERTIFICATE IDENTIFYING EXHIBIT

Date of document:

11 November 2009

Filed on behalf of:

John Angus Hordern

Prepared by:

Clarendon Lawyers

Tel: 03 8681 4400

Level 17, Rialto North Tower

Fax: 03 8681 4499

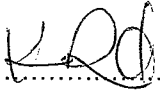
525 Collins Street

Solicitors Code: 101294

MELBOURNE VIC 3000

Ref: MJF:0900460

This is the exhibit marked "GK-15" now produced and shown to **GEORGE KALIL** at the time of  
swearing his affidavit on 11.11.09

Before me: 

**KATE FELICITY DESMOND**  
of Clarendon Lawyers Pty Ltd  
Level 17, Rialto North Tower  
525 Collins St, Melbourne Victoria 3000  
an Australian Legal Practitioner within the  
meaning of the *Legal Profession Act 2004*



15 October 2009

KordaMentha

George Kalil  
c/o Mark Bland  
Clarendon Lawyers  
Level 17, Rialto North Tower  
525 Collins Street  
Melbourne VIC 3000

By email: [gk@axisfinancial.net.au](mailto:gk@axisfinancial.net.au)

Dear George

**Olivecorp Land Pty Ltd (In Liquidation)**

I refer to your email of 13 October 2009.

You make many allegations which are incorrect. As a failed bidder I accept that you may be disappointed but I wish to clarify a number of issues that you have raised.

As you know the liquidators engaged in a robust sale and recapitalisation process of the Olive assets. They kept all interested parties fully informed of the progress of that process.

The decision to enter into the Sale and Purchase Deed with Boundary Bend Limited in respect of the Boort assets does not "sell(s) out the Boort Growers". The Boundary Bend Limited offer was superior to all other offers received (including the Kalil offer received from yourself). I base this assessment on a number of factors, including price, ability to fund the assets prior to completion, and completion risk.

***Price – Boundary Bend Limited offer \$2m better than the Kalil offer***

The Kalil offer of \$38.0 million was in respect of various olive assets, some of which are subject to third party finance lease encumbrances. The Kalil offer effectively required the liquidators to discharge those liabilities at or before completion. The payout value of these finance leases is around \$4.0 million. Therefore the net proceeds of sale would be around \$34.0 million.

Boundary Bend Limited's offer for the Boort assets was \$36.0 million. However, their offer excluded assets subject to finance lease encumbrances. Therefore the net proceeds available to the sellers would be around \$36.0 million

On an "apples to apples" comparison of price the Boundary Bend Limited offer was \$2 million more than the Kalil offer.

Corporate Recovery Services  
Turnaround & Restructuring Services  
Real Estate Advisory  
Forensics

[info@kordamentha.com](mailto:info@kordamentha.com)  
[www.kordamentha.com](http://www.kordamentha.com)

Liability limited by a scheme  
approved under Professional  
Standards Legislation

**Melbourne**

KordaMentha Pty Ltd  
ACN 100 169 391  
Level 24, 333 Collins Street  
Melbourne VIC 3000  
GPO Box 2985  
Melbourne VIC 3001  
Office: 03 8623 3333  
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Washington, DC

***Ability to fund the assets prior to completion – Kalil offer has greater risk of wastage***

In my letter of 7 October 2009 I discussed the critical issue of managing the olive groves prior to completion and the wastage risk.

Upon execution of the Sale and Purchase Deed Boundary Bend Limited was willing to immediately re-commence management of the olive groves (which they have done) without any limitation on the funding required to do so. This condition ensures that there will not be crop wastage. By contrast, your offer to manage the olive groves was subject to limited funding. This funding may have been inadequate to maintain the groves to good horticultural standard during the completion period.

The liquidators did not want to take a higher risk of damage to the olive groves to prefer a bidder offering a lesser amount of consideration.

***Completion Risk – Kalil Offer subject to capital raising, BBL offer unconditional***

The Kalil offer was conditional on raising capital. The Boundary Bend Limited offer was not so conditioned.

The Kalil capital raising would have required the preparation and issuance of a prospectus. By your own acknowledgement, this process would have taken up to three months assuming it be successful. Boundary Bend Limited's offer was not subject to funding. The Boundary Bend Limited offer represented a lower completion risk than the Kalil offer.

In other words the Boundary Bend Limited offer was not only a better price, less likely to cause damage to the Olive Groves but also not as conditioned as the Kalil offer.

***September 2009 Crop Sale Agreement***

In relation to amounts due to Boundary Bend Limited under various crop sale agreements for the month of September 2009, as previously advised to you I have requested further information from Boundary Bend Limited in order to investigate your allegations. Under the terms of the crop sale agreements Boundary Bend Limited have until 21 October 2009 to comply with our request for that information.


***Termination of grower rights subject to Court directions***

Under the terms of the Sale and Purchase Deed executed with Boundary Bend, the termination of grower sub-leases is subject to Court approval. The Supreme Court has set down 29 October 2009 for hearing the application in respect of the Olive Asset sale.

***Viability Statement***

You state the "MAK-6" viability statement prepared by KordaMentha for the purposes of the winding up application is "seriously flawed and misrepresented the projects' current solvency". Mark Korda explained in his affidavit the assumptions that he made in relation to the viability statement and why he made them. Mark Korda was cross examined by the Grower's counsel and it was never suggested during that cross examination that the viability statement was "seriously flawed". Mark Korda was also cross examined by ASIC. I am unable to respond further to your allegations in the absence of detailed particulars of the allegations that you now make. Mark Korda and I accept that we may have differences of opinion about assumptions but that does not entitle you to allege that we have misled anyone. I request that you refrain from making these allegations.

Yours sincerely



ANDREW MALARKEY  
For MARK KORDA  
Liquidator

IN THE SUPREME COURT OF VICTORIA AT MELBOURNE  
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COMMERCIAL COURT

r8.05

LIST E

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John Angus Hordern

Prepared by:

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Tel: 03 8681 4400

Level 17, Rialto North Tower

Fax: 03 8681 4499

525 Collins Street

Solicitors Code: 101294

MELBOURNE VIC 3000

Ref: MJF:0900460

This is the exhibit marked "GK-16" now produced and shown to **GEORGE KALIL** at the time of  
swearing his affidavit on 11.11.09

Before me:.....  


**KATE FELICITY DESMOND**  
of Clarendon Lawyers Pty Ltd  
Level 17, Rialto North Tower  
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meaning of the *Legal Profession Act 2004*

## Mark Bland

---

**From:** Martyn, Stuart [Stuart.Martyn@fnis.com]  
**Sent:** Friday, 16 October 2009 10:34 AM  
**To:** Andrew Malarkey  
**Cc:** Mark Bland; Andrew Ryan; Mark Korda; George Kalil  
**Subject:** RE: Boort Olive Assets

**Importance:** High

Andrew,

I am aware that George is probably not contactable until Monday, so he is unlikely to receive your letter before then.

From a personal perspective, your reply letter addresses many points on which you seek to rely on reaching your decision to proceed with the Boundary Bend offer. It however fails to address our central point that Boort growers will be considerably worse off when compared to the ongoing MIS alternative that we put forward. In fact they face a write-off probably equivalent to 95% of their investment in the Boort grove. ie \$170m invested with a likely return of approx \$9m to \$10m once secured creditors at Boort are paid. I realise the exact proportions of the Boort proceed split is still to be determined but whatever the outcome of these discussion it is only playing at the edges of a near complete write-off of the growers investment.

The lack of serious acknowledge and duty of care to the MIS growers is the overwhelming failure that is evident in the sale process and ultimate decision reached. The additional \$2m proceeds from the BBL offer and lower completion risks in no way compensate for the \$160+m write-off that growers face at Boort.

When appearing at the Supreme Court on the 29 October, is KordaMentha going to fulfil its duties as RE to the Boort growers by presenting what the alternative for growers would be under the GLO offer that proposed a new RE and continuation of the MIS schemes?

If KordaMentha does not propose to do this, then can you explain how as RE you are acting in the best interests of Boort MIS growers by not doing so, when the alternatives for growers are as blunt as this:

BBL offer: Boort growers write-off approx \$160m of their collective \$170m investment

GLO on-going MIS offer: Boort MIS growers have ongoing and profitable schemes with no write-off required including annual farm expense contributions set at less than what they paid last year.

From a commercial and equity perspective no reasonable comparison can be made.

As an aside, finalising a deal with a party when a serious probity issue remains unresolved is an unusual way to conclude a transaction with such a significant impact on growers. Again I wonder where the responsibilities of RE were taken into consideration when electing to proceed with the BBL offer under these circumstances.

Regards

Stuart Martyn

**From:** Andrew Malarkey [mailto:amalarkey@kordamentha.com]  
**Sent:** Thursday, 15 October 2009 5:59 PM  
**To:** George Kalil

**Cc:** Mark Bland; Martyn, Stuart; Andrew Ryan; Mark Korda  
**Subject:** Boort Olive Assets

George

Please see attached letter.

Regards

**Andrew Malarkey** | Partner  
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**Boort CSA Analysis**

	Sept
Farm Operating Costs:	
- Fuels	45
- Irrigation	3
- Fertiliser/pesticides/herbicides etc	562
- Pruning	20
- Admin and Consultancy charge	32
Temporary water	-
Operating leases	-
Rates (land & water)	124
Occupancy costs (eg utilities/rent/rates/security)	53
People costs	92
Sundry office expenditure	60
Repairs & Maintenance	5
Management & Technical Fees	180
<b>Sub-total</b>	<b>1,177</b>
August carry-over pruning	250
August carry-over nutrition	35
August carry-over irrigation materials	52
Risk Premium	187
	<b><u>1,701</u></b>

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AND OTHERS ACCORDING TO THE SCHEDULE  
Plaintiffs

CERTIFICATE IDENTIFYING EXHIBIT

Date of document:  
Filed on behalf of:  
Prepared by:  
Clarendon Lawyers  
Level 17, Rialto North Tower  
525 Collins Street  
MELBOURNE VIC 3000

4 November 2009  
John Angus Hordern

Tel: 03 8681 4400  
Fax: 03 8681 4499  
Solicitors Code: 101294  
Ref: MJF:0900460

This is the exhibit marked "GK-18" now produced and shown to **GEORGE KALIL** at the time of  
swearing his affidavit on 11.11.09

Before me: 

**KATE FELICITY DESMOND**  
of Clarendon Lawyers Pty Ltd  
Level 17, Rialto North Tower  
525 Collins St, Melbourne Victoria 3000  
an Australian Legal Practitioner within the  
meaning of the *Legal Profession Act 2004*



## Michael Fernon

---

**Subject:** FW: Boort crop Sale Agreement.  
**Attachments:** RE: Boort crop Sale Agreement.

**From:** George Kalil [mailto:gk@axisfinancial.net.au]  
**Sent:** Tuesday, 29 September 2009 11:01 AM  
**To:** Andrew Ryan  
**Cc:** Andrew Malarkey; Nick Courtney; Bryan Webster  
**Subject:** RE: Boort crop Sale Agreement.

Dear Andrew,

Thankyou for your Email outlining the "breakdown of Boundary Bends cost for the month of September"  
s per the vigorous debate I had with Andrew Malarkey at the last COI meeting, which I trust was minuted, the actual expenses at Boort are nowhere near the amount claimed in your CSA Analysis.

- My information indicates there has been \$64,000 spent on N26 (Nitrogen) 200,000 litres at 32 cents per litre and approx\$10,000 on Hammer. Please provide a detailed breakdown of the \$562,000 purported to be expended on Fertiliser/pesticide/herbicide.
- There has been NO Pruning work done since June so please explain \$250,000 august Carry over pruning. Andrew Malarkey indicated urgent pruning was to commence. None whatsoever has taken place.
- People cost at the grove averages less than \$50,000 per month, please explain \$92,000.00
- Please provide copies of actual receipts for all materials ordered and delivered to the Boort site in order to carry out the purported work.

I consider this to be a very serious matter and believe this is fraudulent in its nature and intend to bring this matter up at the next Committee of Inspection Meeting.

Please provide the proof of expenditure within the next 48 hours as I intend to visit the Grove to verify this information.

Regards,

**George Kalil**  
Financial Adviser

### Axis Financial Advisers Pty Ltd

Suite 3, Level 3, 96 Phillip Street  
PARRAMATTA NSW 2150  
Ph: 02 9635 6655  
Fax: 02 9635 6688  
[gk@axisfinancial.net.au](mailto:gk@axisfinancial.net.au)

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---

**From:** Andrew Ryan [mailto:aryan@kordamentha.com]  
**Sent:** Monday, 28 September 2009 9:26 AM  
**To:** George Kalil  
**Cc:** Andrew Malarkey; Nick Courtney; Bryan Webster  
**Subject:** RE: Missing out on Apportionment.

IN THE SUPREME COURT OF VICTORIA AT MELBOURNE  
COMMERCIAL & EQUITY DIVISION  
COMMERCIAL COURT

r8.05

LIST E

No 7998 of 2009

IN THE MATTER OF TIMBERCORP SECURITIES LIMITED  
(IN LIQUIDATION)  
ACN 092 311 469

TIMBERCORP SECURITIES LIMITED  
(IN LIQUIDATION) ACN 092 311 469  
IN ITS CAPACITY AS RESPONSIBLE ENTITY OF EACH OF THE  
MANAGED INVESTMENT SCHEMES LISTED IN SCHEDULE 1  
AND OTHERS ACCORDING TO THE SCHEDULE  
Plaintiffs

CERTIFICATE IDENTIFYING EXHIBIT

Date of document:  
Filed on behalf of:  
Prepared by:  
Clarendon Lawyers  
Level 17, Rialto North Tower  
525 Collins Street  
MELBOURNE VIC 3000

11 November 2009  
John Angus Hordern

Tel: 03 8681 4400  
Fax: 03 8681 4499  
Solicitors Code: 101294  
Ref: MJF:0900460

This is the exhibit marked "GK-19" now produced and shown to **GEORGE KALIL** at the time of  
swearing his affidavit on 11.11.09

Before me:.....

**KATE FELICITY DESMOND**  
of Clarendon Lawyers Pty Ltd  
Level 17, Rialto North Tower  
525 Collins St, Melbourne Victoria 3000  
an Australian Legal Practitioner within the  
meaning of the *Legal Profession Act 2004*

Name	1/10/2009	1/11/2009	1/12/2009	1/01/2010	1/02/2010	1/03/2010	1/04/2010	1/05/2010	1/06/2010	1/07/2010	1/08/2010	1/09/2010	FY10
Contract labour	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	360,000
Diesel for farm operations	30,000	-	-	-	-	-	-	-	-	-	-	-	303,750
Diesel for harvest	75,000	75,000	80,000	85,000	75,000	70,000	49,500	250,000	65,000	-	-	-	364,500
Diesel for irrigation	1,000	1,000	1,000	1,000	1,000	1,000	40,000	2,000	2,000	1,000	1,000	1,000	583,200
Fuel - petrol	-	-	-	-	-	-	-	-	60,000	-	-	-	15,000
Contract mechanical harvesting	-	-	-	-	-	-	-	-	-	-	-	-	60,000
Contract labour harvesting	-	-	-	-	-	-	700,000	1,000,000	300,000	-	-	-	2,000,000
Harvester R&M	15,000	15,000	15,000	15,000	20,000	20,000	45,000	100,000	100,000	-	-	-	345,000
Chlorine	-	-	-	-	-	-	-	-	-	-	-	-	-
Consultancy - irrigation	2,000	-	2,000	-	2,000	-	-	-	-	-	2,000	-	8,000
Flushing	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrigation materials	58,000	2,000	2,000	2,000	2,000	2,000	2,000	450	450	450	450	450	72,250
Irrigation repairs	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Water analysis	-	200	-	-	-	-	200	-	-	-	-	-	400
Fertigation	150,000	250,000	350,000	350,000	350,000	350,000	100,000	-	-	-	-	100,000	2,000,000
Foliar fertiliser	30,000	90,000	-	-	120,000	-	60,000	-	-	-	-	-	300,000
Insecticide & pesticide	-	-	49,030	-	-	-	-	-	-	-	-	-	49,030
Soil nutrition	-	-	140,000	140,000	-	-	-	-	-	-	-	-	280,000
Pomace removal	-	-	-	-	-	-	-	-	170,000	-	-	-	170,000
Pest control	416	416	416	416	416	416	416	416	416	416	416	424	5,000
Pruning mechanical	-	-	84,000	-	-	-	-	-	-	-	-	-	84,000
Pruning contract labour	316,600	316,600	317,000	-	-	237,500	237,500	-	-	-	-	-	1,425,200
Tools & equipment	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Tree costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Tree ties	-	-	-	-	-	-	-	-	-	-	-	-	-
Weed control/herbicide	-	25,000	-	50,000	-	25,000	-	25,000	-	50,000	-	25,000	200,000
Workshop supplies	2,500	2,500	2,500	2,500	2,500	250	2,500	2,500	2,500	2,500	2,500	2,500	27,750
Enzymes	-	-	-	-	-	262,500	262,500	-	-	-	-	-	525,000
Talc	-	-	-	-	112,500	112,500	300	300	300	300	300	300	225,000
Freight	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Laboratory fees	600	600	600	600	600	600	2,400	2,400	600	600	600	600	7,200
Building repairs & maintenance	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Electricity	30,000	30,000	50,000	50,000	50,000	30,000	30,000	200,000	200,000	100,000	20,000	30,000	820,000
Fire maintenance & monitoring	-	-	-	-	-	1,000	-	-	-	-	-	-	1,000
Gas	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Cleaning - general	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Permits & rates	-	-	-	42,000	-	-	-	-	-	-	-	-	42,000
Rent	-	-	-	-	-	-	-	-	-	-	-	-	-
Security	99	99	99	99	99	99	99	99	99	99	99	99	1,188
Waste removal	1,000	1,000	1,000	1,000	1,000	1,500	1,500	1,000	1,000	1,000	1,000	1,000	13,000
Contractors	-	-	-	-	-	30,000	-	-	-	-	-	-	30,000
Fringe benefits tax	-	-	-	-	-	-	-	-	5,000	-	-	-	5,000
Overtime	-	-	-	-	-	-	-	-	5,000	-	-	-	10,000
Payroll tax	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Salaries	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	528,000
Superannuation	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
Training	-	-	1,000	-	-	2,500	-	-	-	-	-	-	3,500

Wages	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
Workcover	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	66,000
Bank charges	20	20	20	20	20	20	20	20	20	320
Clothing	500	-	-	500	-	500	500	500	-	2,000
Computer expenses	1,000	500	500	500	500	500	500	500	500	6,500
Consultancy				4,500						4,500
Donations	1,000		1,000		5,000				1,000	9,000
Entertainment	-	-	1,000	-	-	-	-	-	-	3,500
General equipment hire	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	-	12,000
Tractors	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	432,000
Insurance	170,000	170,000	170,000	170,000	170,000	170,000	170,000	170,000	170,000	27,000
Lease payment-operating lease										2,040,000
Legal fees										4,000
Licence fees	50	50	50	50	50	50	50	50	50	600
Memberships & subscriptions	100	100	100	100	100	100	100	100	100	1,200
Motor vehicle expenses	708	708	708	708	708	708	708	708	712	8,500
Occupational health and safety	1,000	-	1,000	5,000	-	-	-	-	-	15,000
Office supplies	1,500	1,500	2,000	2,000	2,000	2,000	2,000	2,000	1,500	22,000
General equipment R&M	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Motor vehicles R&M	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	42,000
Irrigation pump & motor R&M	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
Contractors R&M	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,500	2,500	25,000
Postage	200	200	200	200	200	200	200	200	200	2,400
Reference materials		250		250			250		200	950
Research & development	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Staff amenities	1,000	1,000	1,000	1,200	1,200	1,000	1,000	1,000	1,000	12,600
Sundry expenses	100	100	100	100	100	100	100	100	100	1,200
Telephone	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Travel	-	-	-	500	500	-	-	-	-	1,000
<b>EXPENSES, TOTAL</b>	<b>1,040,893</b>	<b>1,165,093</b>	<b>1,463,473</b>	<b>1,113,193</b>	<b>1,095,293</b>	<b>1,925,493</b>	<b>1,251,143</b>	<b>505,323</b>	<b>418,597</b>	<b>13,957,238</b>

IN THE SUPREME COURT OF VICTORIA AT MELBOURNE  
COMMERCIAL & EQUITY DIVISION  
COMMERCIAL COURT

r8.05

LIST E

No 9998 of 2009

IN THE MATTER OF TIMBERCORP SECURITIES LIMITED  
(IN LIQUIDATION)  
ACN 092 311 469

TIMBERCORP SECURITIES LIMITED  
(IN LIQUIDATION) ACN 092 311 469  
IN ITS CAPACITY AS RESPONSIBLE ENTITY OF EACH OF THE  
MANAGED INVESTMENT SCHEMES LISTED IN SCHEDULE 1  
AND OTHERS ACCORDING TO THE SCHEDULE  
Plaintiffs

CERTIFICATE IDENTIFYING EXHIBIT

Date of document:  
Filed on behalf of:  
Prepared by:  
Clarendon Lawyers  
Level 17, Rialto North Tower  
525 Collins Street  
MELBOURNE VIC 3000

11 November 2009  
John Angus Hordern

Tel: 03 8681 4400  
Fax: 03 8681 4499  
Solicitors Code: 101294  
Ref: MJF:0900460

This is the exhibit marked "GK-20" now produced and shown to **GEORGE KALIL** at the time of  
swearing his affidavit on 11.11.09

Before me:.....

**KATE FELICITY DESMOND**  
of Clarendon Lawyers Pty Ltd  
Level 17, Rialto North Tower  
525 Collins St, Melbourne Victoria 3000  
an Australian Legal Practitioner within the  
meaning of the Legal Profession Act 2004

**Michael Fernon**

---

**Subject:** FW: Boort crop Sale Agreement.

**From:** Andrew Malarkey [mailto:amalarkey@kordamentha.com]  
**Sent:** Wednesday, 7 October 2009 4:27 PM  
**To:** George Kalil  
**Cc:** Andrew Ryan  
**Subject:** RE: Boort crop Sale Agreement.

George,

Pursuant to the crop sale agreements, Boundary Bend are required to provide to the Liquidators any information they reasonably request in order to determine whether Boundary Bend have complied with the crop sale agreements. This information must be provided with 21 days of the end of the month. Following your email of last Tuesday, we requested Boundary Bend to provide details (with supporting documentation) of actual costs incurred by Boundary Bend in respect of the Boort olive groves during September 2009. Under the terms of the crop sale agreements Boundary Bend have until 21 October to comply with our information request, although we have encouraged them to reply as soon as possible. Upon receipt of the requested information we will diligently investigate the issues you have raised and revert back to you.

Regards

**Andrew Malarkey** | Partner  
**KordaMentha** | Level 24, 333 Collins Street, Melbourne VIC 3000  
t +61 3 8623 3347 | f +61 3 8623 3399 | m +61 414 460 156  
e [amalarkey@kordamentha.com](mailto:amalarkey@kordamentha.com) | w [www.kordamentha.com](http://www.kordamentha.com)

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**From:** George Kalil [mailto:gk@axisfinancial.net.au]  
**Sent:** Wednesday, 7 October 2009 12:54 PM  
**To:** Rob McGavin; Andrew Ryan  
**Cc:** Andrew Malarkey  
**Subject:** RE: Boort crop Sale Agreement.

Dear Rob and Andrew,

It has now been over a week and you have failed to respond to legitimate request to validate the work carried out under the Crop Sale Agreement.

If "leave it with me" means you plan to ignore our request then you do so at the peril of not being paid.

Andrew please have this matter placed on an agenda item to be discussed at the next Committee of Inspection meeting. This will also form the basis of our request to have Boundary Bend removed as Farm Manager WITHOUT payment of the Crop Sale Agreement as they have failed to carry out the work under the Agreement.

Regards,

**George Kalil**

Committee of Inspection member

IN THE SUPREME COURT OF VICTORIA AT MELBOURNE  
COMMERCIAL & EQUITY DIVISION  
COMMERCIAL COURT

r8.05

LIST E

No 1993 of 2009

IN THE MATTER OF TIMBERCORP SECURITIES LIMITED  
(IN LIQUIDATION)  
ACN 092 311 469

TIMBERCORP SECURITIES LIMITED  
(IN LIQUIDATION) ACN 092 311 469  
IN ITS CAPACITY AS RESPONSIBLE ENTITY OF EACH OF THE  
MANAGED INVESTMENT SCHEMES LISTED IN SCHEDULE 1  
AND OTHERS ACCORDING TO THE SCHEDULE  
Plaintiffs

CERTIFICATE IDENTIFYING EXHIBIT

Date of document:  
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Prepared by:  
Clarendon Lawyers  
Level 17, Rialto North Tower  
525 Collins Street  
MELBOURNE VIC 3000

11 November 2009  
John Angus Hordern  
Tel: 03 8681 4400  
Fax: 03 8681 4499  
Solicitors Code: 101294  
Ref: MJF:0900460

This is the exhibit marked "GK-21" now produced and shown to **GEORGE KALIL** at the time of  
swearing his affidavit on 11-09

Before me: 

**KATE FELICITY DESMOND**  
of Clarendon Lawyers Pty Ltd  
Level 17, Rialto North Tower  
525 Collins St, Melbourne Victoria 3000  
an Australian Legal Practitioner within the  
meaning of the *Legal Profession Act 2004*

## Katie Desmond

---

**From:** Haylee Stewart on behalf of Mark Bland  
**Sent:** Tuesday, 10 November 2009 9:56 AM  
**To:** Katie Desmond  
**Subject:** FW: Timbercorp - Olive Asset Sale

**From:** Bridgette Toy-Cronin [mailto:btoycronin@abl.com.au]  
**Sent:** Monday, 9 November 2009 5:19 PM  
**To:** Mark Bland  
**Subject:** RE: Timbercorp - Olive Asset Sale

Yes, the interest in Boundary Bend is part of "other" in paragraph 81.

**Bridgette Toy-Cronin** | Senior Associate

**Arnold Bloch Leibler** | Level 21, 333 Collins Street, Melbourne Victoria 3000  
T: +61 3 9229 9881 | F: +61 3 9916 9392  
btoycronin@abl.com.au | [www.abl.com.au](http://www.abl.com.au)

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---

**From:** Mark Bland [mailto:Mark.Bland@clarendonlawyers.com.au]  
**Sent:** Monday, 9 November 2009 5:12 PM  
**To:** Bridgette Toy-Cronin  
**Subject:** RE: Timbercorp - Olive Asset Sale

Hi Bridgette – as discussed, I expect by lunchtime tomorrow.

One question – the Boundary Bend Shares mentioned in para 69(f), are they part of 'Other' in para 81?

Kind regards

**Mark Bland** | Director

**Clarendon Lawyers** | Level 17, Rialto North Tower, 525 Collins Street, Melbourne 3000  
T + 61 3 8681 4415 | F + 61 3 8681 4484 | M + 61 419 380 680  
[www.clarendonlawyers.com.au](http://www.clarendonlawyers.com.au)

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**From:** Bridgette Toy-Cronin [mailto:btoycronin@abl.com.au]  
**Sent:** Monday, 9 November 2009 4:49 PM  
**To:** Mark Bland  
**Subject:** RE: Timbercorp - Olive Asset Sale

Thanks. They'll be available tomorrow morning.

Rod Ratcliffe at the Court said you'd requested a full day hearing. Are you intending to file something? When should be expect that?



Regards,  
Bridgette

**From:** Mark Bland [mailto:Mark.Bland@clarendonlawyers.com.au]  
**Sent:** Monday, 9 November 2009 4:47 PM  
**To:** Bridgette Toy-Cronin  
**Subject:** RE: Timbercorp - Olive Asset Sale

Thanks Bridgette. Welcome back. When can we expect the non-confidential exhibits?

**From:** Bridgette Toy-Cronin [mailto:btoycronin@abl.com.au]  
**Sent:** Monday, 9 November 2009 4:25 PM  
**To:** Alex Mufford; Andrew Malarkey; Andrew Ryan; Andrew Tregear; Antony Munro; Bernard Murphy; Bryan Webster; Chris Garnaut; Clint Hinchin; E Maxwell; G Keith; Garry Bigmore; Ian Carson; Jane Sheridan; John Stragalinos; Katie Desmond; Leon Zwier; Mark Bland; Mark Korda; Michael Fernon; Pamela hanrahan; Peter McCluskey; Ross McClymont; S Hibble; Samantha Kinsey; Steven Foale; Tina Beltrame; Tony Troiani  
**Subject:** Timbercorp - Olive Asset Sale

Dear All,

Please find attached the draft originating process, draft affidavit and draft orders the Plaintiffs seek in respect of the olive asset sale. We will file the proceedings and sworn affidavit tomorrow morning.

This matter has been set down for the revised time of **10:30am on Wednesday 11 November 2009**. It has been set down for a full day.

Kind regards,

**Bridgette Toy-Cronin** | Senior Associate

**Arnold Bloch Leibler** | Level 21, 333 Collins Street, Melbourne Victoria 3000  
T: +61 3 9229 9881 | F: + 61 3 9916 9392  
btoycronin@abl.com.au | [www.abl.com.au](http://www.abl.com.au)

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IN THE SUPREME COURT OF VICTORIA AT MELBOURNE  
COMMERCIAL & EQUITY DIVISION  
COMMERCIAL COURT

r8.05

LIST E

No 9998 of 2009

IN THE MATTER OF TIMBERCORP SECURITIES LIMITED  
(IN LIQUIDATION)  
ACN 092 311 469

TIMBERCORP SECURITIES LIMITED  
(IN LIQUIDATION) ACN 092 311 469  
IN ITS CAPACITY AS RESPONSIBLE ENTITY OF EACH OF THE  
MANAGED INVESTMENT SCHEMES LISTED IN SCHEDULE 1  
AND OTHERS ACCORDING TO THE SCHEDULE  
Plaintiffs

CERTIFICATE IDENTIFYING EXHIBIT

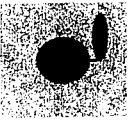
Date of document:  
Filed on behalf of:  
Prepared by:  
Clarendon Lawyers  
Level 17, Rialto North Tower  
525 Collins Street  
MELBOURNE VIC 3000

11 November 2009  
John Angus Hordern  
Tel: 03 8681 4400  
Fax: 03 8681 4499  
Solicitors Code: 101294  
Ref: MJF:0900460

This is the exhibit marked "GK-22" now produced and shown to **GEORGE KALIL** at the time of  
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Before me:.....  


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an Australian Legal Practitioner within the  
meaning of the *Legal Profession Act 2004*



## BBL Offer

- Should BBL be successful in acquiring the Boort and Boundary Bend grove assets, it will offer equity participation in the grove assets to existing MIS growers at the same price that it acquires the assets (inclusive of all transaction and holding costs).
- The equity participation offered to growers will be an entitlement based on existing project investment. If 100% of the entitlement is taken up the assets will be 100% owned by the existing growers.
- BBL will underwrite the shortfall subject to a minimum subscription of 50%.
- Under any restructure, BBL will move to a performance based management fee on commercial terms.
- BBL requires a reasonably tight timeline for documents to be prepared and growers to subscribe.

IN THE SUPREME COURT OF VICTORIA AT MELBOURNE  
COMMERCIAL & EQUITY DIVISION  
COMMERCIAL COURT

r8.05

LIST E

No 9998 of 2009

IN THE MATTER OF TIMBERCORP SECURITIES LIMITED  
(IN LIQUIDATION)  
ACN 092 311 469

TIMBERCORP SECURITIES LIMITED  
(IN LIQUIDATION) ACN 092 311 469  
IN ITS CAPACITY AS RESPONSIBLE ENTITY OF EACH OF THE  
MANAGED INVESTMENT SCHEMES LISTED IN SCHEDULE 1  
AND OTHERS ACCORDING TO THE SCHEDULE  
Plaintiffs

CERTIFICATE IDENTIFYING EXHIBIT

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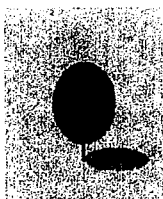
4 November 2009  
John Angus Hordern

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Ref: MJF:0900460

This is the exhibit marked "GK-23" now produced and shown to **GEORGE KALIL** at the time of  
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# **BOUNDARY BEND LIMITED**

*Australia's premier olive company*

PO Box 92 Lara Victoria 3212 Australia [www.boundarybend.com](http://www.boundarybend.com)  
t: +61 (0) 3 5272 9500 f: +61 (0) 3 5272 9599 e: [bbl@boundarybend.com](mailto:bbl@boundarybend.com)

13 October 2009

## **MEDIA RELEASE**

Boundary Bend Limited, Australia's leading vertically integrated olive company, has successfully purchased all the Timbercorp olive assets at Boort and Boundary Bend for \$59.5 million.

The agreement was reached today with the Timbercorp Liquidator, Korda Mentha, after a competitive sale process that took place over several months.

The assets purchased by Boundary Bend Limited include 6,012 hectares of olive groves at Boort and Boundary Bend; 26,121 megalitres of permanent water rights on the Murray and Goulburn systems; an olive processing facility located at Boort; and Timbercorp's 19.4% equity interest in Boundary Bend Limited will also be acquired.

Executive Chairman of Boundary Bend Limited, Rob McGavin, said "The purchase of the Timbercorp olive assets is a wonderful opportunity for Boundary Bend Limited and MIS growers alike.

"Importantly, these world class assets have been purchased by an Australian company protecting Australian jobs and earnings," Mr McGavin said.

"The Timbercorp olive groves, which Boundary Bend has successfully managed for several years, have been a critical factor in the emergence of the Australian olive industry both locally and globally, through the quality of the oils produced at these groves and marketed under the Cobram Estate label."

As part of the sale agreement, and unique to the olive asset sale, growers in Timbercorp's olive managed investment scheme projects will be given the first right to a guaranteed entitlement allocation in BBL's equity raising.

"If all Timbercorp olive MIS investors take up their individual entitlement, they will get 100% of the equity that Boundary Bend Limited plans to raise," Mr McGavin said.

Once the acquisition has been completed, Boundary Bend Limited will have approximately 6,532ha (16,154 acres) of planted irrigated olive groves on 10,000ha (25,000 acres) of freehold land with 29,716 ML of permanent water rights. BBL will also be the largest producer of Extra Virgin olive oil in the Southern Hemisphere by both area and production, and in the top 10 in the world.

The company was founded in 1998 by Rob McGavin and Paul Riordan and was awarded the Australian Agribusiness Exporter of the Year in 2007.

*Media inquiries: Rob McGavin, 0418955363*

IN THE SUPREME COURT OF VICTORIA AT MELBOURNE  
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11 November 2009  
John Angus Hordern

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Ref: MJF:0900460

This is the exhibit marked "GK-24" now produced and shown to **GEORGE KALIL** at the time of  
swearing his affidavit on 11.11.09

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## BOUNDARY BEND LIMITED

Australia's premier olive company  
PO Box 92 Lara Victoria 3212 Australia [www.boundarybend.com](http://www.boundarybend.com)  
t: +61 (0) 3 5282 2216 f: +61 (0) 3 5282 5977 e: [bbl@boundarybend.com](mailto:bbl@boundarybend.com)

16 October 2009

### Open letter of explanation to all Timbercorp MIS Olive Growers and Advisors

#### RE: BBL Capital raising and Growers Entitlements

This letter is for information purposes only and requires no action from growers or advisors.

#### Background

1. Boundary Bend Limited (**BBL**) has signed contracts to purchase the Boort Estate and Boundary Bend Estate olive groves and associated assets (the **Assets**) for \$59.5m.
2. BBL's bid for the Assets is fully funded through committed capital resources. As part of this funding BBL has an option to sell the permanent water entitlements and lease it back under long term lease agreements.
3. BBL plans to raise between \$20m and \$40m via a prospectus, predominately to fund the future grove operating costs (note: BBL will not receive any cash from the 2010 crop until September 2010).
4. Growers in Timbercorp Olive Managed Investment Schemes (MIS) will be given an opportunity to participate in 100% of the BBL equity being raised. See **Appendix 1** for contractual obligations.
5. After completion BBL will be a fully integrated olive oil business, comprising the following:
  - a. Boundary Bend olive grove
  - b. Boort olive grove
  - c. Processing facilities at Boort and Boundary Bend
  - d. 10ha commercial freehold site at Lara near Geelong with 19,000 m<sup>2</sup> of shedding which houses BBL's bottling and packaging plant, nursery, 1.8m litres of oil storage and head office
  - e. Harvesting equipment
  - f. 1,500ha land in Argentina - suitable for planting olives
  - g. Existing sales and marketing value add business
  - h. Cobram Estate brand (Australia's number 1 brand by volume and value).
6. This opportunity will not affect growers' rights to the 2009 net crop proceeds.
7. BBL entering into a transaction to purchase the olive assets and make an offer to growers is independent to any rights that MIS growers may or may not have regarding their existing MIS investment.

## **Equity Raising**

1. Subject to unforeseen delays, the equity raising is expected to be completed prior to Christmas.
2. BBL road show will be held in all major capital cities (Melbourne, Sydney, Brisbane, Perth and Adelaide), [and potentially other major regional cities].
3. All growers, as at 23 April 2009, will be offered a guaranteed priority entitlement.
4. Under the terms of the prospectus individual Growers will be offered the right to subscribe for all the equity being raised by BBL which must be at least **\$20m** in BBL ordinary shares.
5. The Grower entitlement calculation in the prospectus will be based on the Net Operating Cashflow of each project (i.e. Growers who have put in more cash will be given a larger entitlement).
6. Based on a capital raising of \$30m, the proposed Grower entitlement calculation can be summarised as follows (see **Appendix 2** for full details of the calculation):

<b>Olive Project</b>	<b>Entitlement per Lot (\$)<sup>1</sup></b>	<b># Lots<sup>2</sup></b>	<b>Amount raised if fully subscribed (\$)</b>
2000 Private Offer	1,865	1,448	2,700,000
2001	1,738	3,919	6,810,000
2002	1,668	1,870	3,120,000
2002 (Post June)	1,506	717	1,080,000
2003	1,728	2,153	3,720,000
2003 (Post June)	1,543	350	540,000
2004	1,493	623	930,000
2006	1,127	2,795	3,150,000
2007	922	2,440	2,250,000
2007 (Post June)	860	558	480,000
2008	743	7,028	5,220,000
<b>Total</b>		<b>23,901</b>	<b>30,000,000</b>

7. Growers have **NO** obligation to participate in the equity offer that will be made to them by BBL.
8. Each grower will have an individual entitlement
9. Growers who do not subscribe for their individual entitlement will not get any shares in BBL.
10. Growers will be able to apply for more than their entitlement.
11. Should a Grower not take up their entitlements, BBL has the right to offer those entitlements to; another Grower, an existing BBL shareholder or a new investor.
12. BBL directors have not yet resolved the final issue price for BBL shares. The BBL board will price the issue in such a way as to reasonably expect all equity issued will be taken up.

<sup>1</sup> Based on a notional capital raising of approximately \$30m

<sup>2</sup> 1 Lot = 0.25 hectares

13. The prospectus will contain full details of the offer including BBL's 2009 P & L and Balance Sheet and BBL's 2010 forecast P&L. BBL currently has 35,214,850 shares on issue and approximately 90 shareholders.
14. BBL is currently a unlisted public company. The board has no immediate plans to list on the ASX although the board will continually assess the situation and shareholder feedback post completion and will consider listing on the ASX at an appropriate time.
15. BBL will comprise over 6,000 hectares of world class olive groves, experienced grove management teams, processing plants, a nursery, bottling lines and an experienced sales and marketing team capable of selling large quantities of premium olive oil into the domestic and export markets.

#### **Indicative timetable**

1. Prospectus to be issued by [late November]
2. Roadshows in [first 2 weeks December]
3. Capital raising closes on [18 December]

#### **Next Steps**

We will be in contact with you again soon. Currently there is no further material information about the capital raising or process that can be expanded on. As relevant information comes to hand BBL will keep the growers informed. Please be patient as there is an enormous amount of work to be done in a short period of time.

**This letter is for information purposes only and requires no action from growers or advisors.**

## **APPENDIX 1**

### **BBL's legal commitment as part of the asset purchase agreements**

#### **Clause 3.9: Offer of BBL Shares**

- (a) BBL covenants in favour of RE and Olivecorp Management that:
  - (i) it will make the BBL Prospectus available to Participating Growers within 3 months of Completion;
  - (ii) the terms of the BBL Prospectus will allow each Participating Grower a Priority Allocation to subscribe for ordinary shares in BBL on the terms contained in the BBL Prospectus;
  - (iii) if less than \$12.5 million is raised under the BBL Prospectus, BBL will reissue a supplementary or new prospectus within 3 months of the closing date of the BBL Prospectus on similar terms and conditions to the BBL Prospectus, including but not limited to:
    - (A) offering each Participating Grower a Priority Allocation to subscribe for ordinary shares in BBL;
    - (B) at an issue price that is reasonably expected by the BBL directors to achieve aggregate subscriptions of no less than \$12.5 million.
- (b) RE and Olivecorp Management hold the benefit of this clause on trust for each Participating Grower.

#### **Definition**

**BBL Prospectus** means a prospectus for an equity raising of not less than \$20 million lodged with the Australian Securities and Investments Commission under Part 6D.2 of the Corporations Act under which BBL offers for subscription ordinary shares in BBL.

## APPENDIX 2

### BBL capital raising - example grower allocation methodology

**BBL equity raising allocation:** 30,000,000 (actual amount to be raised is still to be finalised but likely to be between \$20m and \$40m)

Olive Project	Net Operating Cashflows by project \$	% of total equity raising	Lots (1/4 ha) #	Allocation per Project \$	Allocation per Lot \$
200 Private Offer	24,060,883	9.0%	1,448	2,700,000	1,865
2001	60,872,232	22.7%	3,919	6,810,000	1,738
2002	28,017,343	10.4%	1,870	3,120,000	1,668
2002 (Post June)	9,603,080	3.6%	717	1,080,000	1,506
2003	33,146,847	12.4%	2,153	3,720,000	1,728
2003 (Post June)	4,777,569	1.8%	350	540,000	1,543
2004	8,277,208	3.1%	623	930,000	1,493
2006	28,115,936	10.5%	2,795	3,150,000	1,127
2007	20,175,098	7.5%	2,440	2,250,000	922
2007 (Post June)	4,374,001	1.6%	558	480,000	860
2008	46,959,831	17.4%	7,028	5,220,000	743
<b>Total</b>	<b>268,380,028</b>	<b>100.0%</b>	<b>23,901</b>	<b>30,000,000</b>	

#### Notes

1. The Net Operating Cashflow is from the net contributions data, by scheme, as disclosed in the affidavit, [dated], by Mark Korda on scheme solvency
2. The number of Lots is a representation of Lots sold
3. Where applicable, Net Operating Cashflow is net of JV obligations (i.e. 2000 – 2002)
4. The above does not take into account default (either finance or mgmt costs)
5. The Net Operating Cashflow amounts are exclusive of GST
6. The Net Operating Cashflows are grower cashflows (i.e. what has physical been distributed by Timbercorp)

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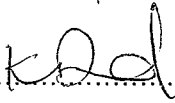
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This is the exhibit marked "GK-25" now produced and shown to **GEORGE KALIL** at the time of swearing his affidavit on 11.11.09

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meaning of the *Legal Profession Act 2004*

Great Land Olives	Share entitlement per grove/lot	2,500 shares @ \$1 each
Share holdings		

Share holdings		Share entitlement per grovelot				2,500 shares @ \$1 each		100%		Total Grower		TimberCorp	
		Grower acceptance ratio		Total Free Share		Allocation		Grower Entitlement		Take-up		Free Allocation	
Project	Shares per Grovelot	Cumm Casflow	Growers	Grovelots	Ave Investment	Allocation	Entitlement	Grower Take-up	Proportion	Allocation	Grovelots	Free Allocation	
Boort property	15% 2001	1,701	60,872,231	425	5,367	11,342	9,129,267	13,417,500	18.3%	22,546,767	333	566,433	
	2002E	2,247	28,017,342	1,064	14,983	4,201,890	4,675,000	4,675,000	7.2%	8,876,890	98	220,206	
	2002P	2,009	9,603,080		717	13,393	1,440,453	1,792,500	2.6%	3,232,953	88	176,792	
	2003E	2,309	33,146,848	1,089	2,153	15,396	4,971,277	5,382,500	8.4%	10,353,777	181	417,929	
	2003P	2,048	4,777,569		350	13,650	716,800	875,000	1.3%	1,591,800			
	2004	1,982	8,230,522	496	623	13,211	1,234,786	1,557,500	2.3%	2,792,286			
Total	1,958	144,647,592	3,074	11,080	13,055								
Boundary Bend property	5% 2006	501	27,982,464	351	2,795	10,012	1,400,295	6,987,500	6.8%	8,387,795	4	2,004	
	2007E	413	20,175,097	471	2,440	8,268	1,007,720	6,100,000	5.8%	7,107,720	6	2,478	
	2007P	392	4,374,001		558	7,839	218,736	1,395,000	1.3%	1,613,736	-	-	
	2008	334	46,959,831	815	7,028	6,682	2,347,352	17,570,000	16.1%	19,917,352	7	2,338	
	Total	388	99,491,393	1,637	12,821	7,760							
	Total MIS olive schemes		244,138,985	4,711	23,901		26,668,576	59,752,500	59,752,500	70.0%	86,421,076	717	1,388,180
Notes	Seed investor underwriting take-up*												0.0%
	Seed investor underwriting fee (30% free carry)												30.0%
	Total GLO issued capital												100.0%
* Seed investors underwriting of \$15m to be reduced by \$1 for every \$2 of grower capital raised.													

## Notes

\* Seed investors underwriting of \$15m to be reduced by \$1 for every \$2 of grower capital raised.