

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

S CI 2011

**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 THE 2004 TIMBERCORP CITRUS
PROJECT (ARSN 108 887 538) AND THE 2005 TIMBERCORP CITRUS PROJECT (ARSN
114 091 299) AND ORS ACCORDING TO THE SCHEDULE**
Plaintiffs

CERTIFICATE IDENTIFYING EXHIBIT

Date of document: 28 February 2011
Filed on behalf of: the Plaintiffs

Prepared by:
ARNOLD BLOCH LEIBLER
Lawyers and Advisers
Level 21
333 Collins Street
MELBOURNE 3000

Solicitor's Code: 54
DX 38455 Melbourne
Tel: 9229 9999
Fax: 9229 9900
Ref: 011572335
(Leon Zwier - lzwier@abl.com.au)

This is the exhibit marked "MAK-8" now produced and shown to **MARK ANTHONY KORDA**
at the time of swearing his affidavit on 28 February 2011.

MEAGAN LOUISE GROSE
Arnold Bloch Leibler
Level 21, 333 Collins Street
Melbourne 3000
An Australian Legal Practitioner within the
meaning of the Legal Profession Act 2004

Before me: _____

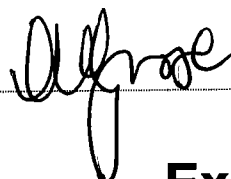


Exhibit "MAK-8"
**Letter from Jane Sheridan to Chris Day dated
28 October 2010**

Filed on behalf of the Plaintiffs
ARNOLD BLOCH LEIBLER
Lawyers and Advisers
Level 21
333 Collins Street
Melbourne 3000

DX 38455 Melbourne
Tel: 9229 9999
Fax: 9229 9900
Ref: 011572335
(Leon Zwier)

MAK-8

Arnold Bloch Leibler

Lawyers and Advisers

28 October 2010

Private & Confidential

Mr Chris Day
Chief Executive Officer
Food and Beverage Australia Limited
PO Box 719
Unley SA 5061

Your Ref
Our Ref JCS
File No. 011499489

Contact
Jane Sheridan
Direct 61 3 9229 9815
Facsimile 61 3 9229 9944
jsheridan@abl.com.au



Dear Sir

Kangara Property

As you know, we act for the Liquidators of Timbercorp Securities Limited (in liquidation) ("**Liquidators**"). We refer to your letter of 26 October 2010 to Mr Fung of PricewaterhouseCoopers, a copy of which has been provided to the Liquidators by Kerree Bezencon.

Our clients wish to address a number of factual inaccuracies in that letter.

The Liquidators will not oppose a resolution by Growers at a properly convened meeting of Growers to change the responsible entity of the 2004 Timbercorp Citrus Project or the 2005 Timbercorp Citrus Project (the "**Citrus Projects**"). We note in this regard that the meetings previously convened and held on 14 September 2010 have now been adjourned for a period in excess of one month.

Section 252K of the Corporations Act provides that when a meeting is adjourned, a new notice of the adjourned meeting must be given if the meeting is adjourned for one month or more. Given this, a new notice of meeting will need to be issued in relation to any proposed meeting to consider a resolution to change the responsible entity of either Citrus Project. The need for a new meeting is highlighted by FABAL's change of intention as to its actions if it is appointed as the new responsible entity. It is apparent from your letter that FABAL's intention is now to wind up the Citrus Projects. Growers have not been made aware of this intention and should be given the opportunity to consider whether they wish to change the responsible entity in light of this intention.

We note your suggestion that you are "not privy" to the Crop Sale Agreements entered into in respect of the Citrus Projects. This suggestion is inconsistent with the comments made by you at the Grower meetings on 14 September 2010 in which you indicated that you had reviewed the Crop Sale Agreements and were happy to continue with them. You are now suggesting that members of the Committee of Inspection have orally disclosed the terms of those agreements.

Disclosure by members of the Committee of Inspection of confidential documents which they receive in their role as members of the Committee of Inspection is in breach of their duties and obligations as members of the

Level 21
333 Collins Street
Melbourne
Victoria 3000
Australia
DX38455 Melbourne
www.abl.com.au
Telephone
61 3 9229 9999
Facsimile
61 3 9229 9900

MELBOURNE

Partners
Mark M Leibler AC
Henry D Lanzer
Joseph Borensztajn
Leon Zwiher
Philip Chester
Ross A Paterson
Stephen L Sharp
Kenneth A Gray
Kevin F Frawley
Michael N Dodge
Jane C Sheridan
Steven Klein
Leonie R Thompson
Zaven Mardirossian
Jonathan M Wenig
Paul Rubenstein
Peter M Seidel
Alex King
John Mitchell
Nicole Gordon
Ben Mahoney
Sam Dollard
Lily Tell
Henry Skene
Andrew Silberberg
Lisa Merryweather
Jonathan Milner
John Mengolian

Senior Litigation Counsel
Robert J Heathcole

Special Counsel
Danuta Czuchwicki
Simonne Einfeld

Senior Associates
Sue Kee
Jorja Cleeland
Caroline Goulden
Matthew Lees
Genevieve Sexton
Jeremy Leibler
Amelia Kelly
Benjamin Marshall
Kristina Verney
Seaton Theobald
Reagan Thackwray
Teresa Ward
Jason Blankfield
Kate O'Brien
Christine Flear
Shaun Cartoon
Nancy Collins
David Shafer
Susanna Ford
Kimberley MacKay

Consultants
Allan Fels AO
Steven M Skala AO

Committee of Inspection, regardless of whether that disclosure is made orally or by providing a copy of the document to third parties. These confidentiality obligations were stressed to members at the Committee of Inspection meetings which considered the Crop Sale Agreements. Further, you should reasonably have been aware of the confidential nature of the information that was being provided to you prior to your disclosure of the terms of the Crop Sale Agreements at the Grower meetings and elsewhere. The Liquidators reserve their rights in respect of this disclosure of confidential information.

We note that you have requested a copy of the Crop Sale Agreements. The Agreements contain confidentiality provisions which require the consent of all parties before they can be disclosed to others. We note that neither the Liquidators nor any of the other Timbercorp companies which are a party to the Agreements have been asked to provide such consent. The Liquidators and the other Timbercorp companies will consider any such request when made.


Your letter suggests in a number of places that FABAL is currently the responsible entity of the Citrus Projects. We assume that these are typographical errors.

The Liquidators are not aware of the court case to which you refer in paragraph (5) of the conclusion to your letter. If you are referring to the sale of the Solora property, this statement is misleading. As we have previously made clear to you, the Solora property was sold by the receivers and managers appointed over the Solora property. Neither the Liquidators nor any other Timbercorp entity were involved in that sale process.

Following the conclusion of the sale process, the Liquidators were asked to surrender the Growers' licences of the relevant land. The Liquidators sought and obtained a direction from the Supreme Court of Victoria that they were justified in doing so. In determining whether to give that direction, evidence was heard and accepted by the Court that the sale process conducted by the receivers and managers was robust and that the receivers and managers had taken all reasonable care to sell the property for the best price that was reasonably obtainable, having regard to the circumstances existing when the property was sold. Given this, it is blatantly misleading to refer to "issues around selling at too low a price". There are no such issues.

The Liquidators reserve all of their rights in relation to this statement and any further repetitions of statements of this nature.

Yours faithfully



Jane Sheridan
Partner

cc Mr Clint Hinchin
Allens Arthur Robinson

Mr Alan Fischer & Mr Sam Baillieu
Align Funds Management Limited

Mr Matthew Whittle
Allens Arthur Robinson

Ms Kerree Bezencon
Timbercorp Growers Group Citrus Committee