

Timbercorp Group In Liquidation



Frequently Asked Questions – Olive Schemes

• Distribution of Harvest Proceeds

Purpose of Frequently Asked Questions

The purpose of the Frequently Asked Questions is to provide some general answers to common questions received. They cannot and are not intended to provide detailed answers or advice to you. The Liquidators must act in the best interests of all creditors. Accordingly, we are unable to provide advice to you on your specific circumstances. If you have any queries in relation to your rights and obligations, we recommend that you seek independent advice.

This is not a legal document.

Information in relation to the second and final distribution of olive harvest proceeds

When will the harvest proceeds be distributed to Grower Investors?

On 14 March 2012 the second and final distribution of Olive Harvest Proceeds to Grower Investors commenced. This distribution comprised all proceeds received in respect of the 2009 crop (for the 2000 to 2003 schemes) as well as the remaining proceeds received from the 2008 crop (for the 2007 and 2008 schemes). No distribution was able to be made from the 2009 crop for the 2004 to 2008 schemes as the crop proceeds were less than the costs incurred in bringing the crop to harvest.

The following table provides a summary of the net harvest proceeds distributed with respect to each scheme and the amount per lot paid to Grower Investors.

What is the per lot distribution amount?

The following table outlines the per lot distribution amounts for each of the Timbercorp Olive Projects that will receive a distribution.

Scheme	Lots	This Distribution			
		Amount (\$)	Per Lot (\$)	JV1 (\$)	JV2 (\$)
2000 Olive Project (Private Offer)	1,448	250,987.47	173.33	-	-
2001 Olive Project	3,919	1,285,546.93	328.03	-	-
2002 Olive Project (Standard)	1,870	230,824.58	123.45	-	-
2002 Olive Project (Post June)	717	83,690.70	116.72	-	-
2003 Olive Project	2,503	495,180.29	197.83	-	-
2007 Olive Project (Early)	2,440	41,927.37	17.18	-	-
2007 Olive Project	558	9,393.32	16.83	9.09	7.74
2008 Olive Project	7,028	24,049.66	3.42	2.57	0.85
Total		2,405,767.83			

What costs have been deducted from the harvest proceeds?

As previously advised, the Company had no available funds at the date of our appointment to continue operating the olive groves. In May 2009, in order to protect both the 2009 crop and the olive groves, the Company entered into a sale of crop agreement ('the Agreement') with Boundary Bend Limited ('BBL'). Under the Agreement, BBL agreed to finance the cost of harvesting, processing and selling the 2009 olive crop and to remit the surplus proceeds to the Company. This distribution to Grower Investors is for the balance of those proceeds after the Timbercorp Group has deducted its costs in accordance with the scheme governing documents.

No Liquidators fees or costs have been deducted from the harvest proceeds. Further details of the specific costs deducted from individual distributions will be provided via tax invoices that will be sent to Grower Investors.

Why is the return from the 2009 harvest proceeds below the result achieved for the 2008 crop?

While the crop yield from the 2009 olive harvest was higher than originally forecast, a number of factors impacted on the total return to Grower Investors. These included:

- Significant appreciation of the Australian dollar against the USD and Euro. Approximately 57% of the 2009 crop was sold in export markets with the currency appreciation observed after May 2009 resulting in an approximately 20% decline in the AUD price achieved when compared to the 2008 price per litre.
- Reduced demand in key markets resulted in negative commodity price movements over the sale period. Between May 2009 and August 2010, the benchmark Spanish average price was EUR 0.51/kg lower than the historical average between September 2004 and May 2009.
- Domestically, prices achieved in the local market were reduced by relatively high levels of Australian production and increased imports of Spanish olive oil.

Furthermore, costs which were previously borne by the Company including utility and working capital costs were recoverable by BBL from the sale proceeds in accordance with the Agreement.

Information in relation to Grower Investors with loans and arrears

If I have a loan with Timbercorp Finance Pty Ltd (In Liquidation) ("Timbercorp Finance"), will I still receive my distribution payment?

Grower Investors with loans owing to Timbercorp Finance will have their distributions dealt with in one of the following two ways:

- The distribution will be placed on hold pending a legal determination in relation to the competing claims of Grower Investors and Timbercorp Finance to the distribution proceeds; or
- Grower Investors may execute a Timbercorp Finance Direction to Pay document directing that their proceeds be paid to Timbercorp Finance. Timbercorp Finance will apply the proceeds against Grower Investors' loan balances and reduce the interest charged accordingly.

If I have invoice arrears, will I still receive my distribution payment?

Grower Investors with invoice arrears may have amounts deducted from their distribution to satisfy any outstanding amount before payment is made to the Grower Investor. Where Grower Investors also have a loan with Timbercorp Finance and have executed a Direction to Pay, amounts owing for invoice arrears may be deducted before the remaining proceeds are paid to Timbercorp Finance.

Timbercorp Group of Companies
(All In Liquidation) ("the Companies")
Companies In Liquidation

Name	ACN	Liquidator 1	Liquidator 2	Liquidator 3
Timbercorp Finance (Vic) Pty Ltd	091 460 356	Mark Korda	Craig Shepard	
Timbercorp Finance Pty Ltd	054 581 190	Mark Korda	Craig Shepard	
Timbercorp Treasury Pty Limited	097 898 130	Mark Korda	Craig Shepard	
Agri Hort Developments Pty Ltd	115 939 994	Mark Korda	Leanne Chesser	
Almond Land Pty Ltd	091 460 392	Mark Korda	Leanne Chesser	
Almond Management Pty Ltd	094 468 845	Mark Korda	Leanne Chesser	
Almonds Australia Pty Ltd	094 429 419	Mark Korda	Leanne Chesser	
Avcorp Management Pty Ltd	115 774 224	Mark Korda	Leanne Chesser	
Citruscorp Management Pty Ltd	105 995 257	Mark Korda	Leanne Chesser	
Grapecorp Land Pty Ltd	119 004 741	Mark Korda	Leanne Chesser	
Grapecorp Management Pty Limited	105 995 195	Mark Korda	Leanne Chesser	
Grovelot Holdings Limited	097 725 427	Mark Korda	Leanne Chesser	
Mango Land Pty Ltd	111 278 936	Mark Korda	Leanne Chesser	
Mangocorp Management Pty Ltd	111 279 004	Mark Korda	Leanne Chesser	
OIM # 10 Pty Ltd	123 041 403	Mark Korda	Leanne Chesser	
OIM #4 Pty Ltd	115 519 607	Mark Korda	Leanne Chesser	
OIM # 6 Pty Ltd	121 948 963	Mark Korda	Leanne Chesser	
Timbercorp Asset Management Pty Limited	105 888 364	Mark Korda	Leanne Chesser	
Timbercorp Glasshouse Pty Ltd	125 386 316	Mark Korda	Leanne Chesser	
Timbercorp Limited	055 185 067	Mark Korda	Leanne Chesser	
Timbercorp Lot Investments Pty Ltd	125 427 492	Mark Korda	Leanne Chesser	
Timbercorp Securities Limited	092 311 469	Mark Korda	Leanne Chesser	
B.B. Olives Pty Ltd	083 992 367	Mark Korda	Mark Mentha	
Boort Estate Pty Ltd	101 679 716	Mark Korda	Mark Mentha	
Olivecorp Land Pty Ltd	090 141 512	Mark Korda	Mark Mentha	
Olivecorp Management Limited	089 542 343	Mark Korda	Mark Mentha	
Olivecorp Processing Facility Pty Ltd	098 581 081	Mark Korda	Mark Mentha	
Timbercorp Forestry Pty Ltd	070 952 742	Mark Korda	Mark Mentha	Clifford Rocke
Timbercorp Lands Pty Ltd	085 886 835	Mark Korda	Mark Mentha	
Timbercorp Plantations 2002 IAB Pty Ltd	100 116 827	Mark Korda	Mark Mentha	
Timbercorp Plantations Pty Ltd	094 789 554	Mark Korda	Mark Mentha	
Timbercorp Properties Limited	074 825 675	Mark Korda	Mark Mentha	