

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

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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 TABLE GRAPE
PROJECT (ARSN 108 648 086) AND THE 2005 TIMBERCORP TABLE GRAPE PROJECT
(ARSN 113 512 236) AND ORS ACCORDING TO THE SCHEDULE**

CERTIFICATE IDENTIFYING EXHIBIT

Date of document: 22 December 2010

Filed on behalf of: The Plaintiffs


Prepared by:

Allens Arthur Robinson
Lawyers
530 Collins Street
Melbourne VIC 3000

Solicitor code: 21455
DX 30999 Melbourne
Tel 9614 1011 Fax 9614 4661
Ref (mkwm:cchm:306250099)
Matthew.Whittle@aar.com.au
Clint.Hinchen@aar.com.au

This is the exhibit marked '**PWK16**' now produced and shown to PAUL WILLIAM KIRK at the time
of swearing his affidavit on 22 December 2010.

Before me



DANIELLE RUTH NAHUM
of 530 Collins Street, Melbourne
Victoria 3000
An Australian Legal Practitioner
within the meaning of the
Legal Profession Act 2004

Exhibit 'PWK16'

**Copy of Notice to Debenture
Holders of appointment of
Receivers to TOT dated 26
October 2009**

Timbercorp Orchard Trust (ARSN 106 557 297)

26 October 2009
ASX Online

Investor Update – Appointment of Receivers and Managers to the Timbercorp Orchard Trust

Align Funds Management Limited (ACN 105 684 231), as the responsible entity of the Timbercorp Orchard Trust (ARSN 106 557 297) (**TOT Responsible Entity**), advises that the trustee for the debenture holders under the Debenture Trust Deed dated 17 October 2003 (as amended) (**Debenture Trustee**) has appointed receivers and managers to all of the assets of the Timbercorp Orchard Trust (including the Bella Vista table grape vineyard and the Kangara citrus orchard).

The receivers and managers of the Timbercorp Orchard Trust

The appointment of Stephen Longley and Paul William Kirk of PricewaterhouseCoopers as receivers and managers (**Receivers**) to the Timbercorp Orchard Trust on 22 October 2009 means that the Kangara and Bella Vista properties are now under the control of the Receivers.

Proposed restructure and/or recapitalisation of the Timbercorp Orchard Trust

The appointment of the Receivers follows discussions between the TOT Responsible Entity and the Debenture Trustee regarding the future of the Timbercorp Orchard Trust.

Since the moratorium was approved by debenture holders on 29 June 2009, the TOT Responsible Entity has sought to devise a plan to restructure and/or recapitalise the Timbercorp Orchard Trust in conjunction with the key stakeholders, in addition to having discussions with other interested parties.

However, the TOT Responsible Entity has ultimately formed the view that it would be difficult to devise and implement a suitable proposal to restructure and /-or recapitalise the Timbercorp Orchard Trust on or before 31 December 2009 that would deliver real value to the debenture holders and other key stakeholders. The difficulties have related in particular to the significant financial issues for the Timbercorp Orchard Trust caused by the insolvency of the Timbercorp group, including the need to procure interim funding for the on-going management and maintenance of the Kangara and Bella Vista properties.

Furthermore, the inability to procure any substantial funding of the Timbercorp Orchard Trust, including the funding of on-going management and maintenance of the assets beyond the immediate short-term, has meant that it is not possible to seek to extend the moratorium to allow additional time to attempt to devise and implement a proposal to restructure and/or recapitalise the Timbercorp Orchard Trust.

As a consequence, the Debenture Trustee, which has first ranking security over the assets of the Timbercorp Orchard Trust, exercised its rights to appoint the Receivers following consultation with the TOT Responsible Entity.

Annuity Bond Holders

As a result of the appointment of the Receivers, there has been a breach of the terms of the Annuity Bond Trust Deed. Notice of the event of default has been given by the TOT Responsible Entity to the Annuity Bond Trustee (which acts on behalf of the Annuity Bond Holders).

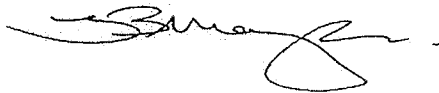
2009 Financial Statements

The TOT Responsible Entity is in the process of consulting with the Receivers on the question of production of 2009 financial statements for the Timbercorp Orchard Trust.

Conclusion

The directors are disappointed that they have been unable to devise a suitable restructure and / or recapitalisation plan for the Timbercorp Orchard Trust in response to the insolvency of the Timbercorp group in the time frame available. Many other consequential factors have ultimately lead to the appointment of the Receivers. The TOT Responsible Entity will seek to work co-operatively with the Receivers and the Debenture Trustee. The directors wish to acknowledge the tireless efforts by many parties who assisted in trying to achieve a restructure and recapitalisation of the Timbercorp Orchard Trust.

Yours sincerely



TREVOR MOYLE
CHAIRMAN

Further information may be obtained by contacting the office of the Receivers as follows:

Telephone : 03 8603 6000

Email : alignenquiries@au.pwc.com