



KordaMentha

Timbercorp Securities Limited

In Liquidation

ACN 092 311 469

Report by Liquidators

28 September 2011

Pursuant to Section 508
of the Corporations Act

Table of Contents

1	Conduct of Liquidation	1
1.1	Purpose of this Report.....	1
1.2	Background	1
2	Update on Forestry Managed Investment Schemes	1
2.1	Background	1
2.2	Distributions.....	2
2.3	Harvest Proceeds	2
2.4	Outstanding Matters	3
3	Update on Horticultural Managed Investment Schemes	4
3.1	Almond Schemes	4
3.2	Olive Schemes	7
3.3	Citrus Schemes	8
3.4	Table Grape Schemes	10
3.5	Mango Schemes	11
3.6	Avocado and Fruit Schemes	11
4	Investigations.....	12
5	Creditor Claims and Dividends	12
6	Receipts and Payments.....	13
7	Further Information	14
	Appendix 1 Timbercorp Managed Investment Schemes.....	15



1 Conduct of Liquidation

1.1 Purpose of this Report

Mark Korda and I were appointed Voluntary Administrators of Timbercorp Securities Limited (In Liquidation) ('the Company') on 23 April 2009 and subsequently appointed as Liquidators of the Company on 29 June 2009. This report, prepared in accordance with the provisions of Section 508(3) of the Corporations Act 2001 (Cth) ('the Act'), details the Liquidators' account of acts and dealings in the winding up of the Company during the period 29 June 2010 to 28 June 2011.

1.2 Background

The Timbercorp Group now consists of Timbercorp Limited (In Liquidation) ('TIM') and 31 subsidiaries including the Company ('the Timbercorp Group').

The Company issued 33 Managed Investment Schemes ('MIS') and three private offer schemes as detailed in the schedules at Appendix 1 (referred to collectively as 'the Schemes' or individually as 'Scheme'). The MIS included forestry and horticulture assets, including approximately 100 million blue gum trees, nearly 3 million almond trees and over 2 million olive trees.

For further details on the background of the Company please refer to the previous Report by Liquidators lodged with the Australian Securities and Investments Commission ('ASIC') on 28 September 2010.

2 Update on Forestry Managed Investment Schemes

2.1 Background

The Company was the Responsible Entity ('RE') of 11 Forestry MIS and one Scheme that was not required to be registered (referred to collectively as 'Forestry Schemes' or individually as 'Forestry Scheme'). The Forestry Schemes were conducted on plantations covering 96,819 hectares over approximately 600 properties ('the Plantations').

At appointment, in order to enable the Forestry Schemes to continue to harvest, a cash investment of \$342m was required. Given the significant cash injection required, the following two options were identified for the Forestry Schemes:

1. Recapitalisation of the Forestry Schemes by a new RE
2. Sale of trees on behalf of Grower Investors

Following a Grower Investor Consultation Meeting, the Liquidators applied to the Federal Court of Australia to obtain a Power of Sale in relation to the forestry assets. On 18 August 2009, Justice Finkelstein handed down orders that the Liquidators were justified in amending the constitutions of the Forestry Schemes to enable a sale of forestry assets including the Grower Investors' trees.



Following an international sale campaign, a Sale and Purchase Deed ('SPD') for approximately \$345m was signed with Australian Bluegum Plantations Pty Ltd ('ABP') on 30 September 2009.

In order for the sale to be completed, the shortfall owed to the secured lender was required to be paid out of the \$197.7m allocated by ABP to Grower Investors' trees. In return, Grower Investors have been given security over certain olive assets. The amount payable in respect of this security is subject to a determination in relation to the relative strength of the competing claims of stakeholders to the proceeds from the sale of the olive assets.

Settlement of the sale of the Timbercorp olive assets occurred on 11 January 2010. Proceeds from the sale have been placed on trust at the direction of the Courts pending a determination in relation to their apportionment between stakeholders.

For further details on the background of the Forestry Schemes please refer to the previous Report by Liquidators lodged with the ASIC on 28 September 2010.

2.2 Distributions

The per lot returns for each of the Forestry Schemes were calculated with reference to ABP's bid allocation and on 17 December 2009, the Supreme Court of Victoria gave orders approving the Liquidators' method of apportioning the gross sale proceeds and costs between each of the Forestry Schemes.

Four distributions of sale proceeds have been processed as at 28 June 2011. The first, totalling \$117.2m, commenced on 18 December 2009 and the second, totalling \$15.8m, commenced on 30 March 2010. Two additional distributions of Goods and Services Tax ('GST') to GST registered Grower Investors were made on 28 June 2010 and totalled \$5.25m.

At 28 June 2011, \$121.6m had been paid to Grower Investors with \$16.7m on hold due to Grower Investor invoice arrears and/or loans. Grower Investors have been provided with the option to execute a Direction to Pay ('DTP') to facilitate the distribution of any proceeds from the sale of Forestry Scheme assets or harvests to pay down invoice arrears and/or loans.

Distribution	Date	Total to be Distributed	Total Distributed	Distributions On Hold
One	18/12/2009	\$117,277,877.72	\$102,075,232.97	\$15,202,644.75
Two	30/03/2010	\$15,815,660.78	\$14,329,324.94	\$1,486,335.84
GST	28/06/2010	\$5,254,455.52	\$5,254,455.52	0
Total		\$138,347,994.02	\$121,659,013.43	\$16,688,980.59

As previously reported, fire destroyed a significant portion of the Branton Treefarm ('Branton') plantation in January 2009. A final distribution of \$99k was paid to affected Grower Investors on 5 May 2011.

2.3 Harvest Proceeds

Harvest proceeds totalling \$3.5m were available for distribution to relevant Grower Investors in the 1997 and 1998 Forestry Schemes. Distributions commenced on 25 May 2010 and \$3.1m has been paid to date. Approximately \$400k remains on hold where Grower Investors have invoice arrears and/or loans and have not executed a DTP.



2.4 Outstanding Matters

Forestry Scheme Grower Investors have a claim to \$25.7m from the sale of olive assets. The proceeds from the sale of olive assets are currently held on trust pending a determination in relation to their apportionment between stakeholders. For more information on the Almond Apportionment Proceeding please refer to section 3.1.2.

At 28 June 2011 approximately \$17.1m of sale and harvest proceeds were on hold and had not been paid due to the invoice arrears and/or loans of the relevant Grower Investors. On 1 September 2011 the Supreme Court of Victoria published a judgment which dismissed claims the Company, Timbercorp Finance Pty Ltd (In Liquidation) ('TFIN') and three of their directors:

- Failed to disclose various matters that affected, or were likely to materially affect, investments made in the Timbercorp managed investment schemes.
- Made false, misleading or deceptive representations in relation to the Timbercorp managed investment schemes.

All parties are reviewing the judgment and will return to Court on 6 October 2011 seeking further orders.

Updates in relation to these outstanding matters are uploaded to the Timbercorp Section of the KordaMentha website as they become available.



3 Update on Horticultural Managed Investment Schemes

3.1 Almond Schemes

3.1.1 Background

The Company was the RE of seven registered Almond MIS and one scheme that was not registered (referred to collectively as ‘Almond Schemes’ or individually as ‘Almond Scheme’). The Almond Schemes were conducted on 10 properties covering 11,962 hectares. Approximately \$247m was required for operations, rental and capital expenditure in relation to the Almond Schemes for 2010 crop management and harvest. Based on the assessment of the financial position of the Company as RE for the Almond Schemes, the view was formed that the only available option was to seek an orderly recapitalisation or realisation of the Almond Schemes.

Following consultation with the Company’s Committee of Creditors and Grower Investors, the Liquidators sought orders from the court to wind up the Almond Schemes on the basis that:

- The Company was insolvent.
- No suitable alternative RE had been proposed.
- The risk of severe wastage of the almond orchards was high if the assets were not sold or the Almond Schemes not recapitalised in the near term.
- The best return for stakeholders would be achieved if the Liquidators could demonstrate that, if the bidder wished, they could provide clear title to the assets.

This application was opposed by representatives of the Grower Investors. As an alternative the Liquidators sought directions that they were justified in amending the constitution of the Almond Schemes to give the RE the express power to terminate Grower Investors rights.

This alternative allowed a sale process to be undertaken that would prevent wastage of the almond orchards.

A sale process for the assets owned by Almond Land Pty Ltd (In Liquidation) (‘Almond Land’), on which the Almond Schemes were run, was conducted by the Liquidators and on 2 December 2009, an SPD with Olam Orchards Pty Ltd (‘Olam’) was completed.

The Liquidators sought orders from the court that they were justified in surrendering Grower Investors interest in the affected schemes to allow the sale to be completed on the condition that the sale proceeds were held on trust pending a determination of the stakeholder interests in the proceeds.

Almond Schemes were also conducted on land owned by the Timbercorp Primary Infrastructure Fund (‘TPIF’), which is a fund external to the Timbercorp Group. In September 2009, David McEvoy and Paul Kirk were appointed Receivers and Managers of the land to conduct a sale process.

The Receivers and Managers entered into a SPD with Olam and the proceeds from the sale of TPIF assets have been placed on trust at the direction of the Courts pending a determination in relation to their apportionment between stakeholders. The apportionment proceeding for the TPIF assets has not yet commenced. For more information on the Almond Apportionment Proceeding please refer to section 3.1.2.



For further details on the background of the Almond Schemes please refer to the previous Report by Liquidators lodged with the ASIC on 28 September 2010.

3.1.2 Almond Apportionment Proceeding

The apportionment proceeding in respect of the Almond Land assets was held between 20 July 2010 and 15 June 2011. Prior to the commencement of the trial, both parties exchanged evidence as well as engaged independent experts to value their relative entitlement to the sale proceeds. By Order of the Court, lawyers representing Grower Investors in the hearing were funded out of the sale proceeds.

Key findings in the Almond Apportionment Proceeding judgment which was handed down on 15 June 2011 were that:

- Growers had to establish a proprietary interest to have an entitlement to a share of sale proceeds.
- Grower Investors only had a contractual right to receive water and therefore had no right to a share of the water proceeds.
- 2002 (Private Offer and MIS) Grower Investors only had contractual rights in respect of non-water assets and therefore had no right to a share of the proceeds.
- 2005, 2006 and 2007 scheme Grower Investors all had a proprietary interest in non-water assets arising from subleases. However, there is no value in the subleases as growers did not establish that the prospect of continuing the schemes on a restructured basis was more than speculative. If the scheme could not continue then the proprietary rights were found to have zero value.

Court orders made on 27 June 2011 required that the net sale proceeds from the sale of Almond Land assets be released to the secured creditors by 6 July 2011. The Liquidators have complied with this order.

On 11 July 2011 Grower Investors lodged an application to the Court of Appeal against the abovementioned judgment. A Directions hearing is scheduled to commence on 29 September 2011.

For more information on the Almond Apportionment Proceeding please refer to the Timbercorp section of the KordaMentha website.

3.1.3 Almond Harvest and Distribution of Proceeds

Since appointment, the Company has received net harvest proceeds from the sale of almonds which is payable to Grower Investors. The 2008 and 2009 crops were sold progressively over the twelve months after their respective harvests. Proceeds from the sale of the 2008 and 2009 crop have now been finalised and included in distributions to Grower Investors.

The first round of distributions commenced on 19 March 2010 totalling \$27.4m and the second commenced on 29 November 2010 totalling \$9.6m. As at 28 June 2011, \$30.1m had been distributed and \$6.8m remains on hold where Grower Investors have invoice arrears and/or loans and have not executed a DTP to pay down invoice arrears and/or loan.



Distribution	Date	Total to be Distributed	Total Distributed	Distributions On Hold
One	19/03/2010	\$27,421,577.01	\$22,676,105.73	\$4,745,471.29
Two	29/11/2010	\$9,571,171.19	\$7,473,672.53	\$2,097,498.66
Total		\$36,992,748.20	\$30,149,778.26	\$6,842,969.94

3.1.4 Outstanding Matters

As noted, on 11 July 2011 an application to the Court of Appeal against the Almond Apportionment Proceeding judgment was lodged by lawyers on behalf of Grower Investors. As a result, proceeds from the sale of almond assets owned by TPIF continue to be held on trust by the Receivers and Managers pending a determination of the Almond Apportionment Proceeding appeal.

At 28 June 2011, \$6.8m relating to the distributions of harvest proceeds were on hold and had not been paid due to invoice arrears and/or loans of the relevant Grower Investors. On 1 September 2011 the Supreme Court of Victoria published a judgment which dismissed claims the Company, TFIN and three of their directors:

- Failed to disclose various matters that affected, or were likely to materially affect, investments made in the Timbercorp managed investment schemes; and/or
- Made false, misleading or deceptive representations in relation to the Timbercorp managed investment schemes.

All parties are reviewing the judgment and will return to Court on 6 October 2011 seeking further orders.

Updates in relation to these outstanding matters are uploaded to the Timbercorp Section of the KordaMentha website as they become available.

3.2 Olive Schemes

3.2.1 Background

The Company was the RE of seven registered Olive MIS and one unregistered scheme (referred to collectively as 'Olive Schemes' or individually as 'Olive Scheme'). Olive Schemes were conducted on seven properties in Boort and Boundary Bend covering 6,530 hectares. Approximately \$62m was required for operations, rental and capital expenditure in relation to the Olive Schemes for 2010 crop management and harvest. Based on the assessment of the financial position of the Company as RE for the Olive Schemes, the Liquidators formed the view that the only available option was to seek an orderly recapitalisation or realisation of the Olive Schemes.

Following consultations with the Company's Committee of Creditors and Grower Investors, the Liquidators sought orders from the Court to wind up the Olive Schemes on the basis that:

- The Company was insolvent.
- No suitable alternative RE had been proposed.
- The risk of wastage of the olive groves was high if the assets were not sold or the Olive Schemes recapitalised in the near term.
- The best return for stakeholders would be achieved if the Liquidators could demonstrate that, if the bidder wished, they could provide clear title to the assets.

As an alternative to winding up the Olive Schemes the Court provided Orders that the Liquidators were justified in amending the scheme constitutions to give the RE the express power to terminate the sub-leases and where relevant Licenced Joint Venture Agreements. These amendments were lodged with ASIC on 28 August 2009.

A sale and/or recapitalisation process for the Olive Schemes commenced and on 11 January 2010, an SPD with Boundary Bend Limited ('BBL') was completed with the proceeds to be held on trust pending an apportionment between stakeholders.

3.2.2 Olive Harvest and Distribution of Proceeds

The 2008 harvest was completed prior to appointment and distributions of the proceeds to Grower Investors had commenced. However, as the crop is sold over a period of approximately 12 - 18 months, proceeds from the 2008 crop continued to be received after appointment. All proceeds in relation to the 2008 crop have now been received and on 26 October 2010 the first distribution of Olive harvest proceeds to Grower Investors commenced. The distribution comprised all remaining proceeds from the 2008 Crop.

The first distribution totalled \$8.7m and as at 28 June 2011, \$7.4m had been distributed and \$1.3m remains on hold where Grower Investors have invoice arrears and/or loans and have not executed a DTP to pay down invoice arrears and/or loans.

Distribution	Date	Total to be Distributed	Total Distributed	Distributions On Hold
One	26/10/2010	\$8,656,846.77	\$7,359,661.92	\$1,297,184.85

At the time of our appointment the harvest of the 2009 crop was due to commence. Due to its insolvency the Company did not have the funds to carry out the harvest. In order to ensure that the harvest could proceed, the 2009 crop was sold to the grove manager who was



then responsible for paying for the costs of harvest. The 2009 harvest was completed during June 2010 however the crop is sold progressively to third parties over a 12-18 month period. A total of \$4.8m in proceeds has been received at 28 June 2011. A final payment of proceeds from the grove manager is expected towards the end of calendar year 2011.

3.2.3 Outstanding Matters

Proceeds from the sale of olive assets have been placed on trust at the direction of the Court pending a determination in relation to the apportionment of proceeds between stakeholders. Since the judgment was handed down in the Almond Apportionment Proceedings, the process to determine the olive apportionment has recommenced with a directions hearing set down for 9 December 2011 in relation to the Boundary Bend assets. An application has not been filed in respect of the Boort assets. For more information on the Almond Apportionment Proceedings please refer to section 3.1.2.

The distribution of proceeds from the 2009 crop is scheduled to commence in late 2011. It is expected that subsequent distributions will be required in early 2012 in order to distribute all harvest proceeds.

At 28 June 2011, \$1.3m of proceeds relating to the first distribution of harvest proceeds were on hold and had not been paid due to invoice arrears and/or loans of the relevant Grower Investors. On 1 September 2011 the Supreme Court of Victoria published a judgment which dismissed claims the Company, TFIN and three of their directors:

- Failed to disclose various matters that affected, or were likely to materially affect, investments made in the Timbercorp managed investment schemes.
- Made false, misleading or deceptive representations in relation to the Timbercorp managed investment schemes.

All parties are reviewing the judgment and will return to Court on 6 October 2011 seeking further orders.

Updates in relation to these outstanding matters are uploaded to the Timbercorp Section of the KordaMentha website as they become available.

3.3 Citrus Schemes

3.3.1 Background

The Company is the RE of two registered Citrus MIS (referred to collectively as 'Citrus Schemes' or individually as 'Citrus Scheme'). The 2004 Citrus Scheme was conducted on the property known as Kangara. The 2005 Citrus Scheme was conducted on Kangara and a property known as Solora. The properties cover approximately 1,259 hectares in total.

Following our appointment several agreements were entered into with the orchard manager, Costa Exchange Limited. Under the agreements, costs incurred by the orchard manager to maintain and harvest the citrus crop were recoverable from the sale of the citrus crop. The agreements cover the relevant Citrus Schemes up to 30 June 2011 and are broadly similar to those used in relation to the Almond and Olive Schemes.

Receivers and Managers were appointed on 17 September 2009 to undertake a sale campaign in relation to these properties. The Liquidators have worked with the Receivers



and Managers in relation to the sale process undertaken to maximise realisations from the sale and to ensure the interests of Grower Investors are maintained.

Following an application in February 2010, the Supreme Court of Victoria handed down Orders that the Liquidators were justified in terminating or surrendering each relevant Grower Investors' license and extinguishing all the rights of Grower Investors in respect of the assets that were the subject of the sale. As a result, the Solora property and associated assets (excluding the Timbercorp Group owned packing shed, office site and caravan facilities) were sold to a subsidiary of Costa Exchange Limited in June 2010. The Kangara property was sold on 3 December 2010 and a contract for the sale of the Permanent Water Rights ('PWR') was entered into on 4 January 2011.

3.3.2 Scheme Meetings

Scheme meetings were held by Grower Investors on 14 September 2010 to consider resolutions to change the RE to Food and Beverage Limited ('FABAL') for the 2004 and 2005 Citrus Schemes. The meeting was adjourned so that the proposed RE could negotiate with the orchard operator and land owner over the continuation of the agreements. A subsequent scheme meeting was held by Grower Investors on 9 November 2010 to consider resolutions to change the RE to FABAL. The meeting resolved that FABAL would replace the Company as the RE of the Citrus Schemes effective 22 November 2010. Following the meeting, FABAL decided not to consent in writing to becoming the RE of the Citrus Schemes (as required for a change of RE under the Corporations Act) until after the Receivers and Managers had the opportunity to enter into a contract of sale for the assets. Furthermore, if required under a contract of sale, the liquidators would have the opportunity to seek court approval for entering into a Grower Investor surrender deed as part of the sale. Following the successful sale of the properties by the Receivers and Managers, FABAL executed the appropriate documents under the Corporations Act to become the RE of the Schemes.

3.3.3 Outstanding Matters

Proceeds from the sale of the Kangara and Solora properties have been placed on trust at the direction of the Courts pending a determination in relation to their apportionment between stakeholders. The proceedings to determine the apportionment of these sale proceeds have not yet commenced. For more information on the Almond Apportionment Proceeding please refer to section 3.1.2.

Gross harvest proceeds of \$865,000 have been received to date and are held on trust pending distribution to various interests including Grower Investors. At the date of this report the first distribution to Grower Investors has commenced.

On 1 September 2011 the Supreme Court of Victoria published a judgment which dismissed claims the Company, TFIN and three of their directors:

- Failed to disclose various matters that affected, or were likely to materially affect, investments made in the Timbercorp managed investment schemes; and/or
- Made false, misleading or deceptive representations in relation to the Timbercorp managed investment schemes.

All parties are reviewing the judgment and will return to Court on 6 October 2011 seeking further orders.



Updates in relation to these outstanding matters are uploaded to the Timbercorp Section of the KordaMentha website as they become available.

3.4 Table Grape Schemes

3.4.1 Summary

The Company is the RE of two registered Table Grape MIS (referred to collectively as 'Table Grape Schemes' or individually as 'Table Grape Scheme') which were conducted on five properties, known as Bella Vista, covering approximately 412 hectares.

Harvest of the 2009 crop was completed shortly after appointment and an agreement was entered into in relation to the 2004 Table Grape Scheme for the 2010 crop. The harvest has since been completed. As previously advised, harvest proceeds did not exceed the relevant costs of harvest. Consequently there will be no distribution of harvest proceeds to Grower Investors.

In October 2009, Receivers and Managers were appointed to the owners of the Bella Vista property. The Receivers and Managers conducted a sale process in relation to the vineyards, land and plant and equipment. On 23 July 2010, a contract of sale was executed which resulted in the Receivers and Managers requesting that the RE enter into a deed surrendering Grower Investors' interests in the Table Grape Scheme so that the land could be sold on an unencumbered basis. Court orders surrendering Grower Investors interests were obtained on 7 February 2011 in respect of the 2004 and 2005 Table Grape Schemes. The Receivers and Managers settled the contract for sale of land on 2 March 2011.

3.4.2 Outstanding Matters

Proceeds from the sale of the vineyard, land and plant and equipment have been placed on trust at the direction of the Courts pending a determination in relation to their apportionment between stakeholders. On 1 September 2011 the Supreme Court of Victoria published a judgment which dismissed claims the Company, TFIN and three of their directors:

- Failed to disclose various matters that affected, or were likely to materially affect, investments made in the Timbercorp managed investment schemes; and/or
- Made false, misleading or deceptive representations in relation to the Timbercorp managed investment schemes.

All parties are reviewing the judgment and will return to Court on 6 October 2011 seeking further orders.

For more information on the Almond Apportionment Proceeding please refer to section 3.1.2.

The Company is currently in a legal dispute with Grape Exchange Management Euston Pty Ltd, the former farm manager of properties on which Table Grape Schemes were conducted. A hearing date is scheduled for October 2011 in the Supreme Court of Victoria.

Updates in relation to these outstanding matters are uploaded to the Timbercorp Section of the KordaMentha website as they become available.



3.5 Mango Schemes

The Company was the RE of two registered Mango MIS. Following the appointment of liquidators, the manager of the mango properties, The One Harvest Group, terminated their management agreement in respect of the properties and ceased to manage the orchards.

On 25 June 2009, The Huntley Group ('Huntley') replaced the Company as the RE of the Mango Schemes at a meeting of Grower Investors.

The Company has continued to assist Huntley in the transition of the role of RE.

3.6 Avocado and Fruit Schemes

The Company was the RE of two registered MIS:

- 2006 Avocado Project
- 2007 Avocado and Fruit Project

These schemes were conducted on nine properties in Queensland and Western Australia. The Western Australian grove manager, Jasper Farms, was not prepared to enter into an agreement and consequently there was no arrangement in place to maintain the orchards. Accordingly, the leases on these properties were disclaimed in late August 2009.

Agreements were entered into in June 2009 to ensure continued management and maintenance of the avocado Queensland properties. These agreements expired on 30 September 2009.

In 2009, Huntley replaced the Company as RE of the 2007 Avocado and Fruit Project. Huntley was subsequently replaced by FABAL as the RE on 2 March 2010.

FABAL also replaced the Company as RE of the 2006 Avocado Project on 12 October 2009 following a meeting of Grower Investors.

The Company has continued to assist FABAL in the transition of the role of RE.



4 Investigations

The Liquidators have obligations under Section 533 of the Act to report to ASIC if, in the course of winding up a company, they become aware that certain individuals may have been guilty of an offence.

On 15 June 2010, the initial report to ASIC pursuant to Section 533(1) of the Act was lodged with a supplementary report lodged on 25 June 2010.

In addition to these two reports, the Liquidators have complied with all other ASIC requests for the production of documents and information.

No public examinations of the directors have been conducted. The class action brought on behalf of Grower Investors resulted in significant amounts of evidence being produced and extensive cross examination of key directors. This material is now being assessed by the Liquidators as part of their investigations into the affairs of the Timbercorp Group.

For more information on investigations including Care and Diligence – *Section 601FD(1)(b)* and Act in the Best Interests of Members – *Section 601FD(1)(c)* please refer to the previous Report by Liquidators lodged with ASIC on 28 September 2010. Investigations into the Company affairs are continuing.

5 Creditor Claims and Dividends

Estimated Value of Claims Remaining may include distributions paid after 28 June 2011 and before the date of this report.

Category	Estimated Number of Claims Remaining	Estimated Value (\$) of Claims Remaining	Dividends Paid to Date (\$)
Priority	0	0	0
Secured	1	7,495,357	0
Unsecured	18,083	170,194,634	7,480,261
Deferred	0	0	0

Note: Dividends paid by TSL in its capacity as RE are not included. Estimated Value of Claims Remaining may include distributions paid after 28 June 2011 and before the date of this report.



6 Receipts and Payments

Account	Total (\$)
Opening bank balance at 29 June 2010	60,275,680.02
Receipts	
Growers funds held in Trust	14,456,091.25
Loan Book Receivable	10,930,949.57
Grower Invoice Receipts	3,055,229.82
Bank Interest	2,833,868.97
Cost Reimbursement	2,285,730.57
Forestry Retention	1,521,383.63
Insurance Proceeds	1,187,855.59
Grower Payment Reversals	680,785.48
Intercompany Distributions	50,549.26
GST Control: GST Received	49,189.88
Total Receipts	37,051,634.02
Payments	
Grower Distributions	(28,172,087.88)
Loan Book Receivable	(11,058,534.54)
Cost of Realisation	(2,967,437.00)
Legal Fees	(2,384,490.33)
Shared Services	(1,595,573.75)
Appointee Fees	(1,495,191.50)
Intercompany Transfer	(256,086.53)
Other payments	(108,447.47)
Other Distributions	(82,547.41)
Consulting Fees	(77,648.00)
Bank Charges	(9,632.73)
Appointee Costs	(5,470.13)
Total Payments	(48,213,147.27)
Closing bank balance at 28 June 2011	49,114,166.77

Note: The above receipts and payments represent the movements of a number of bank accounts held in the Company's own right and others which contain monies held on trust for Grower Investors.



7 Further Information

Due to the nature of the liquidation and the ongoing litigation, the Liquidators are unable to provide an estimated time to completion. Creditors requiring further information regarding the liquidation are urged to refer to the Timbercorp section of the KordaMentha website in the first instance. Creditors may also contact Timbercorp Grower Management on 1800 628 188.

Leanne Chesser
Liquidator

Appendix 1 Timbercorp Managed Investment Schemes

Timbercorp Forestry Schemes ('Forestry Schemes')

Scheme Name	ARSN	Project Name
1997 Timbercorp Eucalypts Project	112 309 234	1997 Timbercorp Eucalypts Project
		1997 Timbercorp Eucalypts Double Rotation Project
1998 Timbercorp Eucalypts Project	112 309 216	1998 Timbercorp Eucalypts Project
		1998 Timbercorp Eucalypts Double Rotation Project
1999 Timbercorp Eucalypts Project	085 827 872	1999 Timbercorp Eucalypts Project
1999 Timbercorp Eucalypts Double Rotation Project (Private Offer)	n/a	1999 Timbercorp Eucalypts Double Rotation PO Project
2000 Timbercorp Eucalypts Project	091 172 093	2000 Timbercorp Eucalypts Project
2001 Timbercorp Eucalypts Project	094 382 000	2001 Timbercorp Eucalypts Project
2002 Timbercorp Eucalypts Project	098 233 571	2002 Timbercorp Eucalypts Project (Early)
		2002 Timbercorp Eucalypts Project (Post June)
2003 Timbercorp Eucalypts Project	103 183 446	2003 Timbercorp Eucalypts Project (Early)
		2003 Timbercorp Eucalypts Pre Payment Project
2004 Timbercorp Eucalypts Project	108 099 645	2004 Timbercorp Eucalypts Pre Payment Project
2004 Timbercorp Timberlot (Single Payment) Project	108 336 830	2004 Timbercorp SP Timberlot Project (Post June)
		2004 Timbercorp SP Timberlot Pre Payment Project
2005 Timbercorp Timberlot (Single Payment) Project	111 683 491	2005 Timbercorp SP Timberlot Project (Post June)
		2005 Timbercorp SP Timberlot Project (Pre June)
		2006 Timbercorp (2005 Post June) SP Timberlot Project
2007/2008 Timbercorp Timberlot (Single Payment) Project	122 510 981	2007 Timbercorp (2007/2008) SP Timberlot Project (Post June)
		2007 Timbercorp (2007/2008) SP Timberlot Project (Pre June)
		2008 Timbercorp FinYr (2007/2008) SP Timberlot Project (Post June)

*Timbercorp Almond Schemes ('Almond Schemes')*

Scheme Name	ARSN	Project Name
2001 Timbercorp Almond Project	095 649 746	2001 Timbercorp Almond Project
2002 Timbercorp Almond Project (Private Offer)	n/a	2002 Timbercorp Almond Project (Private Offer)
2002 Timbercorp Almond Project	099 611 935	2002 Timbercorp Almond Project (Early) 2002 Timbercorp Almond Project (Standard)
2003 Timbercorp Almond Project	103 197 299	2003 Timbercorp Almond Project (Early) 2003 Timbercorp Almond Project (Post June)
2004 Timbercorp Almond Project	108 336 670	2004 Timbercorp Almond Project (Early)
2005 Timbercorp Almond Project	112 935 092	2005 Timbercorp Almond Project (Early)
2006 Timbercorp Almond Project	118 387 974	2006 Timbercorp Almond Project (Early)
2007 Timbercorp Almond Project	122 511 040	2007 Timbercorp Almond Project (Early) 2007 Timbercorp Almond Project (Post June)

Timbercorp Olive Schemes ('Olive Schemes')

Scheme Name	ARSN	Project Name
2000 Timbercorp Olive Project (Private Offer)	n/a	2000 Timbercorp Olive Project (Private Offer)
2001 Timbercorp Olive Project	094 382 082	2001 Timbercorp Olive Project
2002 Timbercorp Olive Project	098 233 455	2002 Timbercorp Olive Project 2002 Timbercorp Olive Project (Post June)
2003 Timbercorp Olive Project	104 648 473	2003 Timbercorp Olive Project (Early) 2003 Timbercorp Olive Project (Post June)
2004 Timbercorp Olive Project	108 744 378	2004 Timbercorp Olive Project (Early)
2006 Timbercorp Olive Project	119 182 179	2006 Timbercorp Olive Project (Early)
2007 Timbercorp Olive Project	123 155 715	2007 Timbercorp Olive Project (Early) 2007 Timbercorp Olive Project (Post June)
2008 Timbercorp Olive Project	129 307 722	2008 Timbercorp Olive Project (Early)

Timbercorp Citrus Schemes ('Citrus Schemes')

Scheme Name	ARSN	Project Name
2004 Timbercorp Citrus Project	108 887 538	2004 Timbercorp Citrus Project (Early)
2005 Timbercorp Citrus Project	114 091 299	2005 Timbercorp Citrus Project (Early)

*Timbercorp Table Grape Schemes ('Table Grape Schemes')*

Scheme Name	ARSN	Project Name
2004 Timbercorp Table Grape Project	108 648 086	2004 Timbercorp Table Grape Project
2005 Timbercorp Table Grape Project	113 512 226	2005 Timbercorp Table Grape Project (Early)

Timbercorp Mango Schemes ('Mango Schemes')

Scheme Name	ARSN	Project Name
2005 Timbercorp Mango Project	113 969 216	2005 Timbercorp Mango Project (Early)
2006 Timbercorp Mango Project	119 526 377	2006 Timbercorp Mango Project (Early)
		2006 Timbercorp Mango Project (Post June)

Timbercorp Avocado and Fruit Schemes ('Avocado and Fruit Schemes')

Scheme Name	ARSN	Project Name
2007 Timbercorp Avocado and Fruit Project	124 932 510	2007 Timbercorp Avocado and Fruit Project (Early)
		2007 Timbercorp Avocado and Fruit Project (Post June)

Timbercorp Avocado Schemes ('Avocado Scheme')

Scheme Name	ARSN	Project Name
2006 Timbercorp Avocado Project	119 199 941	2006 Timbercorp Avocado Project (Early)