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

IN THE MATTER OF THE TIMBERCORP RIGHTS PROCEEDINGS

S APCI 2011 0103 (Almond Land Rights Appeal Proceeding)
S CI 2011 6777 (Fenceport Rights Proceeding)
S CI 2011 6604 (Liparoo & Yungera Rights Proceeding)
S CI 2011 6606 (Solora Rights Proceeding)
S CI 2010 1354 (BB Olives Rights Proceeding)

FURTHER AFFIDAVIT OF CELIA JANE ARMSTRONG

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

12 October 2012 The Representative Growers

> Tel: 03 8681 4400 Fax: 03 8681 4499 Solicitors Code: 101294

MJF: 1100412 michael.fernon@clarendonlawyers.com.au

I, CELIA JANE ARMSTRONG of Level 17, Rialto North Tower, 525 Collins Street, Melbourne, make oath and say that:

- I am an employee of the firm Clarendon Lawyers Pty Ltd, the solicitors for the Representative Growers in the Timbercorp Rights Proceedings. Subject to the supervision of my principal, Michael Fernon, I have the carriage of this matter on behalf of the Representative Growers and I am authorised to make this affidavit on their behalf.
- 2 Except where otherwise indicated, I make this affidavit from my own knowledge. Where I depose to matters from information or belief, I believe those matters to be true.
- 3 I am making this affidavit in respect of each of the Timbercorp Rights Proceedings.
- I have submitted a number of affidavits in each of the Timbercorp Rights Proceedings, the most recent being the Further Affidavit of Celia Jane Armstrong dated 4 October 2012, which I refer to in this affidavit as my **Earlier Affidavits**. When I have defined terms in my Earlier Affidavits adopt those terms in this affidavit unless I indicate otherwise.

Documents provided by Kerree Bezencon

- On 12 October 2012 Kerree Bezencon (**Ms Bezencon**) sent me a bundle of documents. These documents are described and exhibited in accordance with the following paragraphs:
 - (a) Cash flows for Timbercorp Citrus Projects for 2004 highlighted by Ms Bezencon. Now produced and shown to me marked with the letters "CJA-T" is a true copy of the cash flows.



- (b) Bundle of documents relating to experts helping the TGG Committee annotated by Ms

 Bezencon. Now produced and shown to me marked with the letters "CJA-U" is a true copy of
 the bundle of documents relating to experts helping the TGG Committee.
- (c) Bundle of documents relating to available farm consultants and operators and water operators annotated by Ms Bezencon. Now produced and shown to me marked with the letters "CJA-V" is a true copy of the bundle of documents relating to available farm consultants and operators and water operators.
- (d) Bundle of documents relating to Food and Beverage Australia Limited licence applications annotated by Ms Bezencon. Now produced and shown to me marked with the letters "CJA-W" is a true copy of the bundle of documents relating to Food and Beverage Australia Limited licence applications.
- (e) Bundle of documents relating to water valuations and prices for purchasing temporary water and selling permanent water and highlighted annotated by Ms Bezencon. Now produced and shown to me marked with the letters "CJA-X" is a true copy of the bundle of documents relating to water valuations and prices.
- (f) Bundle of documents evidencing restructure and funding solutions with the industry highlighted and annotated by Ms Bezencon. Now produced and shown to me marked with the letters "CJA-Y" is a true copy of the bundle of documents evidencing restructure and funding solutions with the industry.
- (g) Bundle of documents relating to a crop sale agreement highlighted and annotated by Ms Bezencon. Now produced and shown to me marked with the letters "CJA-Z" is a true copy of the bundle of documents relating to a crop sale agreement.
- (h) Bundle of documents relating to grower keenness in the 2004 and 2005 Citrus Projects annotated by Ms Bezencon. Now produced and shown to me marked with the letters "CJA-AA" is a true copy of the bundle of documents relating to grower keenness in the 2004 and 2005 Citrus Projects.
- (i) Bundle of documents evidencing different valuation methods and sales history highlighted and annotated by Ms Bezencon. Now produced and shown to me marked with the letters "CJA-BB" is a true copy of the bundle of documents evidencing different valuation methods and sales history.
- (j) Caveat and bundle of documents provided to solicitors to analyse and lodge caveats annotated by Ms Bezencon. Now produced and shown to me marked with the letters "CJA-CC" is a true copy of the caveat and bundle of documents provided to solicitors to analyse and lodge caveats.
- (k) Bundle of documents relating to banks and late lodging of mortgage highlighted and annotated by Ms Bezencon. Now produced and shown to me marked with the letters "CJA-DD" is a true copy of bundle of documents relating to banks and late lodging of mortgage.



- (l) Bundle of documents relating to Garnaut powers of attorney highlighted and annotated by Ms Bezencon. Now produced and shown to me marked with the letters "CJA-EE" is a true copy of the bundle of documents relating to Garnaut powers of attorney.
- (m) Bundle of documents relating to funding annotated by Ms Bezencon. Now produced and shown to me marked with the letters "CJA-FF" is a true copy of the bundle of documents relating to funding.
- (n) Bundle of documents relating to grower willingness annotated by Ms Bezencon. Now produced and shown to me marked with the letters "CJA-GG" is a true copy of the bundle of documents relating to grower willingness.
- (o) Bundle of documents relating to caveats and options annotated by Ms Bezencon. Now produced and shown to me marked with the letters "CJA-HH" is a true copy of the bundle of documents relating to caveats and options.

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SWORN by CELIA JANE ARMSTRONG at Melbourne in the State of Victoria this 12 k day of October 2012

Before me:.....

SARAH DORN

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

IN THE MATTER OF THE TIMBERCORP RIGHTS PROCEEDINGS

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EXHIBIT NOTE

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MELBOURNE VIC 3000

12 October 2012 The Representative Growers

> Tel: 03 8681 4400 Fax: 03 8681 4499 Solicitors Code: 101294

> > MJF 1100412

michael.fernon@clarendonlawyers.com.au

This is the exhibit marked "exhibit CJA-T" now produced and shown to CELIA JANE ARMSTRONG at the time of swearing her affidavit on 12 October 2012.

Before me:.

SARAH DORN

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

CJA-T

Cash flows for Timbercorp Citrus Projects for 2004

CASH FLOWS CITRUS

SHOWING POSITIVE

NET CASHFLOW

(CUMULATIVE OVER SIM)

(RE/NOW IRRELEVENT)

Page 1

ROJECT	
CITRUS P	I
RP 2004	
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TIMBERC

2004 - CITRUS SUMMARY

DATE: 11/10/2012 TIME: 5:31 PM

						0					
2005 Solora Citrus Project	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Project REVENUE	g	~	80	on	9	7	12	£	14	5	92
		586,129	586,129	586,129	586,129	586,129	586,129	586.129	586.129	586 129	586 120
Seconds		468,903	468,903	468,903	468,903	468,903	468,903	468,903	468,903	468.903	468 903
Sombined Eight of Connection		1,055,033	1,055,033	1,055,033	1,055,033	1,055,033	1,055,033	1,055,033	1,055,033	1.055.033	1.055.033
COLUMN EN THIS & CHCOTIGS		13,265	13,265	13,265	13,265	13,265	13,265	13,265	13,265	13.265	13.265
Direction			1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454
Total In Tonnes		13 265	- 44 749	44.740	44.740			ŀ			1
		204(2)	C J't	61741	14,718	14,/19	14,719	14,719	14,719	14,719	14,719
Firsts		11,504,998	11,632,885	11,807,139	11,984,884	12,164,999	12,348,605	12,532,211	12.735.503	12 991 023	13.250.033
Seconds		6,949,007	7,027,187	7,132,765	7,240,346	7,348,716	7,457,087	7,570,147	7.692.686	7.845.417	8 002 836
Julging		363,499	367,479	372,996	378,585	384,261	390,024	395,875	401,812	409,847	418,041
Wholesale Sales		40 047 500	- 200 07		3			1	•	-	•
		18,81/,503	19,027,551	19,312,900	19,603,814	19,897,976	20,195,716	20,498,232	20,830,002	21,246,286	21,670,910
Commissions, Fees & Promotions		(2,399,232)	(2,426,013)	(2,462,395)	(2,499,486)	(2,536,992)	(2,574,954)	(2,613,525)	(2,655,825)	(2,708,902)	(2,763,041)
		(2,399,232)	(2,426,013)	(2,462,395)	(2,499,486)	(2,536,992)	(2,574,954)	(2,613,525)	(2.655.825)	(2,708,902)	19 763 0411
		12.8%	12.8%	12.8%	12.8%	12.8%	12.8%	12.8%	12.8%	12.8%	12.8%
Closs Proceeds		16,418,272	16,601,538	16,850,505	17,104,328	17,360,984	17,620,762	17,884,708	18,174,176	18,537,385	18.907.869
Packing Costs		(5,988,246)	(6,083,390)	(6,105,650)	(6,205,487)	(6,227,747)	(6,331,851)	(6.354.111)	(6.458.216)	(6 482 066)	(8 500 863)
rieignt to pack shed then market		(1,207,345)	(1,227,404)	(1,247,864)	(1,268,733)	(1,290,019)	(1,311,731)	(1,333,878)	(1,356,467)	(1,379,508)	(1,403,010)
Freight & Packing Costs		(7,195,591)	(7,310,794)	(7,353,514)	(7,474,219)	(7,517,766)	(7,643,583)	(7,687,989)	(7.814.683)	(7.861.574)	(7 993 873)
Not Described to the second of		38.2%	38.4%	38.1%	38.1%	37.8%	37.8%	37.5%	37.5%	37.0%	36.9%
(so Glower)		9,222,681	9,290,745	9,496,992	9,630,108	9,843,219	9,977,180	10,196,719	10,359,493	10,675,811	10,913,996
Percent of 2005 Project DEENTING COSTS		48.U%	48.8%	49.2%	49.1%	49.5%	49,4%	49.7%	49.7%	20.2%	50.4%
Harvestino/Dirking Costs		190,874	190,874	190,874	194,112	197,994	201,954	205,993	210,113	214,316	218.603
Licence Fee - Land		1,471,869	1,471,869	1,501,309	1,531,456	1,562,427	1,587,745	1,613,653	1,640,031	1,666,998	1,694,437
Licence Fee - General		1,544	1,331,166	1,909,789	2,009,185	2,049,371	2,090,355	2,132,159	2,174,796	2,218,291	2,262,658
		•	2 '	Į ,	2	000'-	000,	Co'.	ش/ر د	1,739	1,773
		•	,	, ,	. ,			,	ŧ		•
Labour Costs		518,965	518,965	518,965	529.344	539 931	550 730	561 744	672 070	, 703	. 400
Farm management		1,117,288	1,117,288	1,117,288	1,139,634	1,162,426	1,185,675	1.209.388	1 233 576	1 258 248	596,128
lotal Operating Costs	•	5,193,840	5,231,706	5,299,769	5,405,306	5,513,756	5,618,097	5,724,609	5,833,201	5,944,031	6.057.011
ADMINISTRATION COSTS Project Costs RE/Co		220,000	222,500	225,000	227,500	230,000	232.500	235,000	237 500	000 0%	242 500
Total Administration Costs		220,000	222,500	225,000	227,500	230,000	232,500	235,000	237,500	240,000	242,500
Grower result	• "	3,808,841	3,836,539	3,972,223	3,997,303	4,099,463	4,126,583	4.237.110	4.288.793	4 491 780	4 614 485
Cumulative cash flow			7,645,380	11,617,603	15,614,905	19.714.368	23.840.951	28 078 061	32 366 BEA	26 858 634	4,014,000

THUS ANY IRR OR NPV IS IRRELEVENT & MEANINGLESS AS THE CALCULATION PRESUMES AN OUTLAY IS MADE AT THIS TIME, IN ORDER TO DO THE CALCULATIONS. THE IRR IS EFFECTIVELY OUT OF RANGE (IE OVER 1,000%) - THIS IS BECAUSE AT THIS TIME NO OUTLAY IS REQUIRED FROM THE GROWER NOTE - THE NET CASH FLOWS ARE ALL POSITIVE.

19,714,368

THEY ARE REQUIRED TO SIMPLY SIT, WAITING TO RECEIVE INCOMING MONIES AT THIS STAGE. THE GROWERS HAVE DONE THE HARD YARDS AND HAVE NO MORE TO OUTLAY.

THUS THE VALUE OF THE GROWERS POSITION IS THAT FOR OUTLAYING <u>NOTHING</u> AT THIS POINT THEY ARE ENTITLED TO CASH FLOWS TO THE VALUE OF OVER \$78 MILLION (\$78M)³

THIS SURELY SHOULD REQUIRE MORE THAN 5% OF SALES FOR COMPENSATION TO GROWERS FOR SUCH A POSITIVE ANNUITY STREAM GIVEN THE FULLY MATURED TREES, AND NO OUTLAY REQUIRED, THE DISCOUNT VALUE IS MINISCULE/MEANINGLESS SOURCES & ASSUMPTIONS: FABAL, MFC, TANDOU, CLELAND, COSTA

<u>PPERATING COSTS ARE BASED ON COSTA TERMS LETTER</u>

FABAL SOURCED COMPARITIVE MARKET VALUES, PACKAGING, FREIGHT ETC

И
a.
b
7

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4 - 10 - 10 LOCO						اء					
Zuus solora Citrus Project	2020/21	2021/22	2022/23	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Project	17	18	9	20	73	22	23	72	25	56	27
Firsts	586.129	586.129	586.129	586 129	586 129	586 12G	586 130				
Seconds	468,903	468,903	468,903	468,903	468,903	468.903	468.903			,	
Trays	1,055,033	1,055,033	1,055,033	1,055,033	1,055,033	1.055.033	1.055.033	 		1	
Combined Firsts & Seconds	13,265	13,265	13,265	13,265	13.265	13.265	13.265				
Juicing	1.454	1,454	1,454	1,454	1.454	1.454	1,454				
Dump	•		, 1	. •	. •						
Total in Tonnes	14,719	14,719	14,719	14,719	14,719	14,719	14,719		.		,
Firsts	13,514,905	13,785,638	14,062,232	14,343,304	14.630.237	14.923.031	15 221 687				
Seconds	8,163,048	8.327.948	8.493.639	8 664 018	8 837 190	9.015.051	0 103 702				
pulaini.	426.305	720 VEV	443 627	210-10-10-10-10-10-10-10-10-10-10-10-10-1	0,007,180	50,510,6	9,193,702				
Sign C	120,034	+76'+C+	170'044	452,505	461,557	4/U,/84	480,199				
			_		•	•					
vinoiesale sales	22,104,348	22,548,510	22,999,498	23,459,827	23,928,984	24,408,866	24,895,588				
Commissions, Fees & Promotions	(2,818,304)	(2,874,935)	(2,932,436)	(2,991,128)	(3,050,945)	(3,112,130)	(3,174,187)				
	r	•	1	•	•	•	•				
	(2,818,304)	(2,874,935)	(2,932,436)	(2,991,128)	(3,050,945)	(3,112,130)	(3,174,187)				
	12.8%	12,8%	12.8%	12.8%	12.8%	12.8%	12.8%	#DIV/oi	#DIV/IO	#DIV/0	i0/AlQ#
Gross Proceeds	19,286,043	19,673,575	20,067,062	20,468,699	20,878,038	21,296,735	21,721,400				
المرابعة الم	-	6	!							:	
Parally Costs	(6,614,713)	(6,723,510)	(6,747,360)	(6,856,157)	(6,880,007)	(6,988,803)	(7,014,243)				
rieigni to pack shed men market	(1,426,982)	(1,451,434)	(1,476,374)	(1,501,813)	(1,527,762)	(1,554,229)	(1,581,225)				
Erojaht & Davicina Opeta	10 044 6061						. :				
ממונים בפעווה כספים	(6,041,699)	(6,174,545)	(8,223,734)	(0/6,/66,8)	(8,407,768)	(8,543,032)	(8,595,468)				
Net Proceeds (to Grower)	11,244,348	11,498,631	11,843,328	12.110.729	12.470.270	12.753.703	13.125.932				
,	20.9%	51.0%	51.5%	51.6%	52 1%	52.3%	52.7%	#DIV/IO	O/AIG#	IU/NIU#	IO//NO#
Percent of 2005 Project OPERATING COSTS	-						<u>:</u>		5		DANCE .
Fixed Management Fee	222.976	227.436	231 985	236 624	241.358	246 186	251 110				
Harvesting/Picking Costs	1,722,464	1,751,080	1.780,167	1.809,842	1.840.107	1871.078	1 902 638				
Licence Fee - Land	2,307,907	2,354,066	2.401.146	2 449 173	2.498.159	2 548 117	2 500 084				
Licence Fee - General	1,809	1,845	1.882	1.920	1.958	1.997	2.037				
	. •	. •		!		2	1, 1,				
	•		,	•	•						
Labour Costs	608,050	620,211	632,615	645,268	658,173	671,337	684,763				
Farm management	1,309,081	1,335,263	1,361,968	1,389,207	1,416,991	1,445,331	1 474 238				
Total Operating Costs	6,172,287	6,289,901	6,409,763	6,532,034	6,656,746	6,784,046	6,913,870				
ADMINISTRATION COSTS Project Costs RETCO	245 000	247 500	250.000	262 600	200	003 236	200				
Total Administration Costs	245,000	247 500	220,000	232,300	000,552	000,702	250,000				
	743,000	747,300	200,000	006,262	255,000	25/,500	260,000	•			•
Grower result	4,827,061	4,961,231	5,183,565	5,326,195	5,558,524	5,712,157	5.952.062				

DATE: 11/10/2012 TIME: 5:31 PM

2004 - CITRUS SUMMARY

TIMBERCORP 2004 CITRUS PROJECT

NOTE - THE NET CASH FLOWS ARE ALL POSIT THUS ANY IRR OR NPV IS IRRELEVENT & MEAI THE IRR IS EFFECTIVELY OUT OF RANGE (IE C THE GROWERS HAVE DONE THE HARD YARDS THEY ARE REQUIRED TO SIMPLY SIT, WAITING THUS THE VALUE OF THE GROWERS POSITIOI THEY ARE ENTITLED TO CASH FLOWS TO THE

Cumulative cash flow

78,993,914

THIS SURELY SHOULD REQUIRE MORE GIVEN THE FULLY MATURED TREES, At sources & assumptions: fabal, MFC, tandou, cleland operating costs are based on costa terms letter fabal sourced comparitive market values, packagin

Template by FABAL

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

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12 October 2012 The Representative Growers

> Tel: 03 8681 4400 Fax: 03 8681 4499 Solicitors Code: 101294

> > MJF 1100412

michael.fernon@clarendonlawyers.com.au

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Before me:

SARAH DORN

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

CJA-U

Bundle of documents relating to experts helping the TTG Committee

U

EXPERTS

HELPING TGG COMMITTEE

ANALYSIS + EVALUATIONS

INCLUDING SITE VISITS

Expertise

Expertise behind the Proposal

We have, at hand, a team of experts and experienced and qualified agriculturists as well as corporate and accounting/financial planning advisors- to co-coordinate this proposal. Once finalized, authority will pass to the board.

<u>Timbercorp Growers Committee and its Consultants (see attachments)</u>

- Kerree Bezencon, tax strategy accountant, financial planner, and SMSF specialist, has been involved at the outset in galvanizing the growers and advisers and establishing the network of contacts at the agricultural and corporate level for this proposal.
- Rex Booker has a wealth of experience in the water market and has advised the group in regards to water options under a sale and leaseback arrangement as well as other available alternatives. He has extensive ground contacts. He also has cash-flow preparation and analytical experience and has been working as a consultant for a successful almond producing company since 2003. He was involved in the capital raising and establishment of this company.
- Michael Pointer, who has extensive corporate experience and board involvement with numerous large scale agricultural projects, notably the establishment and sale of the certified McDonalds Angus burger.
- Malcolm Cleland, our consulting agriculturalist, with also extensive board and corporate experience, has covered farm aspects and structures for the proposal. He visited the Kangara property along with potential farm managers and found the orchard to be in very sound condition.
- Max Tolson, a citrus farm consultant, who has over 30 years of experience, has been able to consult with us on all aspects of our operations and has knowledge of the setting up and establishment of the orchards, having worked with Timbercorp on site. He lives in the area and has both extensive industry and an on-going local network of contacts.
- Costa Exchange brings considerable proven marketing strengths to the proposal. They can ensure that the marketing arm is the main driver of performance: whatever the market/consumer requires and are prepared to pay for will be the deciding factor determining the farm management targets. Their reputation and network of contacts is well established

Kerree A Bezencon, Director
B.Ec (Accounting & Finance),
ASIA (Gr Dip Applied Finance & Investment),
CPA (Certified Practising Accountant) PFP (Specialist in Financial Planning),
CFP (Certified Financial Planner),
SSA (Specialist SMSF Advisor)

<image001.jpg>

Siger Super ServicesPty Ltd, ABN 18 105 441 521 PO Flox 1147, Healesville VIC 3777 Tf 03 5962 6097, Fax 03 5962 6086

Max Tolson

3 The Grange, Mildura, Vic 3500 Ph: 03 5023-5441; Mb: 0408052338 tolson@exemail.com.au

Career objective

I wish to play a key role in irrigated horticulture production management building on my experience developing new irrigated plantings and management of a range of crops including large scale corporate investments. My experience is enhanced with high level learning and qualifications including agricultural science, agribusiness masters, marketing, environment and training.

My strengths are particularly suited to the design and implementation of large-scale horticulture production systems where a systematic approach and innovation is required to achieve significant improvements in production to build a strategic brand and market position. My interests and strengths include:

- Innovative crop production systems lower costs, improve quality, stabilize supply
- Building human resources workforce empowerment, motivation and training
- Community and industry relationships reputation attracts future employees, adds to brand value

Experience

Senior Regional Horticulturist - Timbercorp 2004 to present

Appointed to new position created to oversee the company's rapid growth including almonds, olives, citrus and grapes. Since 2007 also acted as Horticulture Relations Manager.

Experience and achievements in the role include:

Annual production plans and budgets

- Almonds, olives, citrus and table grapes
- Networked within the industry to keep up-to-date with latest technology and industry standards
- Reviewed all aspects of plans for large-scale projects from detailed technical aspects to budgets and ensuring best commercial decisions
- Trouble shooting management and crop technology when necessary
- Internal auditor training

Marketing

- Assisted the marketing team with planning and site tours
- Follow up specialist support to the marketing team particularly regarding water issues, irrigation and any aspects of crop technology including responses to media articles
- Produced regular updates posted on the corporate web site

Environmental and community sustainability

- Compliance with legislation and regulations
- Supporting good neighbour and community relationships

Self Employed Consultant 1996 to 2004

Undertook a range of consulting work while studying for a Masters Degree which has provided knowledge of management systems which when combined with applied science and horticulture production management experience ensures consistency built into production systems and reliable crop results. I believe that I have a unique and valuable set of qualifications and experience in production horticulture.

Some of the experience in this capacity included:

- Irrigation trainer
- Undertook training in technical writing
- Qualified as a workplace trainer and assessor
- Implementation of integrated risk management systems including HACCP, EUREPGAP
- Contract compliance reporting and auditing of farm operations
- Developing crop risk assessment methods

Production Horticulture Management Various roles to 1996

- Extensive experience in irrigated horticulture progressed from hands on farm manager to general manager responsible for over 20,000 tonnes annual production of winegrapes, citrus, almonds, olives and avocados plus some vegetable crops
- Responsibility for crop production planning, yields, quality and profits

Other

- Current
 - Chairman, Riverlink Sunraysia/Riverland regional horticultural government and industry R&D coordinator
 - Member, Almond Industry Advisory Committee national industry R&D committee

Qualifications

Diploma of Manangement (Env.) 2008

Innovative Business Training,

Melbourne Vic

Diploma of International Trade 2001

Innovative Business Training,

Melbourne Vic

Masters of Business Administration

(Agribusiness) 2000

University of New England,

Armidale NSW

Cert. IV Workplace Training & Assessment

1996

Sunraysia Institute of TAFE,

Mildura Vic

Diploma of Applied Science Agriculture 1972

Hawkesbury Agricultural College,

Richmond NSW

Referees

Matthew Trewin

Timbercorp Corporate Communication & Sustainability

General Manager

Ph: 0407684765; Email: m.trewin@timbercorp.com.au

Eddie Warhurst

Former Mayor Mildura Rural City Council

Ph: 0439347172; Email: warhurst@iinet.net.au Former Mayor Mildura Rural City Council

Brian Grogan

Chairman, Murray Darling Association Environmental

Foundation

Ph: 0419352617; Email: bgrogan@brihelg.com.au

Timbercorp Citrus Project (Kangara) - 2007 & 2008 Harvest

Actual returns for 2007 & 2008

A	Actual Proceeds (Pools 627-640) & (Pools 727-740)	- T	Tonnes	Net Sales	Net Sales Proceeds
		July 06 - Dec 06	July	July 06 - Dec 06	July 06 - Dec 06 July 07 - Sep 07
	Mandarins	228	120	97,239	81,593
	Navels	4,039	3,982	1,570,120	1,571,001
	Valencias	355	27	74,984	10,233
	Others	11	21	3,707	6,894
	Total	4,632	4,149	1,746,050	1,669,721
æ	Actual Proceeds (Pools 641-652) & (Pools 741-752)		Tonnes	Net Sales	Net Sales Proceeds
		July 86 - Dec 66	Oct 07 - Dec 07	July 06 - Dec 06	July 06 - Dec 06 July 07 - Sep 07
	Mandarins	134	0	42,865	
	Navels	278	854	138,099	201,855
	Valencias	1,852	506	393,446	123,226
	Others	0	3	0	3,064
	Tota!	2,263	1,363	574,410	328,145
ပ	Actual Proceeds (Pools 701-713) & (Pools 801-813)	01	Tonnes	Net Sales	Net Sales Proceeds
		Jan 07 - Mar 07	Jan 08 - March 08	July 06 - Dec 06	July 06 - Dec 06 July 07 - Sep 07
	Mandarins	0			0
	Navels	0	475	0	362,544
	Valencias	903	642	208,559	224,175
	Others	0	0	0	0
	Total	903	1,117	208,559	586,719
D	Actual Proceeds (Pools 714-726) & (Pools 814-826)	To	Tonnes	Net Sales	Net Sales Proceeds
		Apr 07 - Jun 07	Apr 07 - Jun 07 April 08 - June 08	July 06 - Dec 06	July 06 - Dec 06 July 07 - Sep 07
	Mandarins	728	817	428,354	381,692
	Navels	3,009	2,599	887,011	757,383
	Valencias	45	315	11,359	122,989
	Others	0	38	0	28,790
	Total	3,782	3,768	1,326,725	1,290,853

10,397 3,855,743 3	1 61 3,707 38,748	1,490 688,348	7,910 2,595,230	936 568,458	77 2008 2007 2008	Tonnes Net Sales Proceeds	Proceeds 2008 463,284 2,892,783 480,623 38,748 3,875,438	Net Sales 2007 568.458 2.555.230 688.348 3.707 3.855,743		2007 1,089 7,326 3,155 11 11,581
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Total Proceeds for 2007 & 2008 Harvest

Mandarins
Navels
Valencias
Other

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Note:	varian

CURRICULUM VITAE

Name:

Malcolm Lauder Cleland

Address:

23 Albert ST

Windsor Vic 3181

Phone: (03) 95 338 732

Fax: (03) 95100 939

Mobile 0419 116 731

Date of Birth:

17th July 1947

Marital Status:

Married for 38 years with two daughters aged 34 and 36

EDUCATION & TRAINING:

Melbourne Church of England Grammar School

Jackaroo/Shearing, South Australia, New South Wales and Queensland

Marcus Oldham Farm Management Course

Honours Diploma in Farm Business Management

- i Sub Dux
- ii College Prize
- iii Animal Production Prize

Tasmanian Fire Service/CFA

- Unit Chief
- Command

Media and Communications - Training Courses

Australian Broadcasting Commission

- Preliminary 1993
- Advanced 1995
- Media Writers Skills Advanced 1996
- TV Presentation Advanced 1999

TAFE

Professional certificate i & ii 1999

- Commercial Kitchen [Chef]
- Patisserie

Wool Classing - retraining- Gordon Institute 2004 [Complete]

FARM MANAGEMENT EXPERIENCE:

1968 - 1970

D. & B. Garnock

"Kyleston Estate", BOMBALA, N.S

5,000 acres, 5,500 stud and flock merinos, 700 Hereford breeders, mixed cereal and fodder cropping.

1970 - 1974

Line Manager for;

A.H. Worth & Co.

Fleet, SPALDING, LINCS., U.K.

20,000 acres under cultivation including in any one year, 2,000 acres of vining peas, 1,000 acres of premium potatoes and 700 acres of French beans, 150 acres Brassica, 200 acres Carrots and assorted processing vegetables. Personally responsible for new crop research, beans and the production of 500 tonnes of Brussels Sprouts, The engagement and supervision of a casual labour force of 200 women and 50 men.

1974 - 1978

E.D. & E.H. Mills

"Cape Portland", GLADSTONE TAS 7264

11,000 acres, 27,000 sheep, 2,500 cattle with a 4 man labour force. Annual wool cut: 120,000kg.

1978 - 1983

Fingal Pastoral Co

"Malahide", FINGAL TAS 7214

A complex mixed grazing property of 20,000 acres, 50,000 sheep and 5,000 cattle, mixed cereal, potatoes and a pilot vineyard. Wool cut: 266,000kg. 12,000 tonnes of timber per year contracted to APPM.

1982

Principal and Manager new family business.

"Old Whisloca", Blessington TAS 7254

1,260 acres of high rainfall grazing land - developed from 3,500 to 7,000 DSEs by pasture improvement and block grazing - specialist cropping – 89 ha managed forest and plantation. [220 ac]

1989

"Lanark", Pipers River, Tasmania

Approximately 3,300 acres freehold + additional leasehold land in a 875 mm rainfall area: 500 acres in plantation forest,800 acres managed forest and reserved bush, 2,000 acres of cleared land, 7,000 DSEs, fine Merino sheep and prime lambs, beef cattle, cereals and Brassica crops. Contract potato production.

2006

"Lanark" sold

242 acres of forested land retained as managed forest.[89 ha]]

[&]quot;Tooborac" Central Victoria 500 acres purchased, [620 mm rainfall] 180 acres pasture, 320 acres managed forest

CONSULTANCIES AND APPOINTMENTS TO 1999

Rural Industry Positions:	: (see appendix1	for positions held)
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Tasmanian State Institute of Technology:

 One of four involved in the design, production, accreditation and delivery of a national_Associate Diploma of Business in Agriculture – successfully delivered as an external course throughout Australia.

Tasmanian Government: (see appendix 2 for list of Gov. appointments and presentations)

- Facilitation of community input for new wildlife management initiatives
- Presentation of State quarantine issues to Senate
- Development of NFF quarantine policy to incorporate Tasmanian policy
- Ministerial appointment for the review of education in agriculture (Evers Report)
- Review of Department of Primary Industry X 2

Agricultural consultancy

 Consultancy with an elite client base - specialist expertise - potatoes, carrots, viticulture, forestry and fine wool sheep

- Farm business reconstruction
- Animal welfare
- Wild animal management

Indonesian Development

 Consultant to TDN, an Indonesian company involved in the distribution of agricultural inputs

MELBOURNE BASED CONSULTANCIES 1999 - 2004

Based in Melbourne and operating as Tasecom Consultancy Trust -

Trustee, Cleland Management Pty Ltd. {for the time being}

1997 – 1999 OzEcom Limited

Recruited early 1998 to OzEcom Limited, a start-up company providing trade finance and business services in the e-commerce environment.

Manager - Client Development

Client base, IAMA[development partner], Queensland Fruit and Vegetable Growers, Lindsay Bros., Murray Bros., CASAMA Group, Dairy Farmers Limited [Franklands].

Highlights of this position;

The review and due diligence of IAMA's sales and marketing strategy.

The co-ordination of a team from Anderson's Consulting who conducted the detailed analytical work.

QFVG - The development and trial of a pilot programme to demonstrate the OzEcom transaction package to the farmers, merchants and associated service providers for the fruit and vegetable industry.

PROMOTION – The scripting and production promotional material including print and video material.

1999 - 2002

Australian Rural Group Limited [ARG]

Engaged by ARG Limited in October 2000 as a contract agricultural consultant and Southern Representative, a senior management role associated with a diverse portfolio of agricultural businesses.

ARG provided Management and Financial Services for corporate agricultural especially in the area of Managed Investments. The company directly or indirectly was responsible for \$1.5 billion of investor funds and representing the interests of more than 40,000 investors.

Proper Person - Acceptance by the Australian Securities and Investment Commission as a "Proper Person".

Manager - Southern Representative

Working from head office in Melbourne - responsibilities within the company including the development of new work, project management and with contracted responsibility for 22 agricultural businesses in southern Australia and the Northern Territory for which ARG was Trustee, Custodian, Manager or Single Responsible Entity. [See appendix 3 for a list of businesses] In addition to these contracted responsibilities agricultural supervision was delegated to Cleland for 11 additional Projects. [See appendix 3 section ii]

Case management of projects under review or in dispute

 Project management and suj 	pervision
Active property management	nt, sales and direct supervision [when required]
• The review and analysis of a structures.	new investment proposals - enterprise and finance
External consultancies	
The development and prepare	ration of investment prospectuses and offer documents.
Project reporting, statutory a	and to investors.
Assistance with financing an	nd promotion of projects.
Consultancies – External to ARG	
Miles Block Vineyard, consultant Mildara Blass [206 acres premium	and manager for the administrator KPMG – sold to red grapes]
Mondo Olive and wine grape operadevelopment project]	ation – consultant and manager. [400 acre
Wylie Family rural operations included Potatoes. Lucerne and 150 ha Olive	uding "Kangaringa" Keith – 4,000 ha grazing, es.

Peebinga Pistachio Farm, co-ordinating consultant engaged by the investors for the renovation and corporatisation of this large nut farm

Beresford Wines – procurement of 5,000 tonne wine grape supply contract.

Grain Corp – Preliminary review of technical services division of the largest grain logistics firm in Australia

2002 August

Consultant

Prentice Parberry Barilla – Upon the appointment of PPB as the administrators of ARG on the 27th September 2002 retained by PPB to assist in the restructure, winding up and continuation of a number of ARG projects.

Special responsibility for Budplan "A" Series 1 - 140 acres of table grapes at Tee Tree, Northern Territory.

2002 December Teys Management Limited -

The effective businesses, ARG Custodians Limited and ARG Management Limited, subsidiaries of ARG, were sold to independent parties Teys Management and Teys Custodians.

Teys renamed as **The Huntley Group** and **retained** Cleland as their Victorian representative offering a full range of finance and investment services.

2003 - Consultant - trading as "Cleland" for Tasecom Consultancy Trust

From the commencement of 2003 Cleland has offered a general service as a consultant for agricultural business with particular interest in the \$5m to \$20m corporate sector. From a modest start Cleland has now developed a loyal client base.

Cleland's strong practical background is a point of differentiation between the services he offers to those of his competitors

Recent Noteworthy Projects Include

General

Huntley Group – Retained by Huntley Management Limited and Huntley Custodians Limited as their Victorian representative and is an ASIC recognised 'responsible manager' in the areas of Forestry, Viticulture and Olives amongst others for this group.

Director AHM Limited – McLachlan family investment company holding dealers licence.[current]

AHM Apple Project – officer [director] to RE [current]

AHM Apple Project 2 "

AHM Organic Apple Project "

Responsible Manager - Capricorn Indian Sandalwood Project [current]

Responsible Officer – Gingko Project 2007[current]

Responsible Manager- Coonawarra Winegrape Project[current]

Responsible Officer - Palandri Wines Ltd

Responsible Manager – Tasmanian Ginseng Projects No 1 & 2

Responsible Manager -. NTT African Mahogany Projects 1 & 2 [current]

Principal agricultural consultant to RBA P/L Regional Biofuels Australasia Pty Ltd a company establishing biodiesel production facilities in Victoria, NSW and Queensland.

Principal agricultural consultant to Carbon Credentials Pty Ltd a company with established agricultural based technologies for the assembly of carbon trading credits under Kyoto protocols.[current]

Peebinga Pistachio Farm – consultant to Growers Group – 44,000 trees.[SA]

Telopea Pistachio Project – consultant 32,000 trees

Walnut production – NSW – consultant 50,000 trees

Corporate beef enterprise development [SA]

Potato and onion packing + viticulture + MIS and complex business reconstruction post insolvency [SA] - consultant

Organic Lamb unit [WA] - Principal consultant

Forestry

Tiwi Islands Acacia Project – consultant to the investor growers = Melville Island [NT].

Australian Hardwood Management Ltd. Officer [Director] of RE.[current]

Bluegum Plantations Pty Ltd – structure and finance

FEA Limited – specialist advise, MIS and new projects [current]

Forest Enterprises/Wilmot Forest – capital-raising model by the outplacement of land assets to prudential funds

Capricorn Timber Indian Sandalwood – RM [current]

Wine Industry

Palandri Wines - responsible officer

McHenry Hohnen Wines - consultant [current]

Yelloch Estate – management of the Yelloch extra premium vineyard in the Wrattonbulley [SA] RO

Coonawarra Wine Project – RM [current]

Adelaide Hills Wine Project – officer [director] to the RE [current]

AHM Apple Project 1 & 2 – officer [director] to the RE [current]

AHM Organic Apple Project – officer [director] to the RE [Current]

Step Wines Australia Ltd - reconstruction – Happy Valley [SA]

Beresford Wines – marketing and sales [SA]

Snowdon Wines Ltd – consultant - pack value \$US1.6 m.[Vic]

Bigstone Winery -- sales and project development [SA]

6J's Wine Merchants – procurement of cleanskin base wines, specialist lots and labelled stocks. [Vic]

Sword Wines – company strategy and redevelopment.

Coonawarra Wine Grape Project – RM [current]

Get Wine Direct – procurement of cleanskin and labelled product – labelled wine development model

Litori Wines 'Jindalee' – consultant - pack value \$A21m [current]

Other

Vantone Australia Pty Ltd – sales strategy for a lighting circuit management system.[Vic] C

Ecolo – the development of a state marketing and sales strategy for this national distributor of odour control products for the waste and sewage industries.C

Industry Note

Horticulture

Cleland was introduced to the specialist horticulture industry when working in the UK early in his career. The grounding received with AH Worth and Co, a significant player in European horticulture, was to lay an important foundation to his career. His understanding of production, harvest and sales of horticultural products developed from this to the level where he is now a trusted contributor to a range of specialist businesses growing crops such as stone fruit, table grapes, viticulture for wine production and table grapes, onions and potatoes, leaf crops, Pomme fruit stone fruit and nut crops.

Forest Industry

Cleland has been continuously associated with significant commercial forest operations since 1978 when he first entered into a contract to supply 12,000 tonnes of wood chip per annum from standing forests. The areas cleared were re established with plantation hardwoods so establishing a skill base covering all aspects of the forests industry.. Subsequently forestry activities have featured significantly in both his family farming operations and consultancy work. As a consultant he has had responsibilities over forest operations in all states of Australia, many in the MIS format. His experience in horticulture and forestry when combined have given him a unique capacity to serve the interests of forest industries in traditional forest practice, new forest concepts or emerging forest regions.

Wine Industry

Cleland has developed a reputation for his broad knowledge of the wine industry. He is the 5th generation of his family to be involved in the Australian wine industry. {G F Cleland and Sons} He established his first vineyard in 1981, a small planting in Tasmania and has been actively and increasingly involved in the industry since that time. He has judged wine at regional and Royal Shows.

Cleland's knowledge of vine culture and modern field practices is of a high level, his wide experience of general agriculture and horticulture has facilitated an adaptable and flexible attitude to vineyard practice. His knowledge of the costs and returns for the industry are up to date and he has a wide knowledge of comparative enterprise expenditure.

He is well versed in the various sales options for wine grapes and has supplied grapes to many of the principal companies that contract in fruit. He has been active in the issues of pricing and contract security.

Within the last 5 years Cleland has sourced and traded wine for clients, assembled blends and marketed bulk and branded product domestically and in the US, UK and Belgium.

Cleland is thoroughly familiar with the MIS format. His time with ARG exposed him to MIS viticulture projects that were managed both well and badly. He was responsible for the close supervision of not less than 769 acres of vines in 6 projects of which he had direct management of 223 acres. In addition to this was the designated Trustee duty of assessing the due diligence of some further 2,700 acres [approx] of vine investments.

Pistachio Industry

Cleland was appointed by the Grower/Investors in the Peebinga Pistachio Project in late 1999 to assist in the restitution of this extensive nut tree project in South Australia. [44,000 trees]. This re established connection with the nut industry has continued and has expanded to encompass walnuts.

Olive

Cleland's involvement with the Olive industry commenced in 1994 when his twin brother established a small commercial olive grove on Kangaroo Island in South Australia. Subsequent to this he has been continually involved with the industry at a number of levels including the genetic screening of long established olive trees and the identification, assessment and registration of identifiable breeding lines. He has been closely associated with the development of low cost, innovative harvest technologies including;

The development of a high-density 'hedge' culture regime

The development of a hedge harvest system

Modification of over tree harvester [modified vine harvester]

Cleland is experienced with Olive culture and practice and has held responsibility for the management and day-to-day supervision of both small and extensive Olive Groves. He has been responsible for the supervision of Olive Projects under the MIS format and for the ratification of the fiduciary duties of MIS managers of a number of Olive Projects in Australia.

Cleland has been associated with the marketing and sales of olives and oil and been commissioned to evaluate prospects for marketing and pricing of olive oil by one of the principal olive processing companies in Australia.

Cleland has a strong background in extensive treecrop management and the associated horticultural, operational and marketing issues of such enterprises.

APPENDIX 1

1977-1982 Appointment to the General Council of the Tasmanian Farmers Stockowners and Orchardists Association (TFSO&A).

1983 Elected to the Wool Council of the Tasmanian Farms and Graziers Association (TFGA) and the TFGA Industrial

Association.

Subsequently

•	Vice Chairman, TFGA	3 years
•	Chairman, TFGA Wool Council	3 years
•	Vice Chairman, TFGA Wool Council	2 years
•	Delegate / Observer on Wool Council of Australia	5 years
•	Committee member on TFGA Wool Council	9 years
•	Chairman, TFGA Animal Industrial Committee	10 years
•	Chairman, Education Committee	4 years
•	Member of the Rural Industry Training Board Advisory Group	5 years
•	Wildlife and Firearms Committee	6 years
•	Landcare Advisory Committee / Environment Committee	

TFGA INDUSTRIAL ASSOCIATION:

•	Chairman, TFGA Industrial Association	2 years
•	Vice Chairman, TFGA Industrial Association	3 years
•	National Delegate	3 years

OTHER APPOINTMENTS:

•	Member, Tasmanian Hydatid Eradication Council	5 years
•	Member, Tasmanian Deer Advisory Committee Executive	12 years
•	Member, Tasmanian Deer Advisory Committee Inc.	12 years
•	Member, Tasmanian Wallaby Working Group	5 years
•	Inaugural Chairman, East Tamar Landcare Group	1 year
•	Member, East Tamar Landcare Group	7 years
•	Member, Tamar Valley Branch TFGA	11 years

APPENDIX 2

GOVERNMENT APPOINTMENTS

•	Chairman, Tasmanian Hydatid Eradication Council	6 years
•	Vice Chairman, Tasmanian Hydatid Eradication Council	2 years
•	Chairman, Working Party Review of Tasmanian Animal	
	Quarantine Policy (1992)	
•	Browsing Animal Research Committee	7 years
•	Wild Animal Working Group	2 years
•	National Heritage Trust Technical Panel	2 years

STATUTORY APPOINTMENTS:

•	Wildlife Advisory Committee	5 years
•	Vice Chairman Animal Welfare Advisory Committee	7 vears

MINISTERIAL APPOINTMENTS:

- Department of Primary Industry and Fisheries Review, 1991
- Ministerial Working Group on Animal Welfare, 1990 1993
- Inaugural Dairy Industry Tribunal, 1991
- Chairman, Future Directions For Animal Health Services in Tasmania, 1994/
 - Victorian wildlife advisory committee [pending]

NATIONAL APPOINTMENTS:

•	Animal Welfare Spokesman, (NFF) National Farmers Federation	9 years
•	Wool Research Committee, Wool Council of Australia	3 years
•	Animal Welfare Consultant, NFF & Department of Primary Industry	9 years
•	Marsupial Research Council, CRC (Australia and New Zealand)	10 years

NATIONAL PRESENTATION:

The First Revocation of a National Heritage Listing (1990 North Esk River)

Representing NFF, the first and principal rural representation to Senator George Georges' Senate Select Committee on Animal Welfare.

As Acting Chairman of TFGA Industrial Association, a significant role in the River Torrens dispute (coastal shipping dispute).

As Vice chairman of TFGA Industrial Association and in conjunction with Mr Paul Houlihan and Mr Keith Rice, a significant input in Federal Pastoral Award dealings of the mid-1980's when inability to pay claims and other successful activities were made. (NFF's dominance in this Award stem from this time).

Active representation to Commissioner Merriman on the "New England Crutch" (Federal Pastoral Award).

Senate Committee to review AQIS 1995 (Australian Quarantine and Inspection Service).

Commonwealth Review AQIS 1996.

Senate Committee Enquiry, Quarantine, 1997 & 1999

National Grains Council of Australia Conference 2000

INTERNATIONAL PRESENTATIONS:

European Parliament Standing Committee - Wildlife.

An explanation on Macropod Management in Tasmania (1992).

An Innovative Model for Sustainable Wildlife Management in Off Reserve Management. Centre of Conservation Biology, Brisbane 1996.

Conservation Outside Native Reserves (Queensland University, 1997). "An Innovative Model for Sustainable Wildlife Management in 'Off-Reserve' Areas".

APPENDIX 3

Section i

The following projects were administered by the Southern Regional Officer of Australian Rural Group Limited. Mr M Cleland was formally contracted to supervise the agricultural aspects of these projects in accordance with the duties of Manager, Trustee or Responsible Entity.

Manager

Angas River Viticulture Project

Fodder King Joint Venture No. 1 Project

Trustee/Representative

Budplan "A" Series No. 1

Central Highlands Wine Grape project No. 1

Central Highlands Wine Grape Project No. 2

Central Highlands Wine Grape Project No. 3

Central Highlands Wine Grape project No. 4

Harcourt Ridge Estate Project

Harcourt Vines Project

Kings Creek Vineyard Project

Summerhill Orchards Project No.1

The Terra Australis Vineyard Project

Treetop Apples Project

Treetop Plums Project

Treetop Supersweet Project

Tumut River Orchard Project

Victorian Finance & Leasing Limited

Responsible Entity

Berringer Viticultural

Lake Aquaculture Project

Mount Benson Project

Soho Lemon Farm Project

Yandilla Mustard Project

Yelloch Creek Estate Vineyard Project

Section ii

Mr M Cleland undertook the agricultural aspects of these projects in accordance with the duties of Trustee/Representative and/or Custodian.

Trustee/Representative

BARKWORTH OLIVE GROVE

BARKWORTH OLIVE GROVE No.2

PLANTATION FOREST PROJECT

TRUFFLE PROJECT JOINT VENTURE INVESTMENT

Custodian

AUSTRALIAN HARDWOOD MANAGEMENT PROJECT

AUSTRALIAN IRRIGATED TIMBER PROJECT 2

BARKWORTH OLIVE PROJECT No. 3 & 4

BEECHWORTH WINEGRAPE PROJECT

BROOKLYN OLIVE GROVE

COONAWARRA WINE GRAPE PROJECT

PARKVIEW ORCHARD PROJECT

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<u>CURRICULUM VITAE – MICHAEL A. POINTER</u>

Pointer, Michael Alexander Chevalier de l'Ordre National du Mérite

Consultant, Australian Association of Psychologists Inc. 2010 -

Consultant, TGG Almond, Olive and Citrus Committees Incorporated 2009 - 2010 Consultant, Aberdeen Consulting Pty Ltd — Sub-Contracted to Maurice Blackburn Lawyers 2009 -

Consultant, Certified Australian Angus Beef Pty Ltd 2008 -

Chief Executive, Certified Australian Angus Beef Pty Ltd, 2005 - 2008

Executive Chairman, Certified Australian Angus Beef Pty Ltd, 1996 - 2005

Principal, Balgownie Angus, Alexandra, Victoria, 1990 - 2009

Managing Director Michael A Pointer & Co Pty Ltd (Export Merchants) 1990-2001

Director, International Trade, State Chamber of Commerce & Industry (Victoria) 1989 – 1990

General Manager, Metro Meat Ltd, Sheepskin Division, 1988 – 1989 Managing Director, Dewez Sheepskin Co Pty Limited, 1977 – 1988 Joint Managing Director, Dewez Sheepskin Co Pty Limited, 1971 – 1977 Sheepskin Manager, T. Dewez & Co Pty Ltd, 1968 – 1971

Board Member, Port of Melbourne Authority, 1984 – 1988 Director, Labour Union Cooperative Retirement Fund Pty Ltd 1979 – 1989

Honorary Life Member, The Angus Society of Australia

Federal Councillor, The Angus Society of Australia, 1997 – 1998 Chairman, Victorian State Committee The Angus Society of Australia 1995 – 1997

Member Victorian State Committee The Angus Society of Australia 1993 - 2008

Board Member Victorian Employers Chamber of Commerce and Industry 1991 – 1993

Member Victorian Employers Chamber of Commerce and Industry International Trade Committee 1991 – 1999

President, State Chamber of Commerce and Industry (Victoria) 1987 – 1989 Deputy President, State Chamber of Commerce and Industry (Victoria) 1985 – 1987

Member of the Executive Committee, State Chamber of Commerce and Industry (Victoria) 1983 - 1991

Councillor, State Chamber of Commerce and Industry (Victoria) 1981 – 1991 Member of the Executive Committee, State Chamber of Commerce and Industry (Victoria)

Chairman, State Chamber of Commerce and Industry (Victoria) – Small Business Association of Victoria 1982 – 1983

Chairman State Chamber of Commerce and Industry (Victoria) International Trade Committee 1983 – 1987

Member, Trade and Industry Committee of the Victorian Small Business Development Corporation, 1981 - 1982

Honorary Life Member, The Australia China Business Council Honorary Life Member, The Australia China Chamber of Commerce and Industry

President, The Australia China Chamber of Commerce and Industry – National Executive Committee 1981 – 1986

Vice President, The Australia China Chamber of Commerce and Industry – National Executive Committee 1979 – 1981

President, The Australia China Chamber of Commerce and Industry – Victorian Branch 1979 – 1981

Vice President, The Australia China Chamber of Commerce and Industry – Victorian State Committee 1981 – 1986

Member, The Australia China Chamber of Commerce and Industry – Victorian State Committee 1979 – 1987

Member of the Preparatory Committee, The Australia China Chamber of Commerce and Industry – National Export Development Branch 1979

Mission Leader, The Australia China Chamber of Commerce and Industry Mission to China, March/ April 1981

Mission Leader, The Australia Leather Hides and Skins Trade Mission to China, 1982

Mission Leader State Chamber of Commerce and Industry (Victoria) Trade Mission to Europe 1989

President, Sheepskin Export Packers Association of Australia 1980 – 1982 and 1986 – 1988

Senior Vice President, Sheepskin Export Packers Association of Australia 1979 – 1980, 1982 – 1983 and 1985 - 1986

Vice President, Sheepskin Export Packers Association of Australia 1977 – 1979 and 1983 – 1984

President, Sheepskin Export Packers Association of Australia, Victorian Branch 1981 – 1989

Member of the Executive Committee, Sheepskin Export Packers Association of Australia, Victorian Branch 1966 – 1989

Representative, Sheepskin Export Packers Association of Australia to the Australian Shippers Council 1979 – 1984

Representative, President, Sheepskin Export Packers Association of Australia, Paris Leather Fair, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988 and 1989.

President, Sheepskin Export Packers and Allied Trades Industrial Association of Australia 1979 – 1989

Vice President, Sheepskin Export Packers and Allied Trades Industrial Association of Australia 1973 – 1978.

Member of the Executive Committee, Sheepskin Export Packers and Allied Trades Industrial Association of Australia 1969 – 1989

Awarded, The Victorian Governor's Award for Significant Contribution to Export by an Individual – 1984

Member, The Australia-China Trade Advisory Group, 1981 – 1984

Member, The Victorian Government Export Advisory Committee 1979 – 1984 Member, The Victorian Government Export Development Committee 1984 – 1987

Member, The Victorian Government China Advisory Committee 1980 – 1983 Chairman, The Victorian Government China Advisory Committee 1983 – 1996

Member, The Australia- China Council 1985 - 1988

Member, The Victorian Government Mission to Asia, 1979

Member, The Victorian Government Mission to China, 1980

Member, The Victorian Government Commercial Delegation to China, 1984

Member, Victoria/ Jiangsu Joint Economic Committee 1987 - 1994

Member, The Victorian Government Commercial Delegation to China and Victoria/ Jiangsu Joint Economic Committee 1988

Member of Council, Lord Somers Camp and Power House, 1967 - 1968

Born: Melbourne, Australia, 23rd February 1936

Educated: Geelong Grammar School 1943 – 1954

Married: Maureen Frances (Howle) - Sydney 1960

Children: Andrew Alexander 30/08/1964

Gabrielle Frances 24/04/1967

Clubs: The Australian Club

Address: 5439 Maroondah Highway

Alexandra, Victoria, 3714

Australia

Background: Rex Sinclair Booker

- Matriculation Melbourne High School 1964
- Arts Economics Monash University 1964-1967: completed substantial part of degree to third year levels
- Containers Ltd 1968-1970: Production planning
- Self employed since 1970 to date.
- 1970 Initially ran an independent landscaping and maintenance venture, and then moved into the construction industry
- Established and initiated company specialising in providing pre-mix concrete to construction industry as a co-director with Wayne Overall. Successfully sold the business.
- This laid the platform to expand into a residential property development enterprise and property renovation venture.
- Established then a cabinet making enterprise and still maintain a financial interest in this venture.
- Around 1999-2000 acted as mentor to Wayne Overall when he and Rod Fitzroy established the first MIS almond project.
- In 2003 was pivotal in raising capital raise capital to establish Almond Investors
 Limited with co-shareholders Wayne Overall and Graham Johns: first project
 marketed in 2004. Together we established and developed an ongoing and still
 currently thriving agribusiness Almond Investments Limited one of the few
 solid still existing agribusinesses.

Current Roles

Currently act as a Chair to AIL and consultant in various capacities - the main involvement being related to the very intricate water and land issues which are exceedingly complex and central to company sustainability. The expertise in this area cannot be gained through studies, but requires years of intense field experience and patience. This expertise has resulted in major benefits to the company and positively saving millions of dollars and ensuring our company's survival.

In this role a very close relationship with Graham Johns was developed (Graham is arguably the top expert in the Almond industry with substantial world water conservation expertise). This relationship enhanced enormously the company prospects through the fuller understanding of the extensive on-ground issues associated with the

almond industry and very crucial water issues. Coupled with this, the years of working life in a "hands on" environment means that I am able to relate to a number of the practical issues that arise in agri business and have been able to provide realistic and profitable solutions for all parties benefit.

The my ability to conduct research and think laterally (aided by my university training and discipline) has in turn enhanced the value to the company of my experience and made AIL a positive and viable company that still attracts and maintains investor confidence. Solution based initiatives have been my forte and have overcome many problematic issues associated with the volatile agri-sector and maintaining a successful company. The perserverence required to tenaciously pursue positive outcomes has been the hallmark of my position, and aided the companys' positive profile both at the investor and industry level.

The ability to communicate and empathise with various high profile persons and equally with farmers has facilitated an environment of inclusion that aligns various interests and gets jobs done both efficiently and harmoniously. These years of experience and maturity has greatly benefited the TGG growers group and has further consolidated the knowledge base and company contacts and networks so fundamental to our own company success.





David Sharpe

Lawyer & Property Consultant

PO Box 169, Kangaroo Ground 3097 Australia Fax: 03 9712 0126 Mobile: 0433 918 851 Email: sharpies205@aapt.net.au

I provide general commercial advice and specialise in commercial property.

Areas of particular interest are:

- 1. Commercial Leases.
- 2. Purchases of residential and commercial property.
- 3. Property tax advice including rates, land tax, GST and capital gains tax.
- 4. Planning advice.
- 5. Land development and subdivisions.
- 6. Real Estate Law.
- 7. Property financing.
- 8. Owners Corporation law.
- 9. Farming law.
- 10. Law relating to horses.
- 11. Wills.

I have contacts with a number of law firms and barristers to whom I can introduce clients who need additional expertise outside my areas of interest.

Legal background:

Admission to practice. 1977

Commercial property partner / Minter Ellison, Il Years.

Commercial property partner / Maddocks, 5 Years.

Legal Counsel and National Commercial Property Manager / Linfox Property Group, 6 Years.

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

IN THE MATTER OF THE TIMBERCORP RIGHTS PROCEEDINGS

S APCI 2011 0103 (Almond Land Rights Appeal Proceeding)
S CI 2011 6777 (Fenceport Rights Proceeding)
S CI 2011 6604 (Liparoo & Yungera Rights Proceeding)
S CI 2011 6606 (Solora Rights Proceeding)
S CI 2010 1354 (BB Olives Rights Proceeding)

EXHIBIT NOTE

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

12 October 2012 The Representative Growers

> Tel: 03 8681 4400 Fax: 03 8681 4499 Solicitors Code: 101294

MJF 1100412

michael.fernon@clarendonlawyers.com.au

This is the exhibit marked "exhibit CJA-V" now produced and shown to CELIA JANE ARMSTRONG at the time of swearing her affidavit on 12 October 2012.

Before me:.

SARAH DORN

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

CJA-V

Bundle of documents relating to available consultants and operators

AVAILABLE

- . FARM CONSULTANTS
- · FARM OPERATORS
- · WATER OPERATORS

* SITE VISIT

Attention Kerree Bezencon Chairperson Timbercorp Citrus Growers

By email kerree@siger.com.au

Wednesday, 10 February 2010

Kangara & Solora Projects

Dear Kerree

Following on from our recent meeting, and the numerous phone calls and emails, discussing aspects of your proposal, we wish to formally express our interest in further consideration and discussions involving the Kangara and Solora citrus properties. We have investigated and considered the figures and cash flows surrounding your proposal.

We have held discussions with our financier and believe we have the capability and financial structure to organise the sale and leaseback of water entitlements on these properties. We also have expertise in the area of efficient water management, and can add valuable input on these aspects. Our Australian based company commenced farming 1972 and has established a reputation for innovative and technological advancement in the agricultural industry, specifically in water and irrigation matters.

Tandou hereby confirms its interest in acquiring the water entitlements from the public company and including a contractual arrangement for the leaseback of those entitlements.

Please find set out below the indicative non-binding terms of offer in relation to the sale and leaseback:

Water (in ML): 4,510 ML (Solora) + 8,861 ML (Kangara)

Mater Security: South Australian Murray High Security

Purchase Price: \$1,600 - \$1,800 per ML

Lease Term: 5 years from Completion of purchase

Lease Rental: 10% of purchase price per annum commencing from

Completion of purchase

Rental Payable: Quarterly in advance

Rental Increases: Indexed to CPI annually

Lease Security: 6 months rental in the form of a bank guarantee

Our indicative offer set out above remains subject to approval by the Tandou Board of Directors.

We equally have the capability and resources to run the farming operations side. We have been involved directly in both citrus and wine grapes and have the contacts and resources to take over and manage corporate scale projects such as this. We also have proven technological expertise, derived from advanced trialing and application on our own farming and horticultural operations. We have marketing and packaging experience to be able to advise on these aspect as well.

The strength of our Board of Directors, which has extensive credentials and experience in all facets of the agricultural industry, particularly in soft commodity production and a variety of projects to date, is an obvious advantage.

Obviously from our point of view, we are keen to participate and have an active involvement in the efficient running of the farm and its expenses - this will also assure our shareholders and the Board, that the water lease repayments will be met and largely mitigates this risk. It should also assure your growers of a common alignment of interests.

We understand that there is a current crop sale agreement in existence, with the current farm operation manager, Costa Exchange, and that you might look to continue a similar structure briefly, whilst bedding down the project and receiving funds, with harvesting just about to start

We also understand that you have a proposed Responsible Entity ("RE"), to represent all the growers and who will help to facilitate this process of running the farm operations, which gives us further assurance as to who will be our point of contact.

We are familiar with the proposed RE, as outlined by you, and also with Max Tolson who is assisting the RE in his role as consultant to these operations. We have already held discussions with Mr Tolson and your water consultant, Rex Booker, in regards to the various aspects of your proposal.

Tandou believes it has the experience and resources to assist your organisation in this project. More importantly, we also have the flexibility to act in a timely manner and to take over management of the farm operations in preparation for the upcoming harvest season.

Further to this, Tandou is also open to further consideration of a potential equity position within your proposed entity structure.

All discussions and proposals remain subject to Board approval, and shareholder approval if required.

Should you have any queries in relation to these matters please don't hesitate to contact myself to discuss further.

Yours sincerely

Guy Kingwill

Chief Executive Officer

ACN "Vendor"

TANDOU LTD ACN 001 014 562 "Purchaser"

AGREEMENT FOR PERMANENT TRANSFER WATER ENTITLEMENT

herbertgeer

Level 20 385 Bourke Street Melbourne 3000 Australia

Telephone +613 9641 8917 Facsimile +613 9642 4435 Reference AHM:1339176 Tom May

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AGREEMENT FOR PERMANENT TRANSFER WATER ENTITLEMENT

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BETWEEN

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"Vendor"

AND

TANDOU LTD ACN 001 014 562 of 31 Alan Matthews Drive, Mildura, Victoria

"Purchaser"

ON THE BASIS THAT:

- The Vendor owns the water entitlements set out in the Schedule ("Water A. Entitlements").
- В. The Purchaser wishes to purchase the Water Entitlements.

THE PARTIES AGREE THAT:

1. **DEFINITIONS AND INTERPRETATION**

1.1 Definitions

The following terms shall have the following meanings:

Authority means the

Consent Date means the date of provisional consent by the Authority to

the Permanent Transfer to the Purchaser as evidenced by

Authority

notice or letter by the Authority to the parties

Deposit means the amount set out in the Schedule

Permanent means a transfer of the Transfer Entitlement under the

Transfer Natural Resources Management Act (South Australia)

Price means the price per megalitre set out in the Schedule

Settlement Date means the date the Purchaser pays the balance of the

Price or the date of refusal by the Authority to the transfer

of the Transfer Entitlement

set out in the Schedule

Transfer means the number of megalitres of the Water Entitlement **Entitlement**

Interpretation

1.2

In this Agreement unless the contrary intention appears:

- a reference to a person includes a reference to a corporation firm (a) association or other entity, and vice versa;
- (b) the singular includes the plural and vice versa;
- a reference to any gender includes a reference to all other genders; (c)

- (d) a reference to any legislation or to any provision of any legislation includes a reference to any modification or re-enactment of or any provisions substituted for such legislation or provisions;
- (e) an agreement, representation or warranty made by two or more persons is made by them jointly and by each of them severally:
- (f) where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning; and
- (g) an agreement, representation or warranty made in favour of two or more persons is made for the benefit of them jointly and for each of them severally.

2. SALE OF WATER ENTITLEMENT

The Vendor sells and the Purchaser buys, as a Permanent Transfer, the Transfer Entitlement for the Price.

3. PAYMENT OF PRICE

- 3.1 The Price shall be paid to the Vendor as follows:
 - (a) the Deposit on the signing hereof;
 - (b) the balance within **21 days** of the Consent Date.

4. OUTSTANDING FEES AND ENCUMBRANCES

- 4.1 On the Settlement Date the Vendor shall pay the balance of the Price or part thereof:
 - to the Authority in respect of any outstanding fees or charges owed by the Vendor to the Authority in respect of the Water Entitlement; and
 - (b) to any person holding any encumbrance over the Water Entitlements who has directed in writing that the Price or any part thereof be paid to that person.
- 4.2 The Vendor undertakes that at the Settlement Date there shall be no encumbrances over the Water Entitlements.

5. DATE OF TRANSFER OF PERMANENT TRANSFER

- 5.1 The Purchaser shall be entitled to the Transfer Entitlement on:
 - (a) the Settlement Date; or
 - (b) any other date after the Settlement Date fixed by the Authority.

5.2 Upon payment of the balance of the Price, the Vendor shall notify the Authority that the Permanent Transfer is no longer provisional and request the Authority to register the Permanent Transfer.

6. TERMINATION BY PURCHASER

- 6.1 This Agreement may be terminated, at the Purchaser's option, by giving written notice to the Vendor if:
 - (a) the Vendor has not obtained the written consent of any person holding a Prescribed Interest within **90 days** of the date of this Agreement; or
 - (b) at the Settlement Date the Vendor does not have sufficient Water Entitlement to enable a Permanent Transfer to the Purchaser.
- 6.2 If this Agreement is terminated by the Purchaser pursuant to Clause 6.1:
 - (a) this Agreement shall cease, but without prejudice to the Purchaser's rights against the Vendor under this Agreement; and
 - (b) the Vendor shall re-pay to the Purchaser the whole of the Deposit.

7. VENDOR WARRANTIES AND COVENANTS

The Vendor warrants that at the date of this Agreement its Water Entitlement is sufficient to enable a transfer of the Transfer Entitlement and covenants with the Purchaser that it will do all acts, matters and things reasonably required to be done and pay all irrigation and other charges due or payable to the Authority to ensure the Water Entitlement is kept current during this Agreement.

8. REFUSAL BY THE AUTHORITY

If the Authority refuses the Permanent Transfer of the whole of the Transfer Entitlement this Agreement shall cease and determine without prejudice to any right of action of either party in respect of any breach of this Agreement.

9. DEFAULT AND INTEREST

- 9.1 If the Purchaser defaults in payment of the Price or any part thereof or commits any other breach of this Agreement, the Vendor may, terminate this Agreement by **21 days** written notice to the Purchaser.
- 9.2 If either party commits a breach of this Agreement, the party in default, shall without prejudice to any other rights of the other party, pay on demand:
 - (a) all reasonable expenses incurred by the other party as a result of the breach; and
 - (b) interest on any money overdue during the period of default at a rate fixed under section 2 of the *Penalty Interest Rate Act 1983* (Victoria).

10. GST CLAUSE

linsert1

11. MISCELLANEOUS

11.1 Costs and Stamp Duty

Each party to this Agreement shall be responsible for its own costs and expenses of and in connection with the negotiation, preparation, execution, stamping, registration and completion of this Agreement and of any document contemplated by this Agreement.

11.2 Counterparts

This Agreement may consist of a number of counterparts, each of which when executed shall be an original and all the counterparts together shall constitute one and the same instrument.

11.3 Powers of Attorney

In the event that this Agreement is executed under power of attorney, each of the attorneys executing this Agreement hereby warrants that he has at the time of executing this Agreement no notice of revocation of the power of attorney under the authority of which he executes this Agreement.

11.4 Further Acts

Each party will without further consideration sign, execute and deliver any document and shall perform any other act which may be necessary or desirable to give full effect to this Agreement.

11.5 Entire Understanding

This Agreement supersedes all prior representations, arrangements, understandings and agreements between the parties relating to the subject matter of this Agreement and sets forth the entire and exclusive agreement between the parties.

11.6 Successors and Assigns

This Agreement shall enure to the benefit of and be binding upon each of the parties and their respective successors and authorised assigns.

11.7 Severance

If a provision of this Agreement is judged invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability (unless deletion would materially adversely affect one of the parties) will not affect the operation or interpretation of any other provision of this Agreement to the intent that the invalid or unenforceable provision will be treated as severed from this Agreement.

12. GOVERNING LAW AND JURISDICTION

This Agreement shall be construed in accordance with and shall be governed by the laws in force in the State of South Australia.

EXECUTED as an Agreement.

<u>Vendor</u>

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EXECUTED by TANDOU LTD ACN 001 014 562 in accordance with Section 127(1) of the Corporations Act 2001 (Cth) in the presence of:))))
Signature of Director	Signature of Director/Secretary
Print name	Print name

SCHEDULE -

4510 megalitres pursuant to South Australian Murray High Security entitlements Water Entitlements:

The land known as "Solora" being the land described in Property:

Certificate of Title Volume Folio

Deposit:

Price: \$1,600 - \$1,800 per megalitre (exclusive of GST)

Water Lease

THIS LEASE is made on the

day of

2010.

31

BETWEEN

TANDOU LTD ABN 81 001 014 562 of

Alan Mathews Drive Mildura, Victoria 3505

"License Holder"

AND

*[PARTY B] *[ACN/ABN] of *[ADDRESS], *[STATE]

"*[Transferee]"

BACKGROUND

- A. The Licence Holder has agreed to lease to the Transferee an amount of water equivalent to the water allocated by the relevant statutory authority to the water entitlements set out in the Schedule for a period commencing from the date of this Agreement and terminating on 30 June 2015 (the Term) under the Natural Resources Management Act (South Australia).
- B. The Transferee is the registered proprietor of the property set out in the Schedule (the Property).

LEASE

1. DEFINITIONS AND INTERPRETATION

1.1 In this Lease unless the context otherwise requires or permits a reference to a party includes references to the party's executors, administrators, successors, substitutes (including, without limitation, persons taking by novation), assigns, contractors, agents, employees, invitees and licensees.

2. TERM TRANSFER

- 2.1 In consideration for payment of the rent the Licence Holder leases to the Transferee an amount of water equivalent to the water allocated by the relevant statutory authority to the water entitlements set out in the Schedule for the Term to be used on the Property.
- 2.2 The lease is conditional upon the Licence Holder receiving all relevant government authority consents and approvals.
- 2.3 The Licence Holder and Transferee will make application to have the Term Transfer and licence amendment registered on the appropriate government authority register.

3. RENT

3.1 The Transferee will pay to the Licence Holder initial rent of \$750,000.00. The rent will increase annually by increases in the Consumer Price Index (All Groups) from 1 July 2011.

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- * 3.2 The rent is payable by an initial payment of \$ 250,000.00 payable on 1 April 2010 (for the period from the date of this Agreement until 30 June 2010) and thereafter by quarterly instalments of \$187,500.00 payable in advance.
 - 3.3 The Transferee must pay the Licence Holder interest at the rate of 15% per year on overdue instalments of rent from the due date until payment. Interest must be calculated at monthly rests and is payable on demand.
 - 3.4 The Transferee will on the date of this agreement, deliver to the License Holder the security referred to in the Schedule which will be held by the License Holder as security against non performance by the Transferee of its obligations under this agreement. Subject to the Transferee not being in default of this Agreement, the security will be released to the Transferee within 30 days after termination of this agreement.

4. STATE WATER CHARGES

- 4.1 The Transferee must pay all government authority charges, pumping costs and annual usage fees attaching to or related to the water entitlements.
- 4.2 The Licence Holder must pay the water entitlement licence fee, if any.

5. LEGAL EXPENSES

5.1 Each party must pay their own legal fees and out of pocket expenses but the Transferee must pay stamp duty (if any) and registration fees on the Term Transfer.

6. GST

- 6.1 All amounts specified for payment do not include GST.
- A party who otherwise provides another party with *consideration* for a *taxable supply* that arises in any way out of the performance or non performance of this lease must also pay to that other party the GST payable on the supply.
- 6.3 The extra amount a party must pay for GST is payable at the later of:
 - (a) the payment of rent or the provision of the consideration, and
 - (b) the recipient of the supply being given a tax invoice by the other party.

7. INDEMNITY AND RELEASE

- 7.1 The Transferee indemnifies the Licence Holder against losses, claims or actions, and costs of those claims or actions, by any person for:
 - (a) damage to property, or
 - (b) for personal injury or death,

that result from the Transferee's use of the water allocation.

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8. STATUTORY REQUIREMENTS

- 8.1 The Transferee must comply with all laws, ordinances and regulations and all directions by competent authorities relating to the water entitlement and any allocation.
- 8.2 If the Transferee breaches the covenant in the last paragraph the Licence Holder may, but need not, comply with the requirement at the Transferee's expense.
- 8.3 The Transferee must pay interest on the cost of the Licence Holder's compliance from the date the expense is incurred at the rate and in the manner provided in the Rent clause for the payment of interest on rent arrears.
- 8.4 The Transferee must not do anything that may result in the forfeiture or loss of any allocation, rights or entitlements to the use, diversion or extraction of water as granted by the water entitlement.
- 8.5 The Transferee acknowledges that the Transferee is taken to be holder of the access licence for the Term for the following purposes:
 - (a) The payment of fees and charges associated with the water entitlement and/or allocation;
 - Compliance with the terms and conditions of the water entitlement and/or allocation;
 - (c) Compliance with any order or direction issued by a government authority with which the holder of the water entitlement must comply;
 - (d) Unlawful taking of water.

9. LICENCE HOLDER'S COVENANTS AND POWERS

- 9.1 The Licence Holder covenants with the Transferee that the Licence Holder will use the Licence Holder's best endeavours to not without the Transferee's prior, written consent, allow any alteration to the conditions on which the water is allocated.
- 9.2 The Transferee acknowledges that the License Holder does not warrant that there will be a water allocation given under the water entitlements license in any year (or part thereof) of the term.
- 9.3 The Transferee acknowledges that the License Holder holds numerous water licenses in various water systems in Australia, and subject to any statutory limitations, is able to move annual water allocations it receives under those licenses between those different water systems. The Transferee agrees that the License Holder will be entitled (in its absolute discretion) to assign annual water allocations it receives from any license it may hold for water allocations in any one year, to meet its obligations under this agreement.

10. ASSIGNMENT

10.1 The Transferee must not assign or transfer for the term the water allocation without the Licence Holder's written consent, which may not be unreasonably withheld.

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10.2 The Transferee will not create a security interest over the water allocation or its interest without the Licence Holder's written consent.

11. **TERMINATION**

- Each of the following obligations of the Transferee are essential terms of this Lease: 11.1
 - (a) the covenant to pay rent or any other moneys payable by the Transferee to the Licence Holder not later than 7 days after the due date (whether demanded or not); and
 - failure by the Transferee within the period of 14 days or any other time as (b) the notice may reasonably require to remedy the breach or breaches set out in any notice given by the Licence Holder to the Transferee;
 - (c) the covenant as to compliance with legislation set out in Clause 8.
- 11.2 Despite sub clause 1 of this clause, other obligations under this lease may be essential obligations under this lease.
- The Licence Holder may terminate this lease by giving the Transferee notice or by 11.3 re-entry if the Transferee:
 - (a) repudiates its obligations under this agreement;
 - does not comply with an essential term of this agreement (provided that in (b) the case of non payment of rent or other monies, the Licence Holder must first give the Transferee not less than 7 days notice of the relevant nonpayment); or
 - (c) does not comply with an obligation under this agreement (which is not an essential term) and in the Licence Holder's reasonable opinion:
 - the non compliance can be remedied, but the Transferee does not (i) remedy it within a reasonable time after the Licence Holder gives the Transferee notice to remedy it; or
 - the non compliance cannot be remedied or compensated for; (ii)
 - is declared bankrupt or insolvent or takes the benefit of any act in force for (d) the relief of bankrupts or insolvents; or
 - (e) is a company, and:
 - (i) becomes insolvent; or
 - a receiver or receiver and manager is appointed in respect of any (ii) part of the Transferee's property; or
 - (iii) an order is made or resolution passed for winding up the company.
- If this agreement is terminated under this clause: 11.4
 - the Transferee indemnifies the Licence Holder against any liability or loss (a) arising and any cost incurred (whether before or after termination of this

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agreement) in connection with the Transferee's breach of this agreement and the termination of this agreement including the Licence Holder's loss of benefit of the Transferee performing the Transferee's obligations under this agreement from the date of that termination until the end of the term; and

- (b) the Licence Holder must take reasonable steps to militate the Licence Holder's loss:
- (c) the Licence Holder may lodge a surrender of the term transfer with the relevant government authority Registrar.

11.5 The Transferee:

- indemnifies the Licence Holder against any liability or loss arising from and (a) any costs, charges and expenses incurred in connection with the Transferee's non compliance with the Transferee's obligations under this agreement, including legal costs and expenses on a full indemnity basis or solicitor and own client basis, whichever is the higher; and
- (b) agrees to pay the Licence Holder an amount equal to any liability, charges or expenses of any kind referred to in sub clause (a) of this sub clause. suffered or incurred by the Licence Holder including legal costs and expenses on a full indemnity basis or solicitor and own client basis, whichever is the higher.

12. STOP ORDER

12.1 If a right to terminate arises the Licence Holder may lodge a stop order against further pumping of the water the subject of this agreement.

13. FIRST RIGHT OF REFUSAL

- 13.1 The Transferee agrees that it will not during the term or any extension of this agreement enter into any agreement to sell the Property to any other third party unless it will have first offered in writing to sell the Property to the License Holder at a price not greater than the price for which it will eventually offer to sell the Property PROVIDED THAT the License Holder shall if it intends to accept the offer give written notice of acceptance to the Transferee within (30) days of the receipt by it of the offer failing which it will be deemed to have rejected the offer.
- 13.2 The provisions of clause 13.1 will not apply to a sale of the property by public auction.
- 13.3 The License Holder's rights pursuant to this clause will lapse if the License Holder:
 - fails to accept within (30) days of receipt by it of the Transferee's offer, or (a)
 - fails to complete the purchase of the Property with the Transferee within (30) (b) days of receipt by the License Holder of the Property sale contracts.

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14. MISCELLANEOUS

14.1 Counterparts

This Agreement may consist of a number of counterparts, each of which when executed shall be an original and all the counterparts together shall constitute one and the same instrument.

14.2 Powers of Attorney

In the event that this Agreement is executed under power of attorney, each of the attorneys executing this Agreement hereby warrants that he has at the time of executing this Agreement no notice of revocation of the power of attorney under the authority of which he executes this Agreement.

14.3 Further Acts

Each party will without further consideration sign, execute and deliver any document and shall perform any other act which may be necessary or desirable to give full effect to this Agreement.

14.4 Entire Understanding

This Agreement supersedes all prior representations, arrangements, understandings and agreements between the parties relating to the subject matter of this Agreement and sets forth the entire and exclusive agreement between the parties.

14.5 Successors and Assigns

This Agreement shall enure to the benefit of and be binding upon each of the parties and their respective successors and authorised assigns.

14.6 Severance

If a provision of this Agreement is judged invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability (unless deletion would materially adversely affect one of the parties) will not affect the operation or interpretation of any other provision of this Agreement to the intent that the invalid or unenforceable provision will be treated as severed from this Agreement.

15. GOVERNING LAW AND JURISDICTION

This Agreement shall be construed in accordance with and shall be governed by the laws in force in the State of South Australia.

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EXECUTED as an Agreement.

Transferee EXECUTED by [] ACN [] in accordance with Section 127(1) of the Corporations Act 2001 (Cth) in the presence of:

Signature of Signature of Director/Secretary...

Print name...

Print name...

License Holder:

EXECUTED by **TANDOU LTD** ACN 001 014 562 in accordance with Section 127(1) of the Corporations Act 2001 (Cth) in the presence of:

Signature of Director/Secretary

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Print name

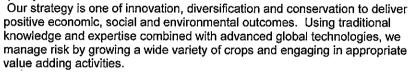
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Tandou Credentials

Tandou was established in 1972 as a private company growing irrigated cereals and grazing merino sheep, centred around the vast, ephemeral Lake Tand ou, 50 km south of Menindee, NSW. From humble beginnings in 1972, Tandou has evolved into a modern agribusiness listed on the Australian Securities Exchange (ASX code TAN), producing high value annual and permanent crops using efficient irrigation practices.



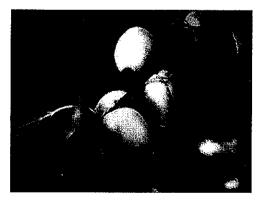
Our mission is to produce, manufacture and market products of outstanding quality and value.



Tandou values its land and water resources and manages those resources in a sustainable way, ensuring that we continually improve the quality of our land and water assets into the future. We are a socially responsible company that strives to provide security and stability for our employees and business partners and for the communities we call home



The purchase in 1992 of a large property 10 km west of Menindee in NSW and subsequent trials to establish the viability of various horticultural crops are proof of this. The desire to maximise returns per megalitre of water drove this push into permanent cropping. Now known as Tandou Orchard, the property produces high quality wine grapes, stonefruit and citrus with ongoing trials to commercialise plantings of other crops. The Orchard's stonefruit varieties are marketed under Tandou's Desert Fresh® brand, increasingly recognised by distributors and consumers as a mark of premium quality, the brand reflects Tandou Orchard's isolated, unspoiled growing conditions.



With long hours of sunshine and a low incidence of pests and diseases the property produces fruit of outstanding visual appeal and eating quality. To consistently produce sweet, delicious fruit and reduce the use of water, the property is irrigated and fertigated by advanced and highly efficient drip irrigation. The local climate and a reliable supply of water



from the nearby Darling River and Menindee Lakes Scheme provide a market advantage due to our crops being ready for harvest eight to ten days before those of other major growing areas. As fruit from Tandou Orchard is early to market it typically commands premium prices.

Tandou Orchard has its own modern packing plant and cool store to enable fruit to be chilled immediately after picking and promptly packed to market specifications. Access to all Australian markets and increasingly international markets is via rail lines and sealed roads that are flood-free in all seasons

Board Credentials

Tandou has an experienced board and management team with proven agricultural capabilities, strong corporate governance and expertise in soft commodity production. Tandou Limited's Board of Directors currently comprises a non-executive chairman, three non-executive directors and the Managing Director.

Dick Warburton, AO

Independent Chairman

Dick is currently a Director of Citigroup and Magellan Flagship Fund. Formerly Chairman of Caltex Australia, David Jones, Wool International and Du Pont Australia and New Zealand, and a former Director of the Reserve Bank of Australia and Nufarm Ltd.



Guy Kingwill

Chief Executive Officer & Managing Director

Appointed CEO of Tandou in March 2006, after commencing with the Company as CFO in June 2005. Guy has extensive international management and corporate finance experience through senior vice president roles with Bayer Chemicals Corporation and Lanxess Corporation in the United States.



Greg Hunt

Independent Non-Executive Director

Formerly Managing Director of Elders Ltd, Greg has extensive agribusiness experience gained over 28 years with Elders and former board positions with BWK Ag, Australian Agricultural Co, Hi Fert, ilizers, Websters Ltd, Elders Insurance Ltd and Elders Rural Bank.



Rob Woolley

Independent Non-Executive Director

Rob is the current Chairman of Tasmanian Forests & Forest Industry Council and Tasmanian Pure Foods Ltd. Formerly Managing Director of Webster's Ltd and a partner of Deloitte for over 20 years.



David Farley

Independent Non-Executive Director

David has over 30 years executive experience in the agribusiness industry. Former MD and CEO of Colly Cotton for 16 years and CEO/President-Elect with Calcot (US), Chairman of Rural Industries Research and Development Corporation, Wool International. David is currently principal of Matrix Commodities a soft commodities research, consulting and investment company.



Page 1 of 4

Kerree Bezencon

From: Tolson [tolson@exemail.com.au]

Sent: Sunday, 7 February 2010 2:13 PM

To: 'Kerree Bezencon'

Subject: RE: URGENT -Max can you sign off on this, if you are happy with the content please

Dear Tom & Kerree

I can confirm that I am willing to act in a position of Responsible Officer/Manager in regard to the citrus properties at Kangara and Solora. I attach my CV for your perusal. You will see that I have the necessary qualifications and experience to fulfil this role and I will be able to provide the necessary independence required by the responsible entity to the end benefit of the growers. My experience and qualifications I believe should provide the necessary expertise for the role as outlined below. I have acted as a compliance officer for almond and table grape projects in the past and have extensive experience in citrus which should satisfy the practical and regulatory requirements.

I confirm the role and duties that will be required of me:

I will independently advise the RE and growers of project management and matters relating to horticultural aspects of the project including

- 1. planning and projections,
- 2. operations management, and
- 3. reporting and providing opinions on the outcomes or results.

In particular the role would

- report on plans and budgets,
- advise on appointment of key managers,
- adequacy of resources,
- horticultural science or technical aspects of the project,
- Industry issues and trends,
- market trends and prospects relating to sale of produce, and
- investigate and report on any extraordinary matters as required.

As the Responsible Officer, I understand that I would report directly to grower investors via the RE.

As the Responsible Officer | understand that | would

- investigate and have access to the accounts and records of the Project,
- meet with the managers,
- undertake site visits, and
- provide reports on a regular basis.

Regards,

Max Tolson

3 The Grange, MILDURA Vic 3500 03 50235441 tolson@exemail.com.au

From: Kerree Bezencon [mailto:kerree@siger.com.au]

Sent: Sunday, February 07, 2010 1:15 PM



Attention Kerree Bezencon Chairperson Timbercorp Citrus Growers

By email kerree@siger.com.au

Friday, 12 February 2010

Contract Farm Management Services "Solora"

Dear Kerree

Following our extensive discussions relating to the citrus property "Solora", Tandou hereby confirms its interest in providing farm management services for this property, and also our capability to perform these services for a property of this scale and nature.

Tandou further confirms its ability to undertake these services in the immediate term, specifically for the two month period commencing 1 March 2010 to 1 May 2010, and beyond if required.

Should you have any queries in relation to these matters please don't hesitate to contact myself to discuss further.

Yours sincerely

Guy Kingwill

Chief Executive Officer

MUMINIOUS THEFT WEEKINGE MARKETG DISTÍN

MFC response

Page 1 of 2

Kerree Bezencon

From: Russell Witcombe [rwitcombe@mfc.com.au]

Sent:

Monday, 22 February 2010 10:26 AM

To:

kerree@siger.com.au

Cc:

Richard Findlay

Subject: MFC response Dear Kerree,

Further to our conversations over the week end and our email exchange, I confirm that MFC is keen and able to undertake 100% of the packing and marketing of the citrus from the Kangara (and also Solora) property.

Mildura Fruit Company is Australia's largest citrus packer and largest citrus exporter. We are not a grower....we don't own a single orange tree.

We source citrus from about 100 growers in the NSW and Victorian Sunraysia, SA Riverland and NSW Riverina.

(Our largest supplier is Brian Walker from Amaroo Pty Ltd, next door to the Kangara property and the original owner of this orchard.)

Currently, all product is packed in our large, modern, Mildura packhouse.

Last year we packed more than 3.3 million cartons and trays of citrus. Greater than 85% of the citrus we pack is exported.

MFC is a "champion" supplier to Coles nationally and we export to more than 30 countries.

In 2009, MFC was Australia's largest citrus exporter to USA, (greater than 30% of all Australian citrus) and to Canada, Europe and Hong Kong.

MFC has strong relationships with importers in Japan, Singapore, Malaysia, Indonesia, India, Bangladesh, Middle East and New Zealand.

MFC has a strong relationship with US based Sunkist; the best known citrus brand in the world. MFC has been appointed by Sunkist to pack Australian citrus in their brand, to provide year round supply of the Sunkist brand in selected global markets.

My boss, Richard Findlay, will call you this afternoon about your request for assistance with bridging type finance / equity.

MFC payment terms and procedures are as follows:

- Navels and Valencias: MFC provides the grower with a detailed, priced packout report 3 business days after the fruit is packed.
- Non orange varieties: MFC provides the grower with a detailed, priced packout report 10 business days after the fruit is packed.

MFC pays the fruit value, reported on the packout, 15 days after the end of the month of supply to MFC.

The only exception to this case, is when progress payments are applied, (e.g. consignment market sale to USA). In this case MFC makes a 'conservative' payment 15 days after the end of the month of supply to MFC and the balance is paid after proceeds from the sale are finalised.

MFC pays our growers a harvest advance of \$25 per bin (approx 420 kg of citrus). This is paid prior to Wednesday of each week for citrus picked up by MFC the previous week, (midnight Thursday to midnight Thursday).

To assist your cash flow, MFC is willing to double this advance for 2010 to \$50 per bin.

In addition, MFC will apply a freight subsidy to the cartage of Kangara citrus to Mildura to reduce the disadvantage of 125 km freight to our packhouse.

MFC has two grower services representatives, who spend most of every day, visiting our suppliers in their orchard.

We have a number of large corporate growers and our grower services staff are experienced in working successfully with larger clients to assist in orchard management, harvest scheduling etc..

Please don't hesitate to call me if you need any further information.

Best Wishes

Kind regards

Russell Witcombe
Managing Director
Mildura Fruit Company
The Crescent
Mildura Vic 3500

Phone: +61 3 5021 1644 Fax: +61 3 5021 2274

Email: rwitcombe@mfc.com.au

www.mfc.com.au

About Sunbeam Foods

A little history

SUNBEAM FOODS Pty Ltd was established in 1926 and originally named Co-operative Dried Fruit Sales Pty Ltd. The Company was formed by three packing companies, Mildura Co-operative Fruit Company Ltd, Irymple Packing Pty Ltd and Sarnia Packing Pty Ltd who recognised that the Sales and Marketing of Australian Dried Fruit required specialised knowledge and focus.

Over time the breadth of the companies activities has evolved and the company name changed to match the Brand "Sunbeam" which is known by millions of Australian consumers.

In 80 years, the Company has had many changes in ownership and facilities and is now a part of Food Holdings Pty Ltd.

The SUNBEAM logo is steeped in the heritage of the Sunraysia area. Depicting golden bright rays of sunshine, the logo encompasses all that is Sunraysia. The sun drenched region with it's fertile rich red soil irrigated by Australia's largest river, the Murray, producing golden dried fruit that is world renowned.

SUNBEAM FOODS markets an array of Dried Fruit products both domestically and internationally. We specialise in dried vine fruit, tree fruits and a range of natural nuts which encompasses: Sultanas, Raisins, Currants, Mixed Fruit, Apricots, Prunes, Peaches, Pears, other niche fruit varieties and a selection of natural nuts.

Our products are packaged in a variety of forms ranging from Retail Branded consumer packs, through to Bulk Industrial and Foodservice products. All of our goods are produced under stringent quality control guidelines. All SUNBEAM products are available in varying sizes from 40g to 14.0kg and 750kg pallecons to cater for Retail, Foodservice and Industrial users.

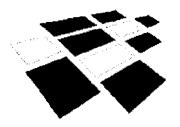
SUNBEAM FOODS has specialists in the fields of Sales (Domestic & Export), Finance, IT, Production and Quality Control. Our Head Office is located in Mildura where our major processing facilities are located. This has the additional benefit of continuing direct links with our supplying growers. This knowledge then enables us to provide buyers with up to date information relating to quality, crop size and technical data.

SUNBEAM FOODS is internationally certified to ISO9002, HACCP and BRC Quality Standards. These strict standards not only apply to our market leading SUNBEAM brand, but also to all our other export and domestic packs.

SUNBEAM FOODS has been at the forefront of new technologies and Industry development and are proud to be associated with the following companies:



The Australian Dried Fruits Association



Horticulture Australia

SUNBEAM FOODS is a registered training organization (RTO).

SUNBEAM FOODS is a proud signatory to the National Packaging Covenant. The National Packaging Covenant is the leading instrument in minimising packaging waste in Australia. It is a self-regulatory agreement between industries in the packaging chain and all spheres of government and is based on the principles of shared responsibility through product stewardship. It is applied throughout the packaging chain, from raw material suppliers to retailers and the ultimate disposal of waste packaging. Visit www.ea.gov.au/industry/waste/covenant if you would like to view our action plan



MILDURA FRUIT COMPANY

KEY SUPPLIER LOYALTY AGREEMENT

MAY 1ST, 2009 to APRIL 30th, 2012

SUPPLY AGREEMENT made on the day specified in Item 1 of the Schedule.

BETWEEN:

MFCT Pty Ltd (A.C.N. 077 947 052) as trustee of the Mildura Fruit Company Trust trading as Mildura Fruit Company of The Crescent Mildura Victoria 3500 ("MFC").

AND:

The person specified in Item 2 of the Schedule ("Grower").

INTRODUCTION:

- A. The Grower grows citrus fruit at the Orchard.
- B. MFC packs citrus fruit and intends to supply such packed citrus fruit to third parties.
- C. The parties desire the Grower to sell citrus to MFC upon the terms of this Agreement.

TERMS

1. INTRODUCTION

The matters referred to in the introduction are correct and form part of this Agreement.

2. INTERPRETATION

In this Agreement:

- 2.1 "Citrus" means all of the citrus fruit grown at the Orchard during the Term.
- 2.2 "Export Contingency Charge" means the charge specified in Item 5 of the Schedule.
- 2.3 "Marketing Margin" means the amount specified in Item 6 of the Schedule.
- 2.4 "MGL Citrus" means mandarins, grapefruit, lemons and other citrus which is subject to volatile pricing (as reasonably determined by MFC from time to time).
- 2.5 "Navel" means Navelina, Thompson Navel, Leng Navel, Washington Navel, Lane and Summer Navel orange varieties.
- 2.6 "Non Packable Citrus" means Citrus other than Packable Citrus.
- 2.7 "Orchard" means the area or areas of the Grower's property planted with Citrus as specified in Item 3 of Schedule 1 as varied from time to time by clause 3.2.
- 2.8 "Packable Citrus" means Citrus which in MFC's reasonable opinion meets the Quality Specifications.
- 2.9 "Packing Charge" means the charge specified in Item 7 of the Schedule.
- 2.10 "Quality Specifications" means the quality specification for each variety of Citrus as applied by MFC in packing for Australian and overseas markets.
- 2.11 "Term" means the period of 3 years, commencing on the date specified in Item 4 of the Schedule, subject to early termination and extension as both provided in this Agreement.
- 2.12 "Valencia" means all orange varieties other than Navel oranges.
- 2.13 Words importing any gender include all other genders; works importing to singular number include the plural and vice versa; headings are for convenience of reference and shall not affect the construction of this Agreement.

3. SUPPLY OF CITRUS

- 3.1 Subject to this clause, the Grower will offer to sell to MFC not less than 90% of the harvested Citrus crop of the Grower for each variety of Citrus harvested by the Grower, and MFC shall purchase all of that harvested citrus crop offered by the Grower upon the terms in this Agreement.
- 3.2 Where the Grower purchases additional citrus producing land, then for the purposes of this Agreement, a reference to the Orchard of such Grower includes the additional land.

4. DURATION

This Agreement endures for the Term subject to early termination as provided in this Agreement and subject also to extension for further 3 year periods by written notice from MFC to the Grower at least 3 months prior to the end of the original 3 year term. Such right of extension is not available if the Grower gives written notice to MFC at least 12 months prior to the end of the then 3 year term that the Agreement is not to be extended.

5. MFC'S GENERAL OBLIGATIONS

MFC will transport, handle, pack, store and market Citrus in a professional manner on all occasions.

6. SPECIAL SERVICES

In recognition of the importance of the Grower as a supplier of quality citrus to MFC, the Grower's commitment to supply to MFC not less than 90% of the harvested Citrus of each variety in each season of the Term and the security afforded to both parties by this Agreement, MFC agrees for the Term:

- 6.1 to give priority to the Grower (along with other similarly contracted growers) in use of plastic produce bins during bin shortages;
- to give priority to the Grower (along with other similarly contracted growers) where because of buildup of non run fruit, or market slowdown or any other reason, MFC is required to reduce intake from suppliers;
- to give priority to the Grower (along with other similarly contracted growers) for farm visits by MFC's Grower Services Consultant;
- 6.4 to reimburse to the Grower the annual audit fee for a HACCP based food safety program;
- to give priority to the Grower (along with other similarly contracted growers) when considering overseas study tour subsidies by MFC;
- 6.6 to give priority to the Grower (along with other similarly contracted growers) to superior pricing for Non Packable Navels as provided by MFC's sister company Mildura Fruit Juices Aust. Pty Ltd;
- 6.7 to provide free to the Grower a copy of the MFC "Citrus Orchard Protocol";
- 6.8 to provide to the Grower a Loyalty Bonus for Navels in accordance with clause 7;

7. LOYALTY BONUS

- 7.1 MFC will provide a loyalty bonus payment for Navels as follows:
 - 7.1.1 for Class 1, Count 88 and larger (C6), \$1.50 per carton packed, (equivalent to Count 72 and larger (C31), \$1.15 per C31 carton); and
 - 7.1.2 for Class 1, Count 100 and 113 (C6), \$0.40 per carton packed, (equivalent to Count 80 and 88 (C31), \$0.32 per C31 carton).

- 7.2 The Loyalty Bonus is to accrue on each packout and will be paid in full on or before 31 December in each year of the Term.
- 7.3 The Loyalty Bonus will not be payable if the Grower breaches this agreement by failing to offer to MFC a minimum of 90% of all varieties of Citrus to MFC in accordance with clause 3.1.

8. **GROWING**

The Grower must manage the Orchard to grow citrus to the best standards of husbandry in the district.

9. ADVICE

The Grower must observe any reasonable directions given to the Grower by MFC in relation to the growing, harvesting, handling or packing of the Citrus.

10. ESTIMATE OF BINS

The Grower must by May 1 each year provide to MFC a written estimate of the aggregate number of bins of each variety of Citrus the Grower expects to offer to MFC in the season. MFC will use such information only for production and marketing planning and provided that the Grower makes the estimate in good faith, the Grower is not liable to MFC for any failure to supply that number of bins provided that the volume supplied represents a minimum of 90% as per clause 3.1.

11. INSPECTION

The Grower must, at all reasonable times and upon reasonable notice being given by MFC, allow MFC and any representative appointed by MFC access to the Grower's books and records to enable MFC or its representative to determine whether the Grower has offered to MFC not less than 90% of the Grower's harvest Citrus crop by variety.

12. **DELIVERY**

Once the Citrus is ready for pick up by MFC's contracted carrier, the Grower must advise the carrier. The carrier will pick up the Citrus as soon as possible after such notification and delivery will be complete upon loading onto the contracted carrier's vehicle.

13. CLASSIFICATION

- 13.1 Citrus delivered to MFC is subject to inspection by MFC.
- 13.2 MFC will as soon as practicable after delivery of the Citrus class each delivery as:
 - 13.2.1 conforming to the Quality Specifications and thereby constituting Packable Citrus:
 - 13.2.2 not so conforming but still constituting Packable Citrus;
 - 13.2.3 Non Packable Citrus;

and on the basis of the size of the Citrus.

13.3 The decision of MFC as to the class and size of the Citrus in accordance with Clause 13.2 is final and the Grower will be notified by either phone, email or fax, by MFC personnel within 24 hours of assessment of any and all deliveries of Citrus that are classed as Non Packable Citrus.

14. RISK & OWNERSHIP

Unless otherwise agreed in writing, risk and ownership of the Citrus passes to MFC once the citrus is picked up by MFC.

15. PACKOUT REPORTS

MFC will provide to the Grower a priced packout report:

- 15.1 for Valencias and Navels, not later than the end of the third Business Day after packing;
- 15.2 for MGL Citrus, not later than the end of the tenth Business Day after packing.

16. POOLS FOR MGL CITRUS

- 16.1 For the purpose only of determining the price payable to the Gower for MGL Citrus, MFC will operate a Pool that combines all returns from all markets supplied with MGL Citrus during the time period the particular Pool remains open. (MFC is not pooling a Grower's Citrus at packing but is pooling market returns to provide a market average price.)
- MFC will as soon as practicable after packing allocate MGL Citrus received from the Grower to one or more pools (each a "Pool") comprising MGL Citrus received from other growers. Such allocation will be done on the basis of different classes or different counts (sizes) within classes or any of the above.
- 16.3 MFC measures Citrus in a Pool in terms of quantities (number of cartons) of the same count (size).
- 16.4 MFC will select the time period a particular Pool remains open.

17. PRICING FOR CITRUS

MFC will strive to return to the Grower a price for the Packable Citrus, which averaged over the entire season, for each variety, is higher than the average price paid by other Mildura district packers with medium to large volume citrus packing activity, (i.e. greater than 500,000 C31 carton equivalents per annum).

18. PRICING FOR MGL CITRUS

- 18.1 The price payable to the Grower for MGL Citrus supplied by the Grower and allocated to a Pool, is calculated by reference to:
 - 18.1.1 the entire sale proceeds received by MFC or its agent (exclusive of taxes and government charges) for Citrus allocated to that Pool specific to class and count (size);
 - 18.1.2 less:
 - (a) any direct selling costs of the Citrus allocated to that Pool;
 - (b) the Packing Charge applicable to that Pool;
 - (c) the Marketing Charge;
 - (d) the Export Contingency Charge (if applicable);
 - (e) freight to market attributable to that Pool.
- The price then payable by MFC to the Grower for MGL Citrus allocated to the Pool is that proportion of the amount calculated in accordance with clause 18.1 which the number of

cartons of the Citrus supplied by the Grower to MFC and allocated to the Pool under this Agreement bears to the total cartons of Citrus in the Pool. This is determined separately for each class and for each count (size). For this purpose, MFC's count of cartons is conclusive.

19. PRICING FOR VALENCIAS AND NAVELS

The price payable to the Grower for Valencia and Navel Citrus of a particular grade supplied by the Grower is determined by:

19.1 Calculating the prevailing MFC selling price (less taxes and government charges) for that Citrus in the market to which the Citrus is to be sold by MFC, or, if there is no prevailing selling price, the price reasonably estimated by MFC at the time of packing as the price it is able to sell the Citrus for in that market;

19.2 Deducting each of:

19.2.1	any direct selling costs;
19.2.2	the Packing Charge;
19.2.3	the Marketing Margin;
19.2.4	handling and other charges attributable to the Citrus; and
19.2.5	the Export Contingency Charge (if applicable).

20. PAYMENT

MFC must pay to the Grower the price for the Citrus by cheque or as otherwise agreed with MFC within 15 days of the end of the month of supply to MFC.

21. REVIEW

Prior to the commencement of each new season, staff from MFC and the Grower will meet to review the past season and to identify and act on matters that need improvement.

22. CONFIDENTIALITY

A party is to keep confidential the terms of this Agreement, subject to law.

23. FORCE MAJEURE

- 23.1 MFC is not required to purchase Citrus from the Grower for so long as MFC is unable to procure a buyer to purchase such citrus where such inability is caused by any reason not within MFC's direct control and without MFC's fault or negligence.
- For so long as Clause 23.1 applies, the Grower may with the written consent of MFC seek alternative purchasers for the citrus.
- Without limiting Clause 23.1 a party is not liable for any failure to perform this Agreement whenever and to the extent and for so long as performance is delayed or prevented by any circumstance not within the direct control of the party and without its fault or negligence, provided that such party promptly gives notice to the other party and endeavours to remedy the cause thereof with all due diligence.

24. ARBITRATION

A dispute between the parties as to this Agreement shall be referred for final determination to an arbitrator to be appointed by mutual agreement between parties, and in default of agreement shall be referred to a professional arbitrator nominated by the Chief Executive Officer of the Murray

Valley Citrus Marketing Board. The arbitrator shall fix the rules of the arbitration. The costs of the arbitrator shall be borne as the arbitrator may adjudge.

25. TERMINATION

The obligations to sell and purchase citrus terminate:

- 25.1 upon the expiry of the Term; or
- 25.2 if a party is in breach of this Agreement and fails to remedy such breach within 14 days of notice from the other party requiring the alleged breach to be remedied, such notice setting out the alleged breach and the intention of the party giving notice to terminate the obligations to self and purchase, forthwith upon expiry of the required remedy period; or
- 25.3 if a party being a body corporate becomes an externally-administered body corporate within the meaning of the Corporations Law; or
- 25.4 if a party being an individual commits an act of bankruptcy within the meaning of the Bankruptcy Act;

A termination of the obligations to sell and purchase Citrus under this Clause does not prejudice the rights of a party against the other party which accrue up to and including the date of termination.

26. ENTIRE AGREEMENT

This Agreement contains the entire agreement between the parties with respect to the supply of citrus and supersedes any prior agreement between the parties on the same matter.

27. AMENDMENT

This Agreement may only be amended by agreement in writing of both parties.

28. NOTICES

A notice under this Agreement is to be in writing and may be signed by an agent of the party giving notice and may be served either:

- 28.1 personally; or
- 28.2 by certified mail to a party at its last known address and a notice given by post shall be deemed to have been received by the addressee at the expiry of 2 days after the notice has been properly posted; or
- by facsimile transmission to a party at its last known facsimile number and a facsimile transmission shall be deemed to have been served on the date of transmission by the sender if the sender receives confirmation of receipt from the recipient.

29. **GOVERNING LAW**

This Agreement is governed by the laws in Victoria and the parties submit to the non-exclusive jurisdiction of the Courts of Victoria in respect of all matters arising under this Agreement.

30. **LEGAL RELATIONSHIP**

This Agreement does not create any partnership, agency or trust between the parties for the growing or processing or marketing of citrus or otherwise. Neither party shall hold out any of its agents, contractors or employees to be the agent, contractor or employee of the other party. Neither party shall pledge the credit of the other party, nor purport to enter into contracts on its behalf.

31. <u>COSTS</u>

Each party is to bear its own costs of the negotiation and preparation of this Agreement.

EXECUTED as an Agreement. SIGNED by MFCT PTY LTD by: Director Name of Director Director or Secretary Name of Director or Secretary [IF A COMPANY:] SIGNED by the Grower by: Name of Director Director or Secretary Name of Director or Secretary [IF AN INDIVIDUAL:] SIGNED by THE GROWER in the presence of:

Witness

Name of Witness

SCHEDULE

ITEM 1: Date of Agreement:

ITEM 2: Name (including ACN if a company) and address of Grower:

ITEM 3: Details of Planted Area and Orchard

ITEM 4: Date of Commencement of Term: May 1, 2009

ITEM 5: Export Contingency Charge for Season 2009,

\$0.30 per carton exported, (nil for USA)

ITEM 6: Marketing Margin for Season 2009,

Class 1, MFC is marketer: \$1.00 per carton

Class 1, MFC sells to another exporter: \$0.50 per carton

Composite Class, MFC is marketer: \$0.50 per carton (export), \$0.50 per carton (domestic)

Composite Class, MFC sells to another exporter: \$0.50 per carton

ITEM 7 Packing Charge for Season 2009,

C31 Class 1 and Composite \$6.70 per carton

C31 Class 1 (USA only) \$6.95 per carton

T35 (10kg mandarin) Class1 and Composite \$4.12 per carton

For subsequent seasons, MFC will provide written notice prior to commencement of the season of any changes in MFC's Packing Charge, Marketing Margin and Export

Contingency Charge

MFG: About Us

Mildura Fruit Company (MFC) is one of Australia's leading citrus packers and exporters, marketing a full range of citrus fruits around the world. MFC sources quality citrus from approximately 130 citrus growers along the Murray & Darling Rivers in South Eastern Australia.

The great depth of MFC's citrus supply ensures large volumes of quality citrus are sourced from an extensive harvest area. Our largest twenty suppliers deliver greater than 50% of our intake. MFC packs out of a single, very large packing-house, located in Mildura in North West Victoria and employs 40 permanent staff and 150 casual staff to meet seasonal and shift requirements. MFC is one of the world's most technologically advanced citrus packers, making extensive use of bar code scanning and computerised fruit sizing and sorting equipment.



In recent years, MFC has spent in excess of A\$7 million on major plant upgrades and shed expansion, to cope with a steady growth in packing and marketing demand, which is forecast at 3.5 million carton output by 2008. MFC's operation consists of 2 large capacity packing lines that enable the full range of citrus products to be sorted and packed with little interruption throughout the busy navel season. MFC is well supported by an established, worldwide customer base and in 2006 greater than 85% of MFC's carton production was shipped to overseas destinations. MFC also has significant market share in Australian wholesale markets and supermarkets.

Login

NFC: Key Staff

Managing Director

Sue Reck

Russell Witcombe
Marketing Mgr
Ferdi Bergamin
Senior Trader
Marcus Scott
Marketing Admin Mgr
Flavia Cleeland
Grower Services Mgr
Bill Robinson
Grower Services Rep.
Tony Filippi
Grower Services Admin Mgr

Operations Mgr
Danny Thornton
Production Mgr
Craig Chappell
Senior Packing Mgr
Gordon Robinson
Scientist/Food Technologist
Mara Milner
Head Engineer
Grant Morton
Divisional Accountant
Perry Hill
Transport & Inventory Mgr
Lyndel Garsed



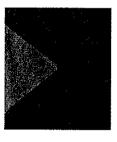
Login

About Us Key Staff Location Contact Us

MFC:Location

Mildura Fruit Company (MFC) is located in central Mildura, in one of Australia's premium fruit growing areas; the Sunraysia district. Mildura is 550 kilometres north west of Melbourne on the New South Wales - Victorian border.

Mildura (<u>www.visitmildura.com.au</u>) is rich in colour. Clear days, an abundance of sunshine and the mighty Murray River transform the desert into a lush horticultural region. Fresh air, fresh fruit and produce abound. The Mildura district is famous for its quality winegrapes, tablegrapes, dried vine fruit, and of course its' citrus. Whilst the Mildura district is small by world citrus standards, it has produced a number of very popular citrus varieties. The Leng Navel, Late Lane Navel and more recently Summer Navels such as the Chislett, Barnfield and Rohde Navel all originate from mother trees in the Murray Valley.







Quality: SQF 2000

Mildura Fruit Company (MFC) was one of Australia's first fruit packing companies to obtain ISO 9002 accreditation for its Quality Management System. In late 1998, MFC changed its accreditation to SQF 2000 - a HACCP based quality management system, which is especially appropriate for the food industry. (SQF stands for Safe Quality Food). In addition, MFC has been granted Certification Assurance (CA) accreditation by the Australian Quarantine Inspection Service (AQIS). This entitles MFC to conduct a number of inspection procedures normally undertaken by AQIS. MFC's CA and SQF 2000 accreditation are independently audited by AQIS and SGS respectively.

MFC employs eight QC (quality control) staff who work fulltime inspecting citrus; on arrival at MFC, during sorting at MFC and after packing at MFC, to ensure that MFC's customers always receive product which is packed to specification. Packed product that fails inspection is rejected, resorted and repacked. "MFC does not make commercial decisions about quality". MFC produces a detailed "Orchard Protocol" which all MFC growers are required to adhere to, in producing safe quality fruit for the Australian and world markets. The "Orchard Protocol" is MFC's "Approved Supplier Program" and is a key component of our SQF 2000 quality management system.



Logir

MFC: About Us

Mildura Fruit Company (MFC) is one of Australia's leading citrus packers and exporters, marketing a full range of citrus fruits around the world. MFC sources quality citrus from approximately 130 citrus growers along the Murray & Darling Rivers in South Eastern Australia.

The great depth of MFC's citrus supply ensures large volumes of quality citrus are sourced from an extensive harvest area. Our largest twenty suppliers deliver greater than 50% of our intake. MFC packs out of a single, very large packing-house, located in Mildura in North West Victoria and employs 40 permanent staff and 150 casual staff to meet seasonal and shift requirements. MFC is one of the world's most technologically advanced citrus packers, making extensive use of bar code scanning and computerised fruit sizing and sorting equipment.



In recent years, MFC has spent in excess of A\$7 million on major plant upgrades and shed expansion, to cope with a steady growth in packing and marketing demand, which is forecast at 3.5 million carton output by 2008. MFC's operation consists of 2 large capacity packing lines that enable the full range of citrus products to be sorted and packed with little interruption throughout the busy navel season. MFC is well supported by an established, worldwide customer base and in 2006 greater than 85% of MFC's carton production was shipped to overseas destinations. MFC also has significant market share in Australian wholesale markets and supermarkets.

WFC: Kay Staff

Managing Director
Russell Witcombe
Marketing Mgr
Ferdi Bergamin
Senior Trader
Marcus Scott
Marketing Admin Mgr
Flavia Cleeland

Grower Services Mgr Bill Robinson

Grower Services Rep.

Tony Filippi

Grower Services Admin Mgr

Sue Reck

Operations Mgr
Danny Thornton
Production Mgr
Craig Chappell
Senior Packing Mgr
Gordon Robinson
Scientist/Food Technologist
Mara Milner
Head Engineer
Grant Morton
Divisional Accountant
Perry Hill
Transport & Inventory Mgr

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Lyndel Garsed

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Logir

SCHEDULE

ITEM 1: Date of Agreement:

ITEM 2: Name (including ACN if a company) and address of Grower:

ITEM 3: Details of Planted Area and Orchard

ITEM 4: Date of Commencement of Term: May 1, 2009

ITEM 5: Export Contingency Charge for Season 2009,

\$0.30 per carton exported, (nil for USA)

ITEM 6: Marketing Margin for Season 2009,

Class 1, MFC is marketer: \$1.00 per carton

Class 1, MFC sells to another exporter: \$0.50 per carton

Composite Class, MFC is marketer: \$0.50 per carton (export), \$0.50 per carton (domestic)

Composite Class, MFC sells to another exporter: \$0.50 per carton

ITEM 7 Packing Charge for Season 2009,

C31 Class 1 and Composite \$6.70 per carton

C31 Class 1 (USA only) \$6.95 per carton

T35 (10kg mandarin) Class1 and Composite \$4.12 per carton

For subsequent seasons, MFC will provide written notice prior to commencement of the season of any changes in MFC's Packing Charge, Marketing Margin and Export Contingency Charge



Kerree Bezencon

From:

Kerree Bezencon [kerree@siger.com.au]

Sent:

Wednesday, 17 February 2010 9:37 AM

To: Cc: 'Kerree Bezencon'; 'Antony Munro'

Subject:

'Guy Kingwill'; 'm.cleland' RE: Site Visit

Hi Antony,

Following our discussion, below are the names of people attending as requested and estimated time of arrival. This email was returned yesterday – the net didn't work for some reason.

Please contact Guy & Malcolm with the contact name at the farm, as I will be in court today. Guy can be contacted on 0407 309 969, Malcolm is in the air, but can be contacted on 0419 116 731 and you have their email contacts above.

Regards

Kerree

Kerree A Bezencon, Director
B.Ec (Accounting & Finance),
ASIA (Gr Dip Applied Finance & Investment),
CPA (Certified Practising Accountant) PFP (Specialist in Financial Planning),
CFP (Certified Financial Planner),
SSA (Specialist SMSF Advisor)



Siger Super ServicesPty Ltd, ABN 18 105 441 521 PO Box 1147, Healesville VIC 3777 Tf 03 5962 6097, Fax 03 5962 6086

8 Hygieta Street, Noosaville QLD 4566 Tf 07 5473 0790, Fax 07 5473 0796

Mobile 0419 10 15 20 Email – mail@siger.com.au

From: Kerree Bezencon [mailto:kerree@siger.com.au]

Sent: Wednesday, 17 February 2010 9:29 AM

To: 'Antony Munro'

Cc: 'Guy Kingwill'; 'm.cleland' Subject: RE: Site Visit

Hi Antony,

Please note that the following people will attend a site meeting at around 1 at Solora (11.30 take-off from Mildura), then visit Kangara. Please let us know – copy to above contacts – the name of the receiving person please

- Brendan Barry
- Brett Gillies
- Guy Kingwill
- Shane Phillips
- Garth Swinburn
- Malcolm Cleland

Regards

Kerree

Kerree A Bezencon, Director
B.Ec (Accounting & Finance),
ASIA (Gr Dip Applied Finance & Investment),
CPA (Certified Practising Accountant) PFP (Specialist in Financial Planning),
CFP (Certified Financial Planner),
SSA (Specialist SMSF Advisor)



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8 Hygieta Street, Noosaville QLD 4566 Tf 07 5473 0790, Fax 07 5473 0796

Mobile 0419 10 15 20 Email – mail@siger.com.au

From: Antony Munro [mailto:amunro@kordamentha.com]

Sent: Monday, 15 February 2010 1:41 PM

To: Kerree Bezencon **Subject:** RE: Site Visit

Thanks Kerree

If you could also let me the know the time they will be arriving as I need to check this with the farm manager.

Regards

Antony Munro | Director KordaMentha | Level 24, 333 Collins Street, Melbourne VIC 3000 t+61 3 8623 3404 | f+61 3 8623 3399 | m+61 406 533 361 e amunro@kordamentha.com | w www.kordamentha.com

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nney@kordamentha.com | w www.kordamentha.com

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Please consider the environment before printing this email

From: Marty Sammon [mailto:ms@agridna.com.au]

Sent: Friday, 7 August 2009 12:39 PM

To: Nick Courtney

Cc: Sammon, Marty; andy.gilmour@rsmi.com.au; Daryl Henthorn; darylhenthorn@bigpond.com; Glyn Yates;

Michael.Allen@rsmi.com.au; Rob Garton Smith **Subject:** Questions re TIM Olives MIS Schemes

Hi Nick

Thanks for the info yesterday.

Our questions are:

- 1. The forecast 2010 Olive Projects are based on current MIS fee structures, as noted in the KM Affidavits. "Mak 6" 2010 forecast results per scheme appear to be the costs per the original offer documents. Please confirm this is the case. The fees will be in line with offer documents or inflated by CPI as appropriate.
- 2. Have you completed any modelling based on realistic farm costs from industry benchmarks and actual BBM farm costs per scheme before any add-ons? Would it be possible for PSL to have this? No modelling has been conducted using industry benchmarks. I note that comments were made by other industry stakeholders in separate affidavits on the KordaMentha website (eg Paul Miller affidavit 3 July) in relation to assumptions and variables used in the forecasts. In relation to BBM farm costs we have already provided the most up-to-date operational forecast (before any add-ons) that we have.
- 3. Could you provide accurate (i.e. up to date) estimates of cash available for 2009 Schemes stock, by scheme, as I am not sure if the media reports are reliable as to the situation. Had estimated based on media \$10m would be available to growers, and the spreadsheet has indicated \$15.490m, prior to TIM's share. What do you estimate the final amount of proceeds available to Growers, and when will this be available. Is there a similar estimate as you have provided for the 2008 crop harvest process? The final proceeds available for distribution from the 09 harvest will depend on the price obtained for the oil and the final costs incurred for the harvest and ongoing sales and marketing. I note that the 09 harvest yield was slightly higher than anticipated (6.9m litres see attached) so while this should result in higher than anticipated gross proceeds there are also likely to be additional harvest and selling costs. Given that Boundary Bend Ltd will offset any proceeds received against its costs in the first instance, there is unlikely to be any proceeds available for distribution until the middle of 2010. As per my email to Andy Gilmour on 6 August we do not have a file estimating the likely distribution of any available 09 proceeds because of the uncertainty noted above.
- 4. The 2008 Olive Distribution file estimates that growers will receive \$6.868m in total, and by 19.5.09 had received \$1.154+\$0.786, a total of \$1.940. Will the timing be achieved, and is the estimate implying a total of \$6.868m by 15.10.09 will be held in trust for Growers? The 08 olive distribution file should not be used to estimate the likely timing of distribution of funds to growers. Its purpose is to illustrate the estimated distributions that will occur once proceeds are received. Any money received to date is still held on trust and no olive proceeds have yet been distributed (either to Timbercorp entities or to growers). The proceed value and timing is uncertain and is only an estimate.
- 5. Is there any other cash held in trust for growers at this point, other than the above? TBA there may have been some proceeds held on trust pre-Administration but unlikely to be significant.
- 6. Do you have any actual yield data supplied by BBM to support the yields for each scheme. It appears if trees ages vary within each scheme, and thus the forecasts need to take this into account. Refer attached for yields for each project from the 09 harvest.
- 7. Have you completed any schedules detailing how much monies have been paid by MIS growers to TIM since the schemes started? This information should be available in 'MAK 6' for each scheme.

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

IN THE MATTER OF THE TIMBERCORP RIGHTS PROCEEDINGS

S APCI 2011 0103 (Almond Land Rights Appeal Proceeding)
S CI 2011 6777 (Fenceport Rights Proceeding)
S CI 2011 6604 (Liparoo & Yungera Rights Proceeding)
S CI 2011 6606 (Solora Rights Proceeding)
S CI 2010 1354 (BB Olives Rights Proceeding)

EXHIBIT NOTE

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

12 October 2012 The Representative Growers

> Tel: 03 8681 4400 Fax: 03 8681 4499 Solicitors Code: 101294

MJF 1100412

michael.fernon@clarendonlawyers.com.au

This is the exhibit marked "exhibit CJA-W" now produced and shown to CELIA JANE ARMSTRONG at the time of swearing her affidavit on 12 October 2012.

Before me:.

SARAH DORN

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

CJA-W

Bundle of documents relating to Food and Beverage Australia Limited licence applications

3

FABAL
USCENSE APPLICATIONS
EVIDENCING WULINGNESS
4 HISTORY

ASIC AFS Licence Number 246650

Lodging Party or Agent Name FOOD AND BEVERAGE AUSTRALIA LIMITED Address 5-7 KING WILLIAM RD **UNLEY SA 5061**

29.03.2010



Australian Securities and Investments Commission

form FS03

Application to vary the authorisation conditions of an Australian financial services licence

Corporations Act 2001 914A (2)(b)

licence number 246650 licence name FOOD AND BEVERAGE AUSTRALIA LIMITED

A1.1 You may apply to vary the services and products authorised by your licence and/or the conditions applying to your licence. What would you like to vary?

Financial services and/or products authorised by the licence

A3. Your Australian financial services (AFS) licence

A3.1 What type(s) of financial services would you like your AFS licence to authorise? Deal in a Financial Product

Operate a Registered Scheme

A3.2.1 Do you wish to provide financial services as a Principal Trader only under this licence?

A3.2.2 Do you wish to be subject to the condition requiring a stockbroker to assume responsibility for the acts or omissions of a nominee company subsidiary?

No

A3.3 The law restricts the use of certain words or expressions, or like words or expressions, unless they are authorised in your AFS licence conditions. Do you wish to assume or use any of the following? 'Stockbroker' or 'Share Broker', 'Futures Broker', 'Insurance Broker' or 'Insurance Broking', 'General Insurance Broker' or 'Life Insurance Broker'

No

A4. Your AFS Licence Authorisations

A4.2. Deal in a Financial Product

A4.2.1 What type of dealing activity do you wish to be authorised for? Deal in a financial product

A4.2.2 What particular type(s) of dealing services do you wish to be authorised for?

Issue, apply for, acquire, vary or dispose of a financial product Apply for, acquire, vary or dispose of financial products on behalf of

A4.2.3 Issuing or varying a financial product

A4.2.3 You have requested to be authorised for the particular type of dealing service of 'Issue, apply for, acquire, vary or dispose of a financial product'. What products do you wish to be authorised for? Own Managed Investment Scheme only

A4.2.4 Apply for acquire or dispose of financial products on behalf of another

A4.2.4 You have requested to be authorised for the particular type of dealing service of 'Apply for, acquire, vary or dispose of financial products on behalf of another'. What products do you wish to be authorised for?

Deposit and Payment Products - Basic Deposit Own Managed Investment Scheme only

A4.4 Operate a Registered Scheme

A4.4.1 How will you operate your registered managed investment scheme(s) under your AFS licence.

Scheme(s) of a particular asset kind

Named scheme(s)

A4.4.2 Scheme(s) of a particular asset kind

A4.4.2 What is the particular kind of scheme you currently operate or wish to register under this AFS licence.

Primary Production

A4.4.4 If you have selected the Primary Production asset type, what particular Primary Production scheme(s) do you wish to operate?

Horticulture Viticulture

A4.4.5 Details of the Named Scheme.

A4.4.5.1 Scheme Name

The Tasmanian Premium Cherries Project

A4.4.5.2 Is the scheme already registered.

Yes

A4.4.5.2.1 What is the Australian Registered Scheme Number of the named scheme. 129398876

A4.4.2 What is the particular kind of scheme you currently operate or wish to register under this AFS licence.

Primary Production

A4.4.4 If you have selected the Primary Production asset type, what particular Primary Production scheme(s) do you wish to operate?

Horticulture

A4.4.5 Details of the Named Scheme.

A4.4.5.1 Scheme Name

2006 QUEENSLAND AVOCADO PROJECT

A4.4.5.2 Is the scheme already registered.

Yes

A4.4.5.2.1 What is the Australian Registered Scheme Number of the named scheme.

119199941

A4.4.2 What is the particular kind of scheme you currently operate or wish to register under this AFS licence.

Primary Production

A4.4.4 If you have selected the Primary Production asset type, what particular Primary Production scheme(s) do you wish to operate?

Horticulture

A4.4.5 Details of the Named Scheme.

A4.4.5.1 Scheme Name

2007 TIMBERCORP AVOCADO & FRUIT PROJECT

A4.4.5.2 Is the scheme already registered.

No

A4.4.2 What is the particular kind of scheme you currently operate or wish to register under this AFS licence.

Primary Production

A4.4.4 If you have selected the Primary Production asset type, what particular Primary Production scheme(s) do you wish to operate?

Horticulture

A4.4.5 Details of the Named Scheme.

A4.4.5.1 Scheme Name

2004 TIMBERCORP CITRUS PROJECT

A4.4.5.2 Is the scheme already registered.

Yes

A4.4.5.2.1 What is the Australian Registered Scheme Number of the named scheme. 108887538

A4.4.2 What is the particular kind of scheme you currently operate or wish to register under this AFS licence.

Primary Production

A4.4.4 If you have selected the Primary Production asset type, what particular Primary Production scheme(s) do you wish to operate?

Horticulture

A4.4.5 Details of the Named Scheme.

A4.4.5.1 Scheme Name

2005 TIMBERCORP CITRUS PROJECT

A4.4.5.2 is the scheme already registered.

Yes

A4.4.5.2.1 What is the Australian Registered Scheme Number of the named scheme. 114091299

A4.4.2 What is the particular kind of scheme you currently operate or wish to register under this AFS licence.

Primary Production

A4.4.4 If you have selected the Primary Production asset type, what particular Primary Production scheme(s) do you wish to operate?

Horticulture

A5. Business Description

A5.1 What type of client group(s) will your current or intended business service?

Retail Clients
Wholesale Clients

A5.2.1 Are you likely to have financial obligations to clients of \$100,000 or more (in total) from transacting with them?

Yes

A5.2.2 Will your only liabilities to clients be under debentures you issue under Chapter 2L of the Corporations Act?

No

A5.2.3 Are you likely to hold client monies including premiums, contributions and investment monies?

Yes

A5.2.3.1 Will you be holding these amounts in a trust account?

Yes

A5.2.3.2 Are you likely to hold \$100,000 or more of client monies and/or property at any time under this AFS licence?

Yes

A5.2.4 Will you be operating an IDPS under this AFS licence?

No

A5.3 Are you, or have you applied to be, a body regulated by the Australian Prudential Regulation Authority (APRA)?

No

A5.3.1 Are you a wholly owned subsidiary (either directly or indirectly) of a body regulated by APRA?

No

A5.4 Will you be acting as a general insurance underwriting agent or a general insurance broker acting under binders under this AFS licence?

No

- A5.6 What best describes the size of the applicant in each of the following categories.
- A5.6.1 Net assets (including related body corporates that provide financial services) at the end of the last financial year.

Less than \$5 million

- A5.6.2 Gross revenue (including related body corporates that provide financial services) in the last financial year.

 Less than \$5 million
- A5.6.3 Current employees (including related body corporates that provide financial services).

 Less than 20
- A5.7 Will you be providing financial services under this licence in your capacity as a trustee of a trading trust?

No

A6. Application Process

A6.1 Have you added new responsible managers for this variation?

No

B2. Organisational Competence - Processes

B2.1 Do you use a documented process to ensure that all responsible managers meet the training and experience requirements of ASIC's RG 105?

Yes

B2.2 Do you use a documented process to ensure that all responsible managers are of good fame and character?

Yes

B2.3 Do you use a documented review process to ensure that you will maintain the organisational competence to carry out your obligations under the AFS licence?

Yes

B2.3.1 At a minimum, how often will you undertake this review?

Quarterly

B2.4 Do you use a documented process to ensure that your responsible managers maintain and update their competence?

Yes

B2.5 Do you use a documented process to ensure compliance with all relevant industry codes and/or standards?

Yes

B2.5.1 Has a relevant independent third party assessed that you are satisfactorily complying with these codes and/or standards in the last two years?

Yes

B3. Compliance Arrangements

B3.1 Have you established compliance and reporting arrangements for your AFS licence activities?

Yes

B3.1.1 Are your compliance arrangements documented (either on an entity or group basis)?

Yes

B3.1.2 Do your compliance arrangements specify how often compliance with procedures is monitored and reported on?

Yes

B3.1.3 Do you use a documented process to maintain the adequacy of your compliance and monitoring arrangements?

Yes

B3.1.3.1 How often will you review your compliance and monitoring arrangements?

Quarterly

B3.1.4 Will your compliance arrangements be subject to external audit/review?

Yes

B3.1.4.1 What term best describes who will be conducting these external reviews? external auditor

B3.1.4.2 How often will these audits/reviews be conducted?

Yearly

B3.1.5 Is there a person(s) responsible for ongoing reporting in relation to your levels of compliance and for ensuring the adequacy of your compliance arrangements?

Yes

B3.1.5.1 Does this person(s) have direct access to your governing body?

Yes

B3.1.6 Are your compliance arrangements generally consistent with the Australian Standard Compliance Programs AS3806-2006?

Yes

B3.1.7 Are your compliance arrangements generally consistent with another external standard, eg international or industry standards?

Yes

B3.2 Will any substantial activities under this AFS licence be outsourced?

No

B4. Representatives

- B4.1 Provide the following details for your representatives.
- B4.1.3 Do you use documented training programs, including continuing education, for your representatives?

Yes

B4.1.4 Do you maintain records of training programs attended by your representatives?

Yes

B4.1.5 Do you have documented processes to supervise and monitor your representatives to ensure they comply with their obligations under the law?

Yes

B4.1.6 Do you use a documented process to ensure that all representatives are trained, competent and will provide financial services on your behalf efficiently, honestly and fairly?

Yes

- B4.2 Provide the following details for the authorised representatives to be appointed under this AFS licence.
- B4.2.1 Will you be appointing authorised representatives under this AFS licence if it is granted?

No

B4.3 Do you have a process to ensure that those people who are providing retail financial advice or directly handling client monies under your AFS licence have not engaged in misconduct previously?

Yes

B4.3.1 Which of the following are included in this process?

Police check

ASIC register check

Credit/bankruptcy check

Independent reference check

Personal good fame and character declaration

Conflict of interest declaration

B5. Adequacy of Resources

- B5.1 Provide the following details in relation to your financial resources.
- B5.1.1 Do you have documented processes to ensure you meet the requirements of ASIC's Regulatory Guide 166 Licensing: Financial requirements (RG 166)?

Yes

B5.1.2 Do your compliance arrangements outline how you will comply with your financial requirement obligations?

Yes

B5.1.3 Do your compliance arrangements outline how you will monitor and report on your compliance with these obligations?

Yes

- B5.2 Provide the following information about your human resources and organisational structure.
- B5.2.1 How many full time equivalent employees and contractors will undertake AFS licence related functions?
- B5.2.2 Do you use a documented process to ensure that, at all times, you have an adequate number of trained and competent staff to provide the financial services covered by this licence?

Yes

B5.2.3 Do you use a documented process to adequately monitor and supervise your staff?

Yes

- B5.3 Provide the following information about your information technology resources.
- B5.3.1 Do you have IT systems to support your business processes?

Yes

B5.3.1.1 What process best describes how you undertake your IT development?

Contracted supplier

B5.3.1.2 What process best describes how you undertake your IT support?

Contracted supplier

B5.3.1.3 Do you have old/existing systems that you will need to integrate with those IT systems you will use to manage your AFS licence?

No

B5.3.1.4 Do you have a documented disaster recovery plan in the event of loss of data or failure of computer hardware?

Yes

B5.3.1.4.1 At a minimum, how often will you test your disaster recovery plan?

Quarterly

B5.3.1.5 At a minimum, how often will you backup your IT information?

Daily

B5.3.1.6 At a minimum, how often will you store IT backups offsite?

Weekly

B5.3.1.7 What process(es) best describes how you will ensure your computer system is adequate?

Compare to standards and benchmarks

External review

B6. Dispute Resolution

B6.1 Do you have an internal dispute resolution procedure in place?

Yes

B6.1.1 What best describes the role of the person in your organisation with responsibility for internal dispute resolution.

Compliance Manager

B6.1.2 Does your internal dispute resolution procedure meet the Essential Elements of AS 4269-1995 and the minimum requirements of ASIC's RG 165?

Yes

B6.1.3 Is this procedure documented?

Yes

B6.1.4 Is a guide to this procedure, or a document setting out this procedure, available for retail clients?

Yes

B6.1.5 Does the procedure contain a requirement for unresolved complaints to be referred to a relevant external dispute resolution scheme?

Yes

B6.2 Are you a member of one or more external dispute resolution schemes?

Yes

B6.2.1 What best describes the role of the person in your organisation with responsibility for external dispute resolution.

Compliance Manager

B6.2.2 Provide the following details for the external dispute resolution schemes that cover some or all of the financial services you will provide under this AFS licence.

B6.2.2.1 Coverage.

All services covered

B6.2.2.2 Scheme details.

Credit Ombudsman Service Ltd

Membership number

10437

Commencement date

27-03-2000

B7. Risk Management

To obtain an AFS licence you must show that you have an adequate risk management system.

B7.1 Provide the following details of your risk management process (see ASIC's PS164).

B7.1.1 Does it include the process for the identification, analysis, evaluation, treatment and communication of the risks associated with your business?

Yes

B7.1.2 Does it provide for monitoring and reporting risk management issues?

Yes

B7.1.3 Is it generally consistent with the Australian Standard on Risk Management System AS/NZS 4360:2004?

Yes

B7.1.4 Is it documented?

Yes

B7.2 Have you assessed the risks associated with your business and established the probability of these risks occurring?

Yes

B7.3 Have you prioritised your business risks?

Yes

B7.4 Have you established which risks need to be addressed and managed?

Yes

B7.5 Will you use a process to educate your relevant staff on risk management?

Yes

B7.6 Will your risk management system be subject to audit/review?

Yes

B7.6.1 What best describes who will conduct these audits/reviews.

internal staff

B7.6.2 At a minimum, how often will these audits/reviews be conducted?

Quarterly

C2. Operate a Registered Managed Investments Scheme

C2.1 Do you use a formal documented process for ensuring that all disclosure documents and other marketing material are subjected to legal due diligence?

Yes

C2.2 Do you use a documented process for ensuring the member registry details are accurate and secure?

Yes

C2.3 Do you use a documented process for dealing with settlements, corporate actions, authorisation of transactions and investment limits?

Yes

C2.4 Will you be contracting your services as a responsible entity to other organisations?

No

C2.5 Will you be operating mortgage schemes?

No

C2.6 Will you have a compliance committee?

Yes

C2.6.1 At a minimum, how regularly will the compliance committee meet?

Quarterly

C2.7 Will you hold scheme property for the schemes you wish to operate?

No

C2.7.2 Have you appointed a third party custodian with the required minimum NTA to hold this scheme property?

Yes

Part D - DECLARATIONS and CERTIFICATIONS

GENERAL DECLARATION AND CONSENT

The applicant declares that, to the best of its knowledge, the information supplied in, and with, this application is complete and accurate.

The applicant declares that, if granted the licence, it will comply with its obligations as a financial services licensee.

The applicant acknowledges that the Australian Securities and Investments Commission may take action to verify that the statements and certifications made in relation to this application were not false or misleading.

The applicant acknowledges that it has read the ASIC Electronic Lodgement Protocol and agrees to be bound by its terms and conditions.

CERTIFICATIONS

I certify that as at the date of this application to the best of my knowledge the following is true:

- the applicant has, and will continue to have, measures in place to maintain the competence required to provide the financial services applied for in this application
- the applicant has, and will continue to have, appropriate measures in place to provide the financial services applied for in this application efficiently, honestly and fairly
- the applicant has established, and will maintain, compliance measures that are appropriate and will ensure that it complies with the obligations under the financial services laws
- the applicant has established, and will maintain, adequate monitoring, supervision and training procedures to ensure that representatives will comply with the requirements of the financial services laws, are properly trained and are competent to undertake their role when they join the applicant's financial services business and on an ongoing basis
 - the applicant has sufficient resources available to meet its obligations under the financial services laws and will continue to have sufficient resources on an ongoing basis, including:
 - adequate human resources to enable it to satisfy its obligations under the financial services laws;
 - adequate technological resources to enable it to satisfy its obligations under the financial services laws;
 - adequate financial resources to enable it to satisfy its obligations under the financial services laws.
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 - the applicant has established and will maintain adequate risk management systems that take into account the nature, scale and complexity of this financial services business and include a focus on its obligations under the financial services laws
- the applicant has, and will continue to have, sufficient financial resources available to meet the financial requirements set out in ASIC's PS 166 (Licensing: Financial requirements)

WARNING

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Signatur	e
----------	---

This form must be signed

print name Christopher lan Day capaci	ty Director
print entity name (if entity acting as agent) Food And	d Beverage Australia Utd.
sign here	date <u>29 / 03 / 201</u> 0

What do you need to do next

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- . have this application form signed
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- click the "statutory fees" link to check if any fees are payable, print your invoice and pay fees in the manner indicated on the payment slip
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Australian Securities and Investments Commission

FS Licensing, Regulation Directorate

GPO Box 9827

MELBOURNE VIC 3001

Part E - Proofs

Attachments

You must provide the following core proofs as evidence to support your variation application:

- A5 Business Description
- B1 Organisational Competence (this includes a Table of Organisational Competence and, if relevant, Submission supporting Responsible Manager's expertise). You don't have to send this proof if you are only applying to change the conditions on your licence.

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Label Sample

Applicant Name:

finsert name of applicant?

Application number: [insert application reference number]

Attachment Name: Number of pages:

[insert name of attachment] [insert number of pages]

Date prepared:

finsert date1

Special status if any: [eg Commercial-In-Confidence, Draft Only, etc...]

Privacy Notice

The information you give in these proofs assists ASIC to assess whether it should grant the applicant an Australian financial services licence. ASIC is empowered to collect this information and will not use it for any other purpose, nor will we disclose it, unless we have obtained consent or the use or disclosure is permitted under the Privacy Act (Cth).

For more details, see the Privacy Statement on our website www.asic.gov.au.

Part A Proofs

A5. Business Description

Business Description Proof

Part B Proofs

B3. Compliance Arrangements

Arrangements for Managing Conflicts of Interest

ASIC AFS Licence Number 246650 Lodging Party or Agent Name FOOD AND BEVERAGE AUSTRALIA LIMITED Address 5-7 KING WILLIAM RD UNLEY SA 5061

29.03.2010



Australian Securities and Investments Commission

form FS03

Application to vary the authorisation conditions of an Australian financial services licence

Corporations Act 2001 914A (2)(b)

licence number 246650 licence name FOOD AND BEVERAGE AUSTRALIA LIMITED

A1.1 You may apply to vary the services and products authorised by your licence and/or the conditions applying to your licence. What would you like to vary?

Financial services and/or products authorised by the licence

A3. Your Australian financial services (AFS) licence

A3.1 What type(s) of financial services would you like your AFS licence to authorise? Deal in a Financial Product Operate a Registered Scheme

A3.2.1 Do you wish to provide financial services as a Principal Trader only under this licence?

A3.2.2 Do you wish to be subject to the condition requiring a stockbroker to assume responsibility for the acts or omissions of a nominee company subsidiary?

A3.3 The law restricts the use of certain words or expressions, or like words or expressions, unless they are authorised in your AFS licence conditions. Do you wish to assume or use any of the following? 'Stockbroker' or 'Share Broker', 'Futures Broker', 'Insurance Broker' or 'Insurance Broking', 'General Insurance Broker' or 'Life Insurance Broker'

No

A4. Your AFS Licence Authorisations

- A4.2. Deal in a Financial Product
- A4.2.1 What type of dealing activity do you wish to be authorised for? Deal in a financial product
- A4.2.2 What particular type(s) of dealing services do you wish to be authorised for?

Issue, apply for, acquire, vary or dispose of a financial product Apply for, acquire, vary or dispose of financial products on behalf of another

- A4.2.3 Issuing or varying a financial product
- A4.2.3 You have requested to be authorised for the particular type of dealing service of 'Issue, apply for, acquire, vary or dispose of a financial product'. What products do you wish to be authorised for? Own Managed Investment Scheme only
- A4.2.4 Apply for acquire or dispose of financial products on behalf of another

FS03 Ref 79999602

A4.2.4 You have requested to be authorised for the particular type of dealing service of 'Apply for, acquire, vary or dispose of financial products on behalf of another'. What products do you wish to be authorised for?

Deposit and Payment Products - Basic Deposit Own Managed Investment Scheme only

A4.4 Operate a Registered Scheme

A4.4.1 How will you operate your registered managed investment scheme(s) under your AFS licence.

Scheme(s) of a particular asset kind

Named scheme(s)

A4.4.2 Scheme(s) of a particular asset kind

A4.4.2 What is the particular kind of scheme you currently operate or wish to register under this AFS licence.

Primary Production

A4.4.4 If you have selected the Primary Production asset type, what particular Primary Production scheme(s) do you wish to operate?

Horticulture Viticulture

A4.4.5 Details of the Named Scheme.

A4.4.5.1 Scheme Name

The Tasmanian Premium Cherries Project

A4.4.5.2 Is the scheme already registered.

Ves

A4.4.5.2.1 What is the Australian Registered Scheme Number of the named scheme.

129398876

A4.4.2 What is the particular kind of scheme you currently operate or wish to register under this AFS licence.

Primary Production

A4.4.4 If you have selected the Primary Production asset type, what particular Primary Production scheme(s) do you wish to operate?

Horticulture

A4.4.5 Details of the Named Scheme.

A4.4.5.1 Scheme Name

2006 QUEENSLAND AVOCADO PROJECT

A4.4.5.2 Is the scheme already registered.

Yes

A4.4.5.2.1 What is the Australian Registered Scheme Number of the named scheme.

119199941

A4.4.2 What is the particular kind of scheme you currently operate or wish to register under this AFS licence.

Primary Production

A4.4.4 If you have selected the Primary Production asset type, what particular Primary Production scheme(s) do you wish to operate?

Horticulture

A4.4.5 Details of the Named Scheme.

A4.4.5.1 Scheme Name

2007 TIMBERCORP AVOCADO & FRUIT PROJECT

A4.4.5.2 Is the scheme already registered.

No

A4.4.2 What is the particular kind of scheme you currently operate or wish to register under this AFS licence. Primary Production

A4.4.4 If you have selected the Primary Production asset type, what particular Primary Production scheme(s) do you wish to operate?

Horticulture

A4.4.5 Details of the Named Scheme.

A4.4.5.1 Scheme Name

2004 TIMBERCORP CITRUS PROJECT

A4.4.5.2 Is the scheme already registered.

Yes

A4.4.5.2.1 What is the Australian Registered Scheme Number of the named scheme. 108887538

A4.4.2 What is the particular kind of scheme you currently operate or wish to register under this AFS licence. **Primary Production**

A4.4.4 If you have selected the Primary Production asset type, what particular Primary Production scheme(s) do you wish to operate?

Horticulture

A4.4.5 Details of the Named Scheme.

A4.4.5.1 Scheme Name

2005 TIMBERCORP CITRUS PROJECT

A4.4.5.2 is the scheme already registered.

Yes

A4.4.5.2.1 What is the Australian Registered Scheme Number of the named scheme.

114091299

A4.4.2 What is the particular kind of scheme you currently operate or wish to register under this AFS licence. Primary Production

A4.4.4 If you have selected the Primary Production asset type, what particular Primary Production scheme(s) do you wish to operate?

Horticulture

A5. Business Description

A5.1 What type of client group(s) will your current or intended business service?

Retail Clients Wholesale Clients

A5.2.1 Are you likely to have financial obligations to clients of \$100,000 or more (in total) from transacting with them?

Yes

A5.2.2 Will your only liabilities to clients be under debentures you issue under Chapter 2L of the Corporations Act?

A5.2.3 Are you likely to hold client monies including premiums, contributions and investment monies?

Yes

A5.2.3.1 Will you be holding these amounts in a trust account?

Yes

A5.2.3.2 Are you likely to hold \$100,000 or more of client monies and/or property at any time under this AFS licence?

Yes

A5.2.4 Will you be operating an IDPS under this AFS licence?

No

A5.3 Are you, or have you applied to be, a body regulated by the Australian Prudential Regulation Authority (APRA)?

No

A5.3.1 Are you a wholly owned subsidiary (either directly or indirectly) of a body regulated by APRA?

No

A5.4 Will you be acting as a general insurance underwriting agent or a general insurance broker acting under binders under this AFS licence?

No

A5.6 What best describes the size of the applicant in each of the following categories.

A5.6.1 Net assets (including related body corporates that provide financial services) at the end of the last financial year.

Less than \$5 million

A5.6.2 Gross revenue (including related body corporates that provide financial services) in the last financial year.

Less than \$5 million

A5.6.3 Current employees (including related body corporates that provide financial services).

Less than 20

A5.7 Will you be providing financial services under this licence in your capacity as a trustee of a trading trust?

No

A6. Application Process

A6.1 Have you added new responsible managers for this variation?

No

B2. Organisational Competence - Processes

B2.1 Do you use a documented process to ensure that all responsible managers meet the training and experience requirements of ASIC's RG 105?

Yes

B2.2 Do you use a documented process to ensure that all responsible managers are of good fame and character?

Yes

B2.3 Do you use a documented review process to ensure that you will maintain the organisational competence to carry out your obligations under the AFS licence?

Yes

B2.3.1 At a minimum, how often will you undertake this review?

Quarterly

B2.4 Do you use a documented process to ensure that your responsible managers maintain and update their competence?

Yes

B2.5 Do you use a documented process to ensure compliance with all relevant industry codes and/or standards?

Yes

B2.5.1 Has a relevant independent third party assessed that you are satisfactorily complying with these codes and/or standards in the last two years?

Yes

B3. Compliance Arrangements

B3.1 Have you established compliance and reporting arrangements for your AFS licence activities?

Yes

B3.1.1 Are your compliance arrangements documented (either on an entity or group basis)?

Yes

B3.1.2 Do your compliance arrangements specify how often compliance with procedures is monitored and reported on?

Yes

B3.1.3 Do you use a documented process to maintain the adequacy of your compliance and monitoring arrangements?

Yes

B3.1.3.1 How often will you review your compliance and monitoring arrangements?

Quarterly

B3.1.4 Will your compliance arrangements be subject to external audit/review?

Yes

B3.1.4.1 What term best describes who will be conducting these external reviews? external auditor

B3.1.4.2 How often will these audits/reviews be conducted?

Yearly

B3.1.5 is there a person(s) responsible for ongoing reporting in relation to your levels of compliance and for ensuring the adequacy of your compliance arrangements?

Yes

B3.1.5.1 Does this person(s) have direct access to your governing body?

Yes

B3.1.6 Are your compliance arrangements generally consistent with the Australian Standard Compliance Programs AS3806-2006?

Yes

B3.1.7 Are your compliance arrangements generally consistent with another external standard, eg international or industry standards?

Yes

B3.2 Will any substantial activities under this AFS licence be outsourced?

No

B4. Representatives

B4.1 Provide the following details for your representatives.

B4.1.3 Do you use documented training programs, including continuing education, for your representatives?

Yes

B4.1.4 Do you maintain records of training programs attended by your representatives?

Yes

B4.1.5 Do you have documented processes to supervise and monitor your representatives to ensure they comply with their obligations under the law?

Yes

B4.1.6 Do you use a documented process to ensure that all representatives are trained, competent and will provide financial services on your behalf efficiently, honestly and fairly?

Yes

- B4.2 Provide the following details for the authorised representatives to be appointed under this AFS licence.
- B4.2.1 Will you be appointing authorised representatives under this AFS licence if it is granted?

No

B4.3 Do you have a process to ensure that those people who are providing retail financial advice or directly handling client monies under your AFS licence have not engaged in misconduct previously?

Yes

B4.3.1 Which of the following are included in this process?

Police check ASIC register check Credit/bankruptcy check Independent reference check

Personal good fame and character declaration

Conflict of interest declaration

B5. Adequacy of Resources

- B5.1 Provide the following details in relation to your financial resources.
- B5.1.1 Do you have documented processes to ensure you meet the requirements of ASIC's Regulatory Guide 166 Licensing: Financial requirements (RG 166)?

Yes

B5.1.2 Do your compliance arrangements outline how you will comply with your financial requirement obligations?

Yes

B5.1.3 Do your compliance arrangements outline how you will monitor and report on your compliance with these obligations?

Yes

- B5.2 Provide the following information about your human resources and organisational structure.
- B5.2.1 How many full time equivalent employees and contractors will undertake AFS licence related functions?
- B5.2.2 Do you use a documented process to ensure that, at all times, you have an adequate number of trained and competent staff to provide the financial services covered by this licence?

Yes

B5.2.3 Do you use a documented process to adequately monitor and supervise your staff?

Yes

- B5.3 Provide the following information about your information technology resources.
- B5.3.1 Do you have IT systems to support your business processes?

Yes

B5.3.1.1 What process best describes how you undertake your IT development?

Contracted supplier

B5.3.1.2 What process best describes how you undertake your IT support?

Contracted supplier

B5.3.1.3 Do you have old/existing systems that you will need to integrate with those IT systems you will use to manage your AFS licence?

No

B5.3.1.4 Do you have a documented disaster recovery plan in the event of loss of data or failure of computer hardware?

Yes

B5.3.1.4.1 At a minimum, how often will you test your disaster recovery plan?

Quarterly

B5.3.1.5 At a minimum, how often will you backup your IT information?

Daily

B5.3.1.6 At a minimum, how often will you store IT backups offsite?

Weekly

B5.3.1.7 What process(es) best describes how you will ensure your computer system is adequate?

Compare to standards and benchmarks

External review

B6. Dispute Resolution

B6.1 Do you have an internal dispute resolution procedure in place?

Yes

B6.1.1 What best describes the role of the person in your organisation with responsibility for internal dispute resolution.

Compliance Manager

B6.1.2 Does your internal dispute resolution procedure meet the Essential Elements of AS 4269-1995 and the minimum requirements of ASIC's RG 165?

Yes

B6.1.3 Is this procedure documented?

Yes

B6.1.4 Is a guide to this procedure, or a document setting out this procedure, available for retail clients?

Yes

B6.1.5 Does the procedure contain a requirement for unresolved complaints to be referred to a relevant external dispute resolution scheme?

Yes

B6.2 Are you a member of one or more external dispute resolution schemes?

Yes

B6.2.1 What best describes the role of the person in your organisation with responsibility for external dispute resolution.

Compliance Manager

B6.2.2 Provide the following details for the external dispute resolution schemes that cover some or all of the financial services you will provide under this AFS licence.

B6.2.2.1 Coverage.

All services covered

B6.2.2.2 Scheme details.

Credit Ombudsman Service Ltd

Membership number

10437

Commencement date

27-03-2000

B7. Risk Management

To obtain an AFS licence you must show that you have an adequate risk management system.

B7.1 Provide the following details of your risk management process (see ASIC's PS164).

B7.1.1 Does it include the process for the identification, analysis, evaluation, treatment and communication of the risks associated with your business?

Yes

B7.1.2 Does it provide for monitoring and reporting risk management issues?

Yes

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Yes

B7.1.4 Is it documented?

Yes

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Yes

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Yes

B7.4 Have you established which risks need to be addressed and managed?

Yes

B7.5 Will you use a process to educate your relevant staff on risk management?

Yes

B7.6 Will your risk management system be subject to audit/review?

Yes

B7.6.1 What best describes who will conduct these audits/reviews.

internal staff

B7.6.2 At a minimum, how often will these audits/reviews be conducted?

Quarterly

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C2.1 Do you use a formal documented process for ensuring that all disclosure documents and other marketing material are subjected to legal due diligence?

Yes

C2.2 Do you use a documented process for ensuring the member registry details are accurate and secure?

Yes

C2.3 Do you use a documented process for dealing with settlements, corporate actions, authorisation of transactions and investment limits?

Yes

C2.4 Will you be contracting your services as a responsible entity to other organisations?

Nσ

C2.5 Will you be operating mortgage schemes?

No

C2.6 Will you have a compliance committee?

Yes

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C2.7 Will you hold scheme property for the schemes you wish to operate?

No

C2.7.2 Have you appointed a third party custodian with the required minimum NTA to hold this scheme property?

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S	ig	па	tu	re
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This form must be signed

print name Christoph	nerlan Day ca	pacity <u>Director</u>	
print entity name (if entity a	cting as agent) FOOD A	nd Beverage Aus	itralia Ud
sign here		date_ <u>29</u> / (03 <u>1 20</u> 10
(/			

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Australian Securities and Investments Commission

FS Licensing, Regulation Directorate

GPO Box 9827

MELBOURNE VIC 3001

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Label Sample

Applicant Name: [insert name of applicant]

Application number: [insert application reference number]

Attachment Name: Number of pages:

[insert name of attachment] [insert number of pages]

Date prepared:

[insert date]

Special status if any: [eg Commercial-In-Confidence, Draft Only, etc...]

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For more details, see the Privacy Statement on our website www.asic.gov.au.

Part A Proofs

A5. Business Description

Business Description Proof

Part B Proofs

B3. Compliance Arrangements

Arrangements for Managing Conflicts of Interest

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

IN THE MATTER OF THE TIMBERCORP RIGHTS PROCEEDINGS

S APCI 2011 0103 (Almond Land Rights Appeal Proceeding)
S CI 2011 6777 (Fenceport Rights Proceeding)
S CI 2011 6604 (Liparoo & Yungera Rights Proceeding)
S CI 2011 6606 (Solora Rights Proceeding)
S CI 2010 1354 (BB Olives Rights Proceeding)

EXHIBIT NOTE

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

MELBOURNE VIC 3000

12 October 2012 The Representative Growers

> Tel: 03 8681 4400 Fax: 03 8681 4499 Solicitors Code: 101294

MJF 1100412

michael.fernon@clarendonlawyers.com.au

This is the exhibit marked "exhibit CJA-X" now produced and shown to CELIA JANE ARMSTRONG at the time of swearing her affidavit on 12 October 2012.

Before me:

SARAH DORN

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

CJA-X

Bundle of documents relating to water valuations and prices

4- WATER VALUATIONS / PRICES FOR . PURICHASING TEMP WATER . SELLING PERM WATER

(AID FUNDING)

Page 1 of 2

Kerree Bezencon

From:

Phillip Grahame [phillip@swex.com.au]

Sent:

Friday, 12 February 2010 11:58 AM

To:

kerree@siger.com.au

Subject:

SA Water Entitlements

Follow Up Flag: Follow up

Flag Status:

Red

Hi Kerree

Please see comments below as requested: \$

SA Water Market Commentary

Throughout 2008 to mid 2009 the market for SA Irrigation entitlements was relatively strong with demand from a number of parties including investment groups, large agri-groups, SA Water, MDBA and the Commonwealth Government. During this period the price growth was evident with a peak of \$2450/ML for SA entitlement in June 2009.

In June 2009 the Commonwealth exited the market however the State Government (SA Water) announced in August 2009 they would purchase up to 11.5GL of permanent SA entitlement. Many of these transactions are settling now and I believe the prices paid were in the order of \$2300 to \$2400/ML including some allocation.

In January 2010 the Commonwealth re entered the market with an initial \$90M budget for the southern basin buy back. This initial tender closed on the 29th Jan 2010 and the results are yet to be finalized by the Commonwealth (likely to be released next week). However most industry analysts believe the likely acceptance price for SA entitlement will be in the range of \$2000 to \$2300/ML.

The Commonwealth have announced that they will be running two additional tenders in March and April 2010. Both of these tenders will have a \$90M budget for water buy backs. This will obviously create a significant opportunity to secure a sale for a large parcel of SA entitlement. Therefore based on current market dynamics of supply and demand it is anticipated that prices for SA entitlements will hold in the \$2000 to \$2300/ML range for the medium term.

I trust this satisfies your requirement however feel free to contact me should you require any additional information.

Kind regards

Phillip Grahame

Water Broker Certified Practising Valuer AAPI 34 Darling Street, Wentworth NSW 2648 Ph: 03 5027 2517

Mob: 0408 596 678 Fax: 03 5027 3511 Web: <u>www.swex.com.au</u>

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"MAK-10"

2006 OLIVE PROJECT WATER ENCUMBRANCES

Property	Owner	Water Share ID	Volume	First Mortgagee	Mortgage ID
Boundary Bend	B.B. Olives Pty Ltd	WEE018318	4972.3	372.3 BOSI Security Services Ltd	MOR001534
Boundary Bend	B.B. Olives Pty Ltd	WEE035530	206.0	BOSI Security Services Ltd	MOR001534
Boundary Bend	B.B. Olives Pty Ltd	WEE035721	2356.0	BOSI Security Services Ltd	MOR001534
Boundary Bend	B.B. Olives Pty Ltd	WEE035747	994.0	BOSI Security Services Ltd	MOR001534
Boundary Bend	B.B. Olives Pty Ltd	WEE037487	250.0	BOSI Security Services Ltd	MOR001534
Boundary Bend	B.B. Olives Pty Ltd	WEE042816	40.0	BOSI Security Services Ltd	MOR001534
Boundary Bend	B.B. Olives Pty Ltd	WEE045492	523.5		

93418 @ 2400



GHD Hassall

Summary of Bid-Ask Price Ranges in the Southern Connected Murray-Darling Basin

Figures in the previous table represent approved trades, listed on official registers. These may lag the relevant market transaction (or exchange of contracts) by several months.

To provide more up-to-date information on market conditions, the following table reports recent bid (buyers) and ask (sellers) price ranges for water entitlements in the Southern Connected Murray-Darling Basin. This is based on anecdotal information provided by water brokers, and from water trading exchanges.

Broker bid and ask price ranges were collated from interviews with over 25 water brokers conducted by GHD Hassall in early October 2009. The information provided by brokers has been aggregated and does not identify the feedback of any single broker nor transactions they may have been involved in. Bid and ask price ranges from water trading exchanges were collected from Waterfind, Murray Irrigation Limited and the Murrumbidgee Water Exchange on 2 October 2009.

Region / Entitlement	Buyers	Bid Prices	Sellers Ask Prices						
	Brokers Sept. Quarter 2009	Water Exchanges 2nd Oct 2009	Brokers Sept. Quarter 2009	Water Exchanges 2nd Oct 2009					
NSW Murray High Security	\$2,800 - 3,100	\$3,000	\$3,200 - 3,500	No listing					
NSW Murrumbidgee High Security	\$2,800 - 3,000	\$1,500 - 2,600	\$3,400 - 3,600	\$2,900 - 5,000					
Vîc. Goulburn High Reliability	\$2,000 - 2,100	No listing	\$2,200 - 2,400	\$2,100					
Vic. Murray High Reliability	\$1,900 - 2,000	No listing	\$2,200 - 2,400	No listing					
South Australian Murray Class 3A	\$2,000 - 2,300	No listing	\$2,300 - 2,600	No listing					
NSW Murray General Security	\$800 - 900	No listing	\$1,200 - 1,300	\$1,150 - 1,300					
Murray Irrigation Limited (effective on-river)	\$850 - 950	\$1,000	\$1,200 - 1,300	\$1,170 - 1,670					
NSW Murrumbidgee General Security	\$800 - 900	No listing	\$950 - \$1,100	No listing					

The volume weighted average prices and Bid - Ask price ranges provided here do not constitute advice and should not be relied on when making any decision. They do not purport to represent true or fair market value. They are based on historical information made available by third parties. The information is not complete and includes declared but unaudited unit transaction prices. GHD has used that information in good faith and does not guarantee the accuracy or completeness of that information.

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

IN THE MATTER OF THE TIMBERCORP RIGHTS PROCEEDINGS

S APCI 2011 0103 (Almond Land Rights Appeal Proceeding)
S CI 2011 6777 (Fenceport Rights Proceeding)
S CI 2011 6604 (Liparoo & Yungera Rights Proceeding)
S CI 2011 6606 (Solora Rights Proceeding)
S CI 2010 1354 (BB Olives Rights Proceeding)

EXHIBIT NOTE

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

MELBOURNE VIC 3000

12 October 2012 The Representative Growers

Tel: 03 8681 4400 Fax: 03 8681 4499 Solicitors Code: 101294

MJF 1100412

michael.fernon@clarendonlawyers.com.au

This is the exhibit marked "exhibit CJA-Y" now produced and shown to CELIA JANE ARMSTRONG at the time of swearing her affidavit on 12 October 2012.

Before me:.

SARAH DORN

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

CJA-Y

Bundle of documents evidencing restructure and funding solutions within the industry

5 EVIDENCE

OF RESTRUCTURE

AND

FUNDING BOLUTIONS.
WITHIN INDUSTRY

RE . INVOICING

- · WATER TO ALE
- · CONSTITUTION CHANGES

Kerree Bezencon

From: Sent:

Kerree Bezencon [kerree@siger.com.au] Tuesday, 7 December 2010 2:46 PM

To:

'peter.kerin@fabal.com.au'

Subject:

FW: Citrus - 2009 crop proceeds

Kerree A Bezencon, Director B.Ec (Accounting & Finance), ASIA (Gr Dip Applied Finance & Investment), CPA (Certified Practising Accountant) PFP (Specialist in Financial Planning), CFP (Certified Financial Planner), SSA (Specialist SMSF Advisor)



Siger Super ServicesPty Ltd, ABN 18 105 441 521 PO Box 1147, Healesville VIC 3777 Tf 03 5962 6097, Fax 03 5962 6086

8 Hygieta Street, Noosaville QLD 4566 Tf 07 5473 0790, Fax 07 5473 0796

Mobile 0419 10 15 20 Email - mail@siger.com.au

From: Antony Munro [mailto:amunro@kordamentha.com]

Sent: Friday, 6 August 2010 5:19 PM

To: Kerree Bezencon Cc: Bryan Webster

Subject: Citrus - 2009 crop proceeds

Hi Kerree

One of the questions you had in relation to the Kangara CSAs was about the 2009 crop proceeds.

The citrus crop proceeds held on trust for growers are split between the schemes as follows:

2004 Scheme - \$331k

2005 Scheme - \$550k

Harvest proceeds of growers available for FUNDING citrus growers projects

Kind Regards

Antony Munro | Director

KordaMentha | Level 24, 333 Collins Street, Melbourne VIC 3000 t +61 3 8623 3404 | f +61 3 8623 3399 | m +61 406 533 361 e amunro@kordamentha.com | w www.kordamentha.com

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CHANGES + RESTRUCTURE " INCLUDING INVOICING,

" RELEASE FROM CONTRAUS

" INCLUSION OF PRODUCT

· REDUCTION IN BPERATING

Kerree Bezencon

From: Sent:

lan Gray [ian.gray@fabal.com.au] Tuesday, 9 October 2012 5:36 PM

To: Subject: Kerree Bezencon

Responsible Entity Accountabilities

60505

Hi Kerree,

Thank you for your time on the phone yesterday. As requested I am just confirming some points that we raised in our discussion.

FABAL acts in the role of Responsible Entity for both the 2006 Queensland Avocado Project and 2007 Queensland Avocado & Fruit Project

A definition of our Role as Responsibility Entity is define as per below:-

Duties of responsible entity

- (1) In exercising its powers and carrying out its duties, the responsible entity of a registered scheme must:
 - (a) act honestly; and
- (b) exercise the degree of care and diligence that a reasonable person would exercise if they were in the responsible entity's position; and
- (c) act in the best interests of the members and, if there is a conflict between the members' interests and its own interests, give priority to the members' interests; and
- (d) treat the members who hold interests of the same class equally and members who hold interests of different classes fairly; and
 - (e) not make use of information acquired through being the responsible entity in order to:
 - (i) gain an improper advantage for itself or another person; or
 - (ii) cause detriment to the members of the scheme; and
- (f) ensure that the scheme's constitution meets the requirements of sections 601GA and 601GB; and
 - (g) ensure that the scheme's compliance plan meets the requirements of section 601HA; and
 - (h) comply with the scheme's compliance plan; and
 - (i) ensure that scheme property is:
 - (i) clearly identified as scheme property; and
- (ii) held separately from property of the responsible entity and property of any other scheme; and

- (j) ensure that the <u>scheme property</u> is <u>valued</u> at regular intervals appropriate to the nature of the <u>property</u>; and
- (k) ensure that all payments out of the <u>scheme property</u> are <u>made</u> in accordance with the scheme's constitution and this Act; and
 - (l) report to ASIC any breach of this Act that:
 - (i) relates to the scheme; and
 - (ii) has had, or is likely to <u>have</u>, a materially adverse effect on the <u>interests</u> of <u>members</u>; as soon as practicable after it becomes aware of the breach; and
- (m) carry out or comply with any other duty, not inconsistent with this Act, that is conferred on the responsible entity by the scheme's constitution.
 - (2) The <u>responsible entity holds</u> scheme <u>property</u> on trust for scheme <u>members</u>.

In carrying out our duties and acting in the best interests of Growers, FABAL often makes decisions on how to best preserve and value add benefits of the project for all Growers.

A number of examples of carrying out this responsibility has been:-

- FABAL ascertain it was in the projects and growers best interests to invoice growers for Management Fees on a six monthly basis (rather than annually) and to align this invoicing cycle to coincide with the distribution of project revenue proceeds. In this way we offset revenue from the project against the Management Fees that are payable, thus reducing the administration and hardship to Growers in asking Growers to make payments to their project, when within a relatively short period thereafter the project would then be due to distribute the proceeds of the harvest sales.
- When FABAL was appointed as the Responsibility Entity of the project in 2009, in the interests of all Growers FABAL was able to negotiate with the Receiver of Timbercorp to settle the outstanding matters that Timbercorp had not been able to administer as a result of going into liquidation. By working and subsequently agreeing on a final settlement with the Receiver for this work FABAL was able to have the project running autonomously again.
- FABAL was able to negotiate on behalf of the Growers with the landowners and managers of WA

 SETTLE MENT properties that were originally incorporated in the project. A negotiated settlement and project

 restructure had the non performing WA properties released from the project. As a result the better

 RESTRUCTURATE FABAL was able to negotiate on behalf of the Growers with the landowners and managers of WA

 restructure had the non performing WA properties released from the project. As a result the better

 RESTRUCTURATE FABAL was able to negotiate on behalf of the Growers with the landowners and managers of WA

 restructure had the non performing WA properties released from the project. As a result the better

 has made the project more viable..
- NEGOTIAGO In 2010/11 FABAL negotiated to include 30Ha of Mango orchards into the project. In 2012 this resulted in a net increase to the project revenue line, and benefits all project Growers.
- FABAL continues to look for way to improve the position of Growers within its responsibilities. With poor weather resulting in lower crop revenues over the past seasons, FABAL has entered into discussions with the Orchard Managers, Packing Shed Managers and Land Owners to benchmark the costs of their services and resources away from the contracts originally set up by Timbercorp over six years ago, to a more

commercially driven model based on todays market and todays conditions.

SERVICE COSTS

Regards.

Ian Gray
Group Manager - Agribusiness

Food And Beverage Australia Limited PO Box 719 5-7 King William Road UNLEY SA 5061

Ph (08) 8208 4000 | Fax (08) 8208 4099

Website: www.fabal.com.au

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Version: 10.0.1427 / Virus Database: 2441/5317 - Release Date: 10/08/12

Kerree Bezencon

From:

Natalie Paul [npaul@olivegroves.net]

Sent:

Monday, 14 September 2009 12:04 PM

To:

Kerree Bezencon

Subject:

Re AGG AFSL LIcense Variation

Hi Kerree

Just a quick note to advise that we received the draft variation to our AFSL allowing AGG to act as RE for the Timbercorp Olive Scheme's.

We anticipate the final license will be issued in the very near future.

We will keep you posted ASAP.

Regards

Natalie

Natalie Paul General Manager / Director Australian Green and Gold Limited Managers for the Brooklyn Park Olive Groves Projects

Ph: 07 3367 3667 Mobile: 0419 758 001

Email: npaul@olivegroves.net Web: www.olivegroves.net

October 22nd 2009

Ms Kerree Bezencon (as representative for)

The Timbercorp Olive Growers Committee

By Email: kerree@siger.com.au

Dear Kerree.



Re: Responsible Entity Quotation for Timbercorp Olive Projects.

- 1. 2001 Timbercorp Olive Project (ARSN 094 382 082);
- 2. 2002 Timbercorp Olive Project (ARSN 098 233 455);
- 3. 2003 Timbercorp Olive Project (ARSN 104 648 473);
- 4. 2004 Timbercorp Olive Project (ARSN 108 744 378);
- 5. 2006 Timbercorp Olive Project (ARSN 119 182 179);
- 6. 2007 Timbercorp Olive Project (ARSN 123 155 715); and
- 7. 2008 Timbercorp Olive Project (ARSN 129 307 722).

I refer to your correspondence requesting a quotation to act as Responsible Entity for the above mentioned Timbercorp Olive Projects. We confirm that we would be pleased to consider acting as the RE for the proposed projects, subject to:

- Australian Green & Gold Limited (AGGL), receiving written confirmation from
 Timbercorp Securities Limited (In Liquidation) supporting the application by AGGL
 to the court to be appointed as temporary responsible entity and to warrant that AGGL
 will not be subject to any mortgage or charge by reason of the operation of sections
 601FC(2) and / or 601FT of the Corporations Act, 2001, and
- 2. AGGL receiving its own legal advice in relation to (1) above.

Our fees, exclusive of GST, are as follows:

- \$20,000 up-front fee upon the issue of the revised AFSL license from ASIC to act as RE, which would cover our initial cost of undertaking the due diligence process including legal fees for the ASIC application.
- * \$90,000 per annum / per project payable quarterly in advance. This would be CPI indexed (all ordinaries Brisbane) annually. This fee includes Responsible Officers fees, Compliance Committee fees, Custodial and Professional Indemnity Insurance costs.

AUSTRALIAN GREEN & GOLD LTD ABN: 55 084 417 845
MANAGERS FOR: BROOKLYN PARK OLIVE GROVES PROJECTS
PO BOX 430
(71/283 GIVEN TERRACE)
PADDINGTON QLD 4064
PH: (07) 3367 3667 FAX (07) 3367 3557
INFO@OLIVEGROVES.NET

Recovery of other fees at cost This includes compliance & financial audit fees, preparation of financial statements, ASIC fees, correspondence with investors, meetings, postages and other minor costs as set out in the Project Constitution.

Should the services of an independent specialist consultant be required, their fees would be charged in accordance with the appropriate approved scale of charges.

Our solicitor is:

Alan Jessup

Piper Alderman Lawyers

Level 23, Governor Macquarie Tower, 1 Farrer Place, Sydney, NSW 2000

Ph:

(02) 9253 9911

Fax:

(02) 9253 9900

Email: ajessup@piper-alderman.com.au

Our team includes the following participants who are all specialists in Managed Investment law.

• Responsible Entity

Australian Green & Gold Limited

Custodian

Huntley Custodians Limited

Lawyers

Piper Alderman

Back Office

Australian Green & Gold Limited

Project Auditor

Cranstoun and Hussein Chartered Accountants and Auditors

Compliance Plan Auditor

Rochestor White Malone

Please acknowledge acceptance of this quotation by signing below and returning a copy of this letter by fax to 02 9233 3119 or to the address above.

Yours sincerely,

Natalie Paul

General Manager / Director

I/We agree the above terms of engagement.

Signature:....

Name:....

Position:....

Date:....

AUSTRALIAN GREEN & GOLD LTD ABN: 55 084 417 845 MANAGERS FOR: BROOKLYN PARK OLIVE GROVES PROJECTS PO BOX 430 (71/283 GIVEN TERRACE) PADDINGTON QLD 4064

PH: (07) 3367 3667 FAX (07) 3367 3557 INFO@OLIVEGROVES.NET



RESTRUCTURE INIDICES
RESTRUCTURE LEASES



FOOD AND BEVERAGE AUSTRALIA LIMITED ABN 53 080 796 710

2 October 2009

Dear Grower,

CHANGE OF RESPONSIBLE ENTITY 2006 AVOCADO PROJECT (ARSN 119 199 941)

MEETING ADJOURNMENT

The initial meeting of Growers that was convened for and held on Friday 28 August 2009 was adjourned and your initial vote to pass a resolution for the removal of the existing RE and the appointment of a new RE and manager, however you cast it, is now void.

The initial meeting was adjourned because the Timbercorp Growers Group - together with various growers and advisers - came to the conclusion that the best interests of the Growers were not being served. Over the past month these key Growers - along with advisers and agri-business specialists - have been working tirelessly to ensure that the 2006 Avocado Project continues and your interest and investment are secured.

INTRODUCTION

On 12 October 2009, the Growers in the 2006 Timbercorp Avocado project will be asked to vote to remove Timbercorp Securities Limited ("TSL") and appoint Food And Beverage Australia Limited ("FABAL") as the Responsible Entity ("RE") for the project.

We have been asked to provide some information and support to our potential appointment to the position of RE. Korda Mentha ("KM") wrote to Growers on 28 September 2009 outlining the potential change and suggesting that they had no information on FABAL upon which to provide you with a background. We were unaware of the information sought and would have gladly provided it if requested.

BACKGROUND TO FABAL

FABAL has been operating corporate agriculture projects since 1994. Currently FABAL has in excess of 1,400ha of projects under management, predominantly in viticulture.

We have applied to ASIC to vary our AFS licence so as to allow us to manage the 2006 Avocado Project and our application was provisionally granted on 30 September 2009.

FABAL is both qualified and competent in these areas and is currently the responsible entity of nine managed investment schemes that invest in commercial vineyards and other agribusiness ventures. FABAL also manages public companies and both individual and partnership assets for other investors. FABAL has over 15 years of specialist experience in the managed investments industry. We have summarised our background and history in the Appendix.

ATTACH APPENDN

FABAL has an independent board with over 100 person years of experience in managing agricultural projects, and individuals with over 20 years' experience in managing investor style projects.

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BACKGROUND TO THE CURRENT DIRECTION & PROJECTIONS FOR THE PROJECT

FABAL does not intend to change the working relationships that drive the project, with Simpsons Farms Ptv Ltd (who are the originators of many of the corporate avocado operations in Queensland) as the key relationship. Simpson Farms are renowned for their integrated management from farm operations to sales, marketing and distribution. You can visit their website at: www.simpsonfarms.com. Simpson Farms are category managers for Woolworths and, together with Costa Fresh Pty Ltd, both have good relationships with the major retailers in Australia.

Simpson Farms and Costa Fresh have ongoing marketing plans in place with major customers for the 2010 season and are set to build on the results achieved in the market place over the project life to date.

We will also reappoint Simpson Farms as the Project's Operational Manager, Packer and Distributor. Simpson Farms have impressed us greatly with their competence, financial strength and, most importantly, their willingness to work with growers to achieve a mutually rewarding long term outcome.

PROJECTIONS FOR THE PROJECT

VIABY CHECK

We have undertaken a review of the entire project as originally outlined in the PDS and we have worked closely with Simpson Farms to conclude that the projects are viable and should continue - despite advice to the contrary previously given to you by certain inadequately informed parties.

A projected cash flow for the remaining term of the project has been made available to your financial adviser. You should consult with them to understand the variables and the potential to earn a reasonable return over the future years.

These projections are subject to the usual agricultural risks of unpredictable weather, water supply & disease RISICS etc.. Similarly, sale risks exist for prices and are subject to market conditions, supply and demand issues and competition from foreign producers in any one growing season. same for other projects

Stephen Lynch from Linvest Australia has also reviewed the projected cash flow and inputs for the purposes of advising the Timbercorp Growers Group and he has allowed us to communicate to you the fact that he also concurs with the future viability of the Project.

POTENTIAL FUNDING FOR AVOCADOS FOR THE NEXT 9 MONTHS AND BEYOND

Due to the collapse of Timbercorp and the resultant loss of access to any funding for the continuing farm management and operational expenses, we will be required to invoice growers immediately.

Whilst we expect receipts from sales of Avocados to provide the cash flow funding to cover the operational costs moving forward, we believe the project will be short of cash flow for the next six month period when no avocados will be sold.

Accordingly, the invoice proposed will be based on budgeted project expense for the period from 1 October 2009 to 30 June 2010. Cash flow in excess of the requirements for this period has been forecast in our Example modelling. Excess cash flow should be available to distribute to growers in September / October, 2010.

RESTRUCTUR

In order to minimise the impact of the cash flow required, we propose the following schedule to make payment of the amounts required:

if you pay 50% of the invoiced amount within 14 days, we will defer the requirement to pay the remaining CASHFLOW 50% until 15 January 2010. Should any grower not pay the first 50% by 31 October 2009, the entire invoice will be payable immediately thereafter;

4 INVOICING

..... Page 3 ACTIONES

POTENTIAL FUNDING FOR AVOCADOS FOR THE NEXT 9 MONTHS AND BEYOND

- the invoice will not include the significant costs attendant with harvesting, packing and ripening which, in the past, were invoiced in advance despite not being incurred and payable until the harvest season. In future, these costs will be deducted from the sale proceeds and a net figure retained for distribution or oncharging to Growers; and
- it is important to understand that these sale proceeds will not be realised unless Simpson Farms are provided with funds as soon as possible to attend to critical crop management (spraying for pests, nutrition of trees, etc). This is not occurring at present even though fruit has commenced setting.

For the reasons discussed above, it is critical that your Grower invoice be paid immediately so as to enable the project to continue. In the event that a substantial proportion is not received by mid-November, FABAL may be unable to run the entire Project into the future.

83% paid

RESTRUCTURE

ACTION & INFORMATION FROM TIMBERCORP, TSL AND KM

We will write to KM, in its capacity as liquidator of TSL, requesting that all project records, accounts and other relevant documents be forwarded to us as soon as possible after we are appointed as RE.

KM's actions up until now have put the entire Project at risk of not being available to you because of the economic reality of Timbercorp and TSL (in liquidation). We have sought to work with KM so as to ensure that the Queensland assets are intact and so that operations can continue beyond 1 October 2009 and through to 2026. As you can imagine, this has been a major challenge.

SUMMARY

FABAL believes that the 2006 Avocado Project is viable and is working very hard to ensure that it can continue to operate on your behalf approximately 75% of the original project, all of which is situated in Queensland. POWERS TO DISCLAIM

If our projections are validated by market conditions, it's expected that no further calls may be required from LEASE'S Growers and the project should be cash flow positive moving forward. This will allow us to make distributions of income as early as September 2010. Unfortunately, the rider of agricultural vagaries and the lack and consequential effect of current management must be taken into account.

We do not have a Grower database and so are communicating with you via the financial planning network. As FABAL does not yet have a working relationship with you, we are at a serious disadvantage in communications at this time.

Information about FABAL can be found on our website: www.fabal.com.au. Please contact Irene Kamm, Peter Kerin or me if you require any further information or email either irene.kamm@fabal.com.au or peter.kerin@fabal.com.au at your convenience.

We look forward to a long and profitable relationship with all Growers and will keep you informed with grower communications as we move forward.

Yours sincerely,

Chris Day

Chief Executive Officer



INTRODUCTION AND BACKGROUND TO FABAL

WHO IS THE NEW RESPONSIBLE ENTITY?

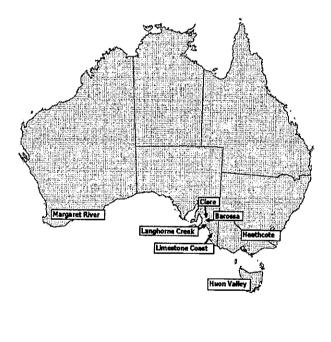
FABAL is one of the leading and largest managers of viticultural projects in Australia. The company develops and manages premium quality, large scale horticultural projects for investors looking for long term commercial returns and asset ownership.

The portfolio managed by FABAL includes more than 1,400 hectares of premium vineyards located across three states of Australia. As a crucial part of its management strategy, the fruit grown on the viticultural projects is sold pursuant to secure, long-term grape supply agreements to major Australian wine producers who provide premium wine to consumers across the globe.

FABAL also manages a 36-hectare cherry orchard in the Huon Valley in Tasmania with a marketing agreement with leading fruit wholesalers in Melbourne serving the Australian and export market.

FABAL manages its project portfolio to deliver added value and ongoing improvement in performance. This provides continuous revenue streams coupled with potential capital growth through the investors' ownership of the underlying land infrastructure in the long term.

Marandoo Estate Limited Langhorne Creek (SA)	360 ha
National Viticultural Fund of Australia Margaret River (WA) Barossa Valley (SA) Langhorne Creek (SA) Limestone Coast (SA)	99 ha 40 ha 71 ha 61 ha
National Viticultural Fund of Australia Coonawarra (SA)	29 ha
National Viticultural Fund of Australia – Pr Clare Valley (SA) Barossa Valley (SA)	oject No. 2 67 ha 62 ha
National Viticultural Fund of Australia Pri Barossa Valley (SA)	oject No. 3 63 ha
National Viticultural Fund of Australia – Pro Langhorne Creek (SA)	oject No. 4 79 ha
National Viticultural Fund of Australia – Pro Barossa Valley (SA)	oject No. 5 15 ha
Heathcote Ridge Vineyard Project Heathcote Ridge Vineyard Project No. 2 Heathcote (Vic)	83 ha
The Tasmanian Premium Cherries Project Huon Valley (Tas)	36 ha
GuildGrape Langhorne Creek (SA)	295 ha
Others Margaret River (WA) McLaren Vale (SA) Padthaway (SA)	29 ha 51 ha 10 ha



Food And Beverage Australia Limited (FABAL) was incorporated in 1982 under the ownership of four law students. Today, FABAL is a wholly owned subsidiary of The FABAL Group Pty Ltd ("FABAL Group"). Each of the original founders is a director of The FABAL Group. 3 of the 4 founders work in the business.

FABAL operates with a board of five members (separate from the FABAL Group), of which two are founders and the balance are independent directors.

CORE BUSINESS

FABAL is in the business of management and ownership of food and beverage enterprises.

Currently, the core competencies are

- a. management of vineyards which skill has been extended to other agribusiness ventures in the last two years; but, more importantly
- b. management of investors' funds from public companies, individuals, interests in joint ventures and newer style managed investment schemes.

FABAL holds Australian Financial Services Licence No. 246650 issued pursuant to the Corporations Act, which authorises it to operate managed investment schemes dealing with primary production ventures, specifically including viticultural projects for retail and wholesale clients. FABAL has extended its AFSL authorisations to other types of agricultural products including its cherry project in Tasmania. In the medium term, FABAL also intends to extend the terms of its AFSL authorisation to providing financial product advice and operating other types of managed investment schemes.

CURRENT STRATEGIC PLAN

FABAL's Strategic Plan addresses the future directions for the company particularly in light of the following critical events:

- 1. water supply issues for existing and future projects; and
- 2. the changing climate in not only the Australian agricultural industries, but right across the globe.

The Strategic Plan thus provides for the development and diversification of FABAL's core business of agricultural management and investment.

The strategy for the next four to five year period can best be described as consolidating the growth and controlled expansion of FABAL's agricultural business to create a strong financial and business base for the future diversification into other food and beverage businesses.

CURRENT BUSINESS

FABAL is an agribusiness manager with a particular emphasis on the wine industry. FABAL and its associated entities are also investors in agribusiness.

Although other agribusiness ventures or opportunities have been examined and selectively rejected in recent years (for a variety of reasons uncovered in the course of a detailed due diligence process), FABAL's core business remains the investment in and management of agricultural projects across Australia. The FABAL Group is also an investor in securities and property.

The critical issue for FABAL is to ensure a consistent and continuous supply of quality produce which continually meets (or exceeds) its customers' quality specifications within the economic limitations of profits modelled for investors / growers.

BOARD OF DIRECTORS

Ian F Edgley LLB.

CHAIRMAN - NON-EXECUTIVE AND INDEPENDENT DIRECTOR



Ian Edgley has been a director since 2001 and was appointed Chairman in 2005. He was the managing partner of the Adelaide law firm Povey, Waterhouse and Basheer, practising commercial law and specialising in the liquor industry. Ian has been the Chairman of Wolf Blass Wines and Deputy Chairman of the Andrew Garrett Group. He also has wide experience in the development and operation of large-scale vineyards through his role as a director of International Vineyards Pty Ltd and FABAL.

Ian, the chairman of both the Compliance Committee and the Corporate Governance Committee, is currently a director of seven public companies managed by FABAL.

Christopher I Day LLB, BEc, MBA, Grad Dip App Fin Inv, Dip. Fin. Serv. FAICD, FFin, ASA

CHIEF EXECUTIVE OFFICER



Chris Day, a director since 1982, is the Chief Executive Officer of FABAL, a position he has held since that time. His responsibilities include strategic management and business planning. Until 2004, Chris was the Chief Executive Officer of Berren Asset Management Limited, manager of the International Wine Investment Fund. He also worked for the Hardy Wine Company and Foster's Wine Estates. Chris has 16 years' experience in the wine industry and a further seven years' experience in the legal, accounting, tax and merchant banking industries.

Chris is the chairman of the Business Development Committee and a member of the Audit Committee. He is currently a director of eight public companies.

Dimitrios Georgiadis LLB, FTIA, MAICD, Notary Public

DIRECTOR - BUSINESS DEVELOPMENT - EXECUTIVE DIRECTOR



Dim, a director from incorporation to 1990 and since 1995, is Managing Director of Georgiadis Lawyers with over 20 years experience in the fields of wine, commercial, securities and property law. He has been a member of the Law Society of SA since 1984, and a member of the Commercial Law and Property Law Committees. He is a member of the SA Liquor Licencing Commissioner's Forum.

He is a director of several wine, property, and investment and eight public companies. He has been a member of the board of governors (currently the Deputy Chairman) of a private college for 19 years. Dim has specific responsibilities of business development. He is chairman of the Risk Management

Committee and a member of the Business Development Committee.

G Amal Wahab BSc (Hons), MBA

NON-EXECUTIVE AND INDEPENDENT DIRECTOR



Amal Wahab, a director since 2000, is an investment banker and a specialist in mergers, acquisitions and management and leveraged buy-outs. Prior to co-founding International Wine Consultants and Global Wine Partners, Amal spent six years with AusAsean as Director – Corporate Finance, three years with Exeter Holdings Limited, a USA banking firm, as Vice President, Mergers, Acquisitions and Management Buy-Outs; six years with Burgan Bank SAK Kuwait as Manager, Corporate Banking and Project Finance; and three years with American Express International Banking Corporation in Corporate Banking. Amal is a member of the Compliance Committee.

Grahame Tonkin Assoc Dip Account, FCPA, FICS, FAIM, AAICD A

NON-EXECUTIVE AND INDEPENDENT DIRECTOR



Grahame Tonkin, a director since May 2007, was formally Executive Director of Food South Australia, a division of Primary Industries and Resources South Australia (PIRSA). Prior to joining PIRSA, Grahame was managing director of Tarac Australia Pty Ltd, which provides a range of services for the Australian wine industry.

Prior to this, he was Managing Director of The Australian Dairy Corporation/Austdairy Pty. Ltd and Managing Director of Inchcape Liquor Marketing responsible for Inchcape ple's wine and spirits distribution operations across the Asia Pacific Region. He is a non-executive director of Alaska Milk Corporation, the largest dairy processing and marketing company in the Philippines. Grahame has had

extensive experience in the food and wine sector and is an independent wine producer. Grahame was appointed as a director of FABAL in May 2007. He is chairman of the Audit Committee and a member of the Corporate Governance Committee.

EXECUTIVE MANAGEMENT TEAM

The experience and service with FABAL of the senior executive officers of FABAL is as follows:

Christopher Dundon BSc (Hons), Dip Ed, Grad Dip Ag (Vit), Grad Dip Bus Admin – 7 years Chief Operations Officer and Company Secretary.



Chris has had extensive experience as a technical viticulturist with a range of wine companies in Australia and New Zealand since 1977. He was the Technical Manager of Netafim Australia for two years prior to joining FABAL in 2002. As Technical Manager at Netafim, Chris was actively involved in all forms of irrigated agriculture and agriculture, including irrigation design and management for stone fruits.

Peter Kerin LLB, MBA, MAICD, FTIA - 27 years

Chief Commercial Officer



Peter has served on the board of one of Australia's largest credit unions and a community-based development fund. He has spent eight years managing and administering his own private mortgage-based non-bank financial institution and consults to a printing and publishing business trading in Australia, Canada and the United States.

John Lambert FCPA, Grad Dip Acc - 11 years

Chief Financial Officer



John Lambert has been the Chief Financial Officer of FABAL and associated companies since 1996 and has 35 years' experience in management and financial accounting. John is a fellow of the CPA in Australia and was previously employed with the Pilkington Group in a similar position for over 20 years.

Ashley Keegan B App Sc – 10 years General Manager – Infrastructure & Viticulture



Ashley Keegan has been the GMV for FABAL for the past seven years. He previously held the position of Western Australian viticultural manager for FABAL, commencing with the company in April 1999. Ashley is responsible for the management and development of FABAL-managed projects. Ashley has more than 11 years of viticultural management experience, and has been directly involved in the development of six properties over the past eight years.

5. 21 FUNDIG / KESTIKUTIOKE

AIL " WATER
" WUOICING

Kerree Bezencon

From:

Wayne Overall [Wayne.O@almondinvestors.com.au]

Sent:

Monday, 8 October 2012 3:19 PM

To:

Kerree Bezencon

Subject:

FW: Changing constitutions

Attachments:

Letter to Investors Monthly Invoicing Final 150612.pdf

Dear Kerree

Further to my email on the 5th of October, I advise that AIL has changed clauses in Constitutions (without holding a unit holders meeting) in circumstances where AIL has formed the view that the change is not adverse to the interests of Investors. We have taken this action after receiving legal advice.

As requested please find a letter sent to unit holders referring to a change in our invoicing date payment in accordance with the process addressed above.

Kind Regards,

Wayne.

Wayne Overall | Executive Director | AIL FUNDS MANAGEMENT | ☎ 03 9629 2777 | fax 03 9629 1944 | ৩ wayne.o@ailfunds.com.au | website www.ailfunds.com.au

| Suite 7, Level 3, 470 Collins Street, Melbourne Vic 3000 |

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From: Wayne Overall

Sent: Friday, 5 October 2012 4:12 PM

To: 'Kerree Bezencon'

Subject: Changing constitutions

Dear Kerree

I confirm that AIL in its capacity as RE has changed the constitution of its Projects where it has formed the view that the change is not adverse to the rights of Unit holders.

Kind Regards, Wayne.

Wayne Overall | Executive Director | AIL FUNDS MANAGEMENT | ☎ 03 9629 2777 | fax 03 9629 1944 | ூ wayne.o@ailfunds.com.au | website www.ailfunds.com.au

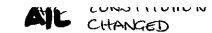
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5. Z.Z MCMAHON CLARKE LEGAL

AIL Almond Asset Trust - 2010 ARSN 142 151 086

Supplementary constitution

Almond Investors Limited ACN 102 342 870 (Responsible Entity)

Each person who holds a Unit (each an Orchard Asset Owner)

Date		This Supplementary Constitution is made on the date noted on page 3 of this document.	
Parties		Almond Investors Limited ACN 102 342 870 of Level 3, 470 Collins Street, Melbourne VIC 3000	
		(Responsible Entity)	
	and		
	Each person who holds a Unit		
		(each an Orchard Asset Owner)	
Introduction	A.	The Responsible Entity established the AlL Almond Asset Trust - 2010 ARSN 142 151 086 (Trust) by entering a constitution which has since been amended (Constitution).	
	В.	This Supplementary Constitution has been prepared to further amend the Constitution. This Supplementary Constitution will be lodged with ASIC pursuant to section 601GC of the Law. The Supplementary Constitution will take effect from the time of lodgement.	
	C.	The changes made by this Supplementary Constitution have been made by the Responsible Entity pursuant to section 601GC(1)(b) of the Law on the basis the Responsible Entity reasonably considers the changes will not adversely affect the existing Orchard Asset Owners' rights.	
	D.	The terms of this Supplementary Constitution follow.	

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2.	Confirmation of the terms of the Constitution	1
3.	Operative provisions	1

THE PARTIES AGREE

1. Definitions and interpretation

The definitions and rules of interpretation in the Constitution apply to this Supplementary Constitution unless otherwise specified or the context requires another meaning or interpretation to be applied.

2. Confirmation of the terms of the Constitution

- (a) This Supplementary Constitution amends the Constitution and is binding on-
 - (i) all Orchard Asset Owners (as they are constituted from time to time), and
 - (ii) the Responsible Entity.
- (b) The Responsible Entity confirms the terms of the Constitution except to the extent those terms are amended by this Supplementary Constitution.
- (c) The amendments made to the Constitution by this Supplementary Constitution do not purport to affect or alter in any way the beneficial ownership of the Trust Property as at the date of this Supplementary Constitution.

3. Operative provisions

A new clause 24.9 is inserted in the following terms:

"24.9 Directions by Orchard Asset Owners

- (a) This clause only applies-
 - (i) once and while the Responsible Entity is an externally-administered body corporate (as that term is defined in the Law), and
 - (ii) in relation to Orchard Asset Owners that are issued with and hold Post 15 June 2010 Class Units.
- (b) Where any matter is authorised or directed by—
 - (i) a Special Resolution of Orchard Asset Owners passed at a meeting of Orchard Asset Owners duly convened and held in accordance with this Constitution, or

- (ii) the written consent or authority of each Orchard Asset
 Owner, the Responsible Entity is bound to act in
 accordance with the authority or direction of the
 Orchard Asset Owners and is released from any
 obligation or liability that would or might otherwise
 attach to the Responsible Entity in relation to the
 subject matter of the Orchard Asset Owners' authority
 or direction unless—
 - (A) the Responsible Entity is of the reasonable opinion that the authority or direction is inconsistent with the provisions of the Constitution or the Law or is otherwise objectionable, and
 - (B) has obtained an order from a court of competent jurisdiction setting aside or varying the authority or direction."

Execution

This Supplementary Constitution is signed as a deed poll this 18TH day of MAY 2011.

Signed, sealed and delivered by

Almond Investors Limited AGN 102 342 870 in accordance with section 127 of the Corporations Act by

Secretary/Director

Name (please print)

GRAHAM JOHNS

Name (please print)



28 June 2012

«First_Name» «CoLast_Name»
«Addr_1__Line_1»
«Line_2»
«City» «State» «Postcode»

Dear Investor

IMPORTANT NOTICE - MONTHLY INVOICING FROM 1 JULY 2012

PLEASE READ & ACTION PROMPTLY

Immediate action is required by you in relation to your on-going participation in the 2006 Swan Hill Almond Orchard Project ("the Project").

Almond Investors Ltd ("AIL") is implementing a monthly billing and payment system for all Investors for their Orchard Management, Growing and Sublease Fees ("the Fees"), commencing from 1 July 2012.

The following action needs to be taken by you:

- 1. Read the Explanatory Memorandum;
- 2. Complete the Direct Debit Authority;
- 3. Return the signed Direct Debit Authority by no later than 19 July 2012.

IF YOU ARE ALREADY PAYING YOUR FEES VIA MONTHLY DIRECT DEBIT, THIS LETTER IS FOR YOUR INFORMATION ONLY. YOU DO NOT NEED TO TAKE ANY FURTHER ACTION.

Should you have any queries or require further clarification, please consult your financial adviser or contact our office. In addition, a representative of AIL will be available for an appointment in various major cities during July 2012. Please refer to the schedule attached for further details.

AIL continues to value your support and assures you that it is constantly working to enhance Investor returns.

Yours Faithfully

Wayne Overall
Executive Director





EXPLANATORY MEMORANDUM

Introduction of Monthly Billing & Payment System for your Fees to Commence 1 July 2012

Introduction

We are writing to you and all our Investors to provide details on the introduction of a monthly invoicing and payment system.

Prior to outlining the formal process to be adopted to implement the monthly invoicing system, we would like to say that we understand your frustration that your orchard has not performed to the expectations that we all had at the inception of the Project. This has been primarily due to the high Australian dollar and adverse climatic conditions affecting production and yields.

It should be noted that in the last 12 months the underlying almond price, as measured in US\$, has increased approximately 21%. The shift in the exchange rate between the Australian dollar and the US dollar recently has also been favourable (i.e. the A\$ has weakened against the US\$).

The entire AIL team is continuing to operate your orchard with the commitment to increasing profitability in order to significantly improve the performance of your investment.

Basis for AIL changing the invoice & payment system from Annual to Monthly

Approximately 25% of Investors are already paying their Fees by monthly direct debit. This invoicing change will bring all Investors onto the same invoicing system.

For annual payers, invoices are currently payable on 1 March for the financial year in which they are due (e.g. the invoice payable on 1 March 2012 is for orchard costs incurred by AIL during the year 1 July 2011 to 30 June 2012). This means that these fees are paid 8 months in arrears and 4 months in advance. That is, AIL has been funding the orchard operating costs from 1 July to 28 February and has then been reimbursed on 1 March (or after 1 March by late paying Investors).

The invoicing was structured this way to give Investors in the initial years of the Project whilst no harvest proceeds were received, as much time as possible to raise the funds for the Fees and to give Investors the chance to claim the associated taxation deductions as soon as possible after their payment (i.e. as soon as they lodge their income tax returns post 30 June).

We have recently experienced some Investors paying their Fees late, and in a number of instances not paying their Fees, forcing AIL to invoke the default process under the Project documents in respect of these Investors.



Basis for AIL changing the invoice & payment system from Annual to Monthly (cont.)

As you will appreciate, AIL cannot continue to spend funds on the ground to nurture and grow the orchard, unless Growers provide the requisite funds via payment of their Fees. Due to the slow and non-payers referred to above, AIL is no longer in a position to continue to provide the financial resources to fund the orchard for 8 months for any Investor before we receive their annual Fee payment. Slow paying and defaulting Investors threaten the ongoing viability of the entire Project and AIL. Monthly payments will help minimise the risk to your investment by enabling more efficient management of the Project and reducing advance funding pressure on AIL.

It is fundamental to the continuation of the Project and its success that the Fees are paid in a timely manner. This move to regular monthly invoicing and payment for all Investors will ensure that funds are applied as required according to each Investor's unitholding. This is the most equitable and most efficient outcome for all Investors.

Payment of the Fees by monthly instalments will also benefit Investors as it will smooth your cashflow commitments into more manageable monthly amounts, rather than a single annual payment.

It is important to note that there will be no change to the way in which the Fees are calculated. This is simply a variation to the *timing* of the payment of the Fees.

In order to make the relevant amendments to the Project documents, AIL must first be satisfied the changes do not adversely affect the rights or interests of any Investors. AIL has considered this question and has determined the changes will not adversely affect any Investors' interests or rights. After extensive consultation with its legal advisors, AIL is now exercising its powers as set out in the Constitution and as Responsible Entity of the Project, to make the necessary Project documentation changes to implement the monthly invoice cycle

From 1 July 2012, Investors will be debited on a monthly basis and the Fees will need to be paid via a direct debit authority.

Should Investors choose not to provide the direct debit authority, then they need to make the payment directly each month. We believe it necessary to bring to your attention that if your project monthly payments are not received by the due date and AIL is reluctantly forced to ultimately to recover any payments in arrears under the default provisions of the project agreements, your liability may include, but is not limited to, the payment of fees incurred in the future management your almond project investment and your project investment could be terminated, transferred or sold.

What if I am already paying my fees by monthly direct debit and have provided my bank account details to AIL?

You do not need to do anything. This letter is for your information only. AIL will continue to debit your bank account each month as previously agreed. You only need to contact us if your bank account details have changed.



Reduction in AIL Management Fee

AIL is seeking to assist Investors by temporarily reducing its Management fee by 10%. This will translate to a small financial benefit to all Investors, but will leave AIL sufficient funds to administer your Project.

This Management Fee reduction will be calculated with reference to the AIL Management Fee currently being charged to Growers in the Grower Project. The reduction will be credited each month on a pro-rata basis.

The reduction will continue to apply until the first year that the Grower Project is in surplus (i.e. the almond sales proceeds exceed the growing, management and sub-lease fees).

How Will Almond Sales Proceeds be Treated?

Almond sales proceeds will be credited against the monthly invoices using the same methodology as has been used to date to credit almond sales proceeds against the annual invoices. There will be no change to the almond sales proceeds calculations and application methodology.

What Do I Need to Do Now?

There is Direct Debit Authority form that is attached to this Explanatory Memorandum, which needs to be completed and returned to our office.

This form provides us with the bank details of the account that we will debit each month to pay your Fees. This should be completed and signed.

The form must be completed and returned to our office by no later than 19 July 2012.

The first monthly direct debit will occur on 27 July 2012 and is expected to be approximately «Fee» on your «Units» allotments. Thereafter on the 27th day of each subsequent month your account will be debited with the same amount until June 2013.

Can the Fees be Paid Quarterly?

Investors are able to submit a separate written request to AIL to pay their Fees on a quarterly basis in advance.

Where the request for quarterly payment is granted by AIL, the fees will need to be paid by direct debit in <u>advance</u>. The direct debit will occur on 27 July for the September quarter, then again on 27 October for the December quarter, and so on.

The arrangement to pay Fees quarterly will be subject to review.

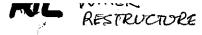


Can I get any Further Information?

We understand that this is a change to the way in which your Almond Project operates. In order to make the transition as smooth as possible and to enable any queries you have to be addressed, an AIL representative will visit major cities and be available for individual meetings with Investors. Additionally, AIL intends to hold Investor Update Sessions later in the year to provide an update on your Project.

If you and/or your financial advisor wish to make an appointment to meet, in person, with a representative of AIL on one of the dates listed below to specifically discuss the new monthly invoicing system, please contact our office on (03) 9629 2777 and we will then confirm your appointment time.

Location	Date
Sydney	4 July 2012
Perth	5 July 2012
Melbourne	6 July 2012
Adelaide	9 July 2012
Brisbane	11 July 2012
Gold Coast	12 July 2012



MIS

SOUD

Kerree Bezencon

From:

Rex Booker [Rex.B@almondinvestors.com.au]

Sent:

Wednesday, 10 October 2012 4:48 PM

To:

Kerree Bezencon

Cc: Subject: Wayne Overall Sale of water

Dear Kerree

I refer to our earlier discussions regarding sale by Almond Investors Limited (AIL) of High Reliability Water Shares

As you are aware AIL has been operating almond managed investment schemes (MIS) since 2004.

AIL has at all times focused on improving the financial returns for the investors in the almond projects it manages. In June 2009 AIL began analyzing potential outcomes that involved the sale of HRWS and replacing them with an alternate supply of water.

As a result of this analysis AIL successfully tendered HRWS to the Commonwealth Government and as a result was able to substantially

reduce fees payable by Growers in the relevant projects that had tendered water.

All formed the view that as a result of the demise of Timbercorp and others the value of HRWS would substantially

the only substantial entity seeking large volumes of HRWS would be the Commonwealth. (this has certainly proved to be the case)

AlL also formed the view that as almond yields and almond prices improved it would consider re-entering the market to purchase HRWS

at a diminished value.

Kind regards

Rex Booker (Director)

Rex Booker | Research & Development | AIL FUNDS MANAGEMENT | 🕿 03 9629 2777| mob 0409 093 334 | fax 03 9629 1944 | ↑ rex.b@ailfunds.com.au | website www.ailfunds.com.au

Please note our new email and web address

Suite 7 Level 3, 470 Collins Street, Melbourne Vic 3000

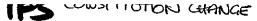
PLANT IT | GROW IT | SELL IT | WE GROW YOUR INVESTMENT

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Kerree Bezencon

From:

Michael [Michael@tfsltd.com.au]

Sent:

Friday, 24 June 2011 10:13 AM

To: Subject:

kerree@siger.com.au

FW: Changing the constitution

Follow Up Flag:

Follow up

Flag Status:

Flagged

Categories:

Yellow Category

Hi Kerree.

As per the email below, TFS will make the change to our constitution as per your suggestion once approved by the TFS Compliance Committee and ASIC Speaking as a grower myself, I am very grateful for your suggestion and assistance with this improvement to our constitution.

Thank you very much.

Also, Julie Hoffman Green (formerly with Great Southern) sends her regards – she has recently started her own business as a hospitality services recruiter and wishes you all the best.

Cheers.

Michael Gershkov

0438 776 666

From: Quentin Megson

Sent: Thursday, 23 June 2011 5:08 PM

To: Michael

Cc: Neville Pollard; Emma Moss; Marina Radic Subject: RE: Changing the constitution

Hi Michael,

In principle TFS has no objection to the insertion of this clause into our Constitution for the TSF Sandalwood Project 2011 (and possibly earlier projects).

We plan to submit this proposed change to the Compliance Committee for their approval at the next meeting which is scheduled for 21 July. We do not foresee that the compliance committee will have any concern with that provision as it improves the growers rights. Upon approval we would then officially make the change and inform ASIC.

Regards,

Quentin Megson Chief Financial Officer M: 0412 355 036



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www.tfsltd.com.au

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Kerree Bezencon

From:

Michael [Michael@tfsltd.com.au]

Sent:

Wednesday, 29 June 2011 10:56 AM

To:

Michael Bigpond

Subject: Attachments: VIP Adviser Update - TFS Market Announcements which will be of interest

ASX Announcement_TFS APPOINTS TWO NEW INDEPENDENT DIRECTORS_29062011.pdf; Market Update_FINAL_28062011.pdf; ASX announcement - TFS COMPLETES RAISING OF US\$150 MILLION IN SENIOR SECURED NOTES

23062011.pdf

VIP Adviser Email - Changes Begin

As predicted and discussed with many advisers over the past months, TFS is now moving into a new era of growth and development – a glimpse of these changes are covered by the attached ASX announcements from today, yesterday and last week.

The focus on MIS / retail offerings will drop and potentially disappear altogether as demand from institutional investors continues to rise. TFS have perfected plantation implementation, growing and management skills and will now focus on growing trees on their own account to reap the benefits of the increasing demand for Indian Sandalwood Oil and controlling supply as the monopoly grower in the world once the acquisition of ITC / Elders Sandalwood assets is completed with the \$150M obtained via the recent bond issue taken up Black Rock in the USA.

Interest from institutional markets for product is rising from both perfume / beauty companies wanting to lock in supply for the future as well as other medical based interest which might have some wonderful impact on prices and grower returns in the future. Beyond Carbon – our institutional brand was extremely over -subscribed and anything left over from our MIS 2011 raising will be taken up.

Liquidity for growers is now also a new benefit and while the uptake of selling their woodlots has been fairly slow from early growers, additional funds have become available as interest in selling after the 4 year holding requirements are met increases.

With only 2 days to go – MIS sales have been better than expected and while the number will be lower than 2010 sales, the results and your kind support has been fantastic in what will be remembered as the hardest year for the agribusiness sector in recent history.

Despite the changes and developments noted in the attachments, all past and present MIS responsibilities will be met and existing growers will all be looked after — with outcomes which will be better than predicted. In addition, with the kind advice from one highly experienced adviser involved with Timbercorp's administration process, the TFS Project Constitutions for 2011 and past projects are in the process of being improved to provide greater grower protection and ensuring that the RE (including any new RE or a liquidator) must get grower consent before any decisions regarding plantations are made to ensure that grower interests are put in front of any corporate entity.

With change comes opportunity and I thought this would be of interest to you as a VIP Adviser who has helped TFS get to where we are today.

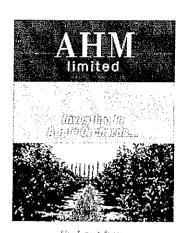
As always, if I can be of service in any way to you or your clients, please do not hesitate to call or email.

Kind Regards, Michael Gershkov 0438 776 666 or <u>michael@tfsltd.com.au</u>



TFS CORPORATION LTD ABN: 97 097 200 854 169 Broadway, Nedlands WA 6009 PO Box 3040 Broadway, Nedlands WA 6009 T: +61 8 9386 3299 F: +61 8 6389 1546 www.tfsltd.com.au

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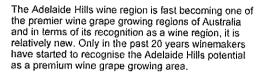
find out how



Adelaide Hills Premium Vineyard Project

Situated in the delightful Adelaide Hills region of South Australia this vineyard is located near the township of Gumeracha

The vineyard comprises Sauvignon Blanc, Pinot Noir, Vigonier, Pinot Gris and Chardonnay vines. Developed in two stages, the first vines were planted in 2001. The final planting for stage two was completed in November 2006. The vineyard boasts an 11.2 mega-litre dam which was completed in winter 2006. Vineyard manager, Tony Mills, lives on site, which is particularly an advantage during the frost



Demand for the cool climate Sauvignon Blanc grapes for which the region is famed has been increasing year to year and a premium is now being paid for Adelaide Hills fruit.





Further Information

Product Disclosure Statement (PDS)
This Project is Now Closed

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NEWSLETTERS - 2005 Investors

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