



plantations

13 October 2009

Dear Grower

I am writing to you as a matter of urgency to outline the significant developments that are impacting your investment.

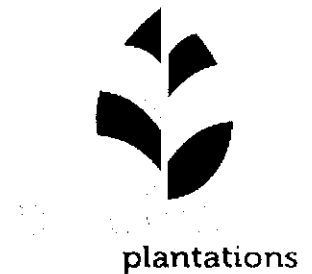
1. You should by now have received our formal offer in relation to the 1998 – 2003 pulpwood schemes. This offer was printed and posted to you on Friday 2nd October and invited you to vote on our proposal at a meeting to be held on 29th October.
2. We are currently finalising offers for the 2004 – 2007 pulpwood schemes on a similar profit sharing basis as that offered to the 1998 – 2003 growers. We expect to send out the full offers for these schemes in 2 to 3 weeks.
3. We are separately considering what we can do for the investors in the 2008 scheme given the actions already announced by the Receiver.

4. The RECEIVER has taken the following actions:

- a. Friday 2nd October – the Receiver extended their 30 September 2009 deadline for offers and encouraged investors to wait further without giving any dates or details of alternative proposals. We are now planning to change our meeting to a date later in November, to give growers time to compare the PPPL offer with any others that the Receiver may obtain.
- b. There has been no definitive statement from the Receiver about continuing funding for your project, which could end at any time.
- c. The Receiver has disclaimed leases on property that underpinned the investment of many hundreds of growers across several projects as shown on the table below. This action by the Receiver was done with little notice or notification to the affected growers and means that growers in affected schemes may already have lost significant parts of their investment.

Scheme	Percentage of plantation on leased land
Great Southern Plantations 2004	23%
Great Southern Plantations 2005	38%
Great Southern Plantations 2006	21%
Great Southern Plantations 2007	14%
Renewable Fibre 2008	9%

- d. Separately the Receiver has commenced issuing notices to wind up a series of other Great Southern projects.



Merits of the PPPL offer

I would emphasise that the Pulpwood Plantations offer aligns your financial interests with ours. We are not proposing to charge management fees, whereby we could profit from our involvement irrespective of whether or not growers make any money. Instead, we will meet all working capital costs, receiving income only in the form of a share of net harvest proceeds with you the grower. For this reason we will have a keen focus on maximising proceeds and minimising costs. Growers would do well to consider future possible offers according to these criteria.

We also suggest the following questions which growers and their advisers should direct towards the Receiver to help assess alternative proposals:

1. SECOND ROTATION

What rights do growers have to a second rotation and to what extent has the Receiver traded away these rights in reaching an understanding with alternative offers?

2. DISCLAIMED LEASES

What is the legal and tax position of the substantial number of growers with woodlots on disclaimed leases?

Next Steps

We will shortly be posting a comprehensive Q&A to the website which will seek to address questions arising from the changing circumstances. Given our expanded offer will encompass over 35,000 investors, we ask for your patience in responding to individual queries. We will provide regular updates through the website at www.pulpwoodplantations.com.au. In addition, we will be writing to all growers with a new Notice of Meeting and new proxy forms. Unfortunately, proxy forms that have been registered to date will no longer be valid and we apologise for any inconvenience that may have been caused by the Receiver's changed timetable.

In recent weeks my team and I have met with growers, advisers, research analysts and others throughout Australia. We have been delighted by the support we're receiving, especially in aligning our interests with those of growers. There is a real sense of momentum building up behind the Pulpwood Plantation offer, and I will be in touch soon to confirm a new date for the meeting at which you can vote to turn our offer into a reality.

Yours sincerely

Gordon Martin
Chairman
Pulpwood Plantations Pty Limited