



Great Southern Growers Group

2007 and 2008 Great Southern Schemes

Dear Grower,

Great Southern 2007 and 2008 growers would recently received an Explanatory Memorandum (EM) from Primary Securities Ltd and Black Tree which sets out the details of the offer to replace Great Southern Managers Australia (GSMAL in liquidation) as the RE of 2007 and 2008 scheme. The offer provides growers with a choice of whether to recapitalise the Schemes or not and involves Primary RE Ltd acting as RE and Black Tree managing the projects through to harvest.

Black Tree and Primary Securities are the only commercial party which have put a formal proposition to growers for the 2007 and 2008 Great Southern schemes. It is unlikely that an alternative Replacement RE offer will be made.

From a growers perspective what this means is that if this proposal does not obtain the necessary grower support that it is highly likely that the receiver will continue the wind down of both projects and there will be no return to the investor/grower.

If the offer is accepted then the schemes will continue with investors/growers **receiving a return at harvest, albeit on amended terms as detailed by the EM**. Furthermore, if the proposal is approved and the Schemes are successfully reconstituted, it may also mean that Growers could participate in the proceeds of any combined land and tree sale (a process the Receiver is running at the moment and whose outcome is uncertain).

It is however important to note that there are risks and costs associated with this proposal which are clearly defined within the EM. The details of the proposal should be read by all investors/growers to ensure that they have a clear understanding of what they are voting for or against.

For the proposal to be successful all 5 resolutions need to be approved, each is conditional upon the others being passed. What this means is that investors/growers cannot vote to change the RE and then vote down amendments to the growers agreements – the increase in fees, all resolutions must be collectively approved.

Save My Trees have worked co-operatively with Black Tree to give investors/growers a choice with respect to their investment (2007 and 2008 Growers have had no choice to date). We encourage you to talk to your advisers regarding this matter and ensure that they do vote and understand the consequences of the choice that they have made.

Sincerely,

Rob Burns (B. Bus, CPA, JP)
Chairman of Save My Trees
www.savemytrees.com.au