



20 November 2009

Company Announcements Platform
Australian Securities Exchange

GREAT SOUTHERN SALE PROCESS UPDATE

Please find attached a release to the market.

Yours sincerely

A handwritten signature in black ink, appearing to read "Wayne Chapman", written over a light grey rectangular background.

Wayne Chapman
Company Secretary



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GREAT SOUTHERN SALE PROCESS UPDATE

As disclosed in the announcement on 1 October 2009, Gunns Limited ("Gunns") has entered into discussions with the Receivers of Great Southern Limited (in liquidation) (Receivers and Managers Appointed) and Great Southern Managers Australia Limited (in liquidation) (Receivers and Managers Appointed) ("GSMAL") and has continued to develop a proposal for consideration by growers to replace GSMAL as responsible entity of certain of GSMAL's forestry managed investment schemes.

By way of update on these discussions, attached is an announcement from the Receivers. Gunns is involved in final negotiations and expect to enter into an agreement involving Gunns Plantations Limited being proposed to growers as the replacement Responsible Entity of all or a majority of the Schemes.

McN+

McGRATHNICOL

CORPORATE RECOVERY

**Great Southern Managers Australia Limited
(In Liquidation)
(Receivers and Managers Appointed)
("GSMAL")
ACN 083 825 405**

Circular to investors

**For the latest investor updates please go to
www.great-southern.com.au**

**or register for email alerts at
gsp@great-southern.com.au**

The Receivers and Managers of Great Southern Managers Australia Limited (Receivers and Managers Appointed) (In Liquidation) (**GSMAL**) have undertaken a process to replace GSMAL as Responsible Entity of the Great Southern Schemes.

A number of parties submitted expressions of interest. Over the course of the past 2 months, a number of the parties withdrew their offers whilst others revised the terms of their indicative offers and entered into negotiations with the Receivers and Managers aimed at confirming the terms on which they would be prepared to act as Responsible Entity for particular Schemes.

The Receivers and Managers of GSMAL, Great Southern Limited (Receivers and Managers Appointed)(In Liquidation), Great Southern Property Holdings Limited (Receivers and Managers Appointed)(In Liquidation) and Great Southern Property Managers Limited (Receivers appointed)(In Liquidation) are involved in final negotiations and expect to enter into an agreement with Gunns Limited and Gunns Plantations Limited (**Gunns RE**) for Gunns RE to be proposed to investors as the replacement Responsible Entity of all or a majority of the Schemes below (**Gunns' proposal**).

The terms of the proposed agreement are confidential but the Gunns' proposal, if approved by investors, will result in the transfer of certain scheme property or assets used in relation to all or a majority of the Schemes below. Once agreement is reached, the Receivers will urgently seek court orders to facilitate the convening of relevant Scheme meetings. Once the meetings are convened, the Gunns' proposal will be voted on by investors in accordance with the *Corporations Act* 2001. Assuming final agreement is reached, we currently expect that Notices of Meeting and Scheme information booklets will be provided to investors during the next 10-14 days.

Tony McGrath
Receiver and Manager

Details of the Schemes:

1. Great Southern Plantations 1998 (ARSN 092 780 204)
2. Great Southern Plantations 1999 (ARSN 092 452 849)
3. Great Southern Plantations 2000 (ARSN 085 669 361)
4. Great Southern Plantations 2001 (ARSN 089 958 029)
5. Great Southern Plantations 2002 (ARSN 095 343 963)
6. Great Southern Plantations 2003 (ARSN 099 131 825)
7. Great Southern Plantations 2004 (ARSN 107 811 709)
8. Great Southern Plantations 2005 (ARSN 112 744 877)
9. Great Southern Plantations 2006 (ARSN 112 744 902)
10. Great Southern Plantations 2007 (ARSN 124 053 390)