



Thursday, 10 December 2009

MEDIA RELEASE

Gunns urges Great Southern growers to vote

Australia's leading hardwood forestry company Gunns Limited said growers in Great Southern's forestry managed investment schemes still needed to vote for the Gunns proposal to manage the schemes even though all other offers had been withdrawn or suspended.

Gunns now has the only proposal before growers to maintain the schemes by becoming the new Responsible Entity. The schemes are currently managed by Great Southern, which became insolvent earlier this year.

The Gunns offer has been recommended by the Receiver, McGrath Nichol, in the absence of a superior proposal.

Gunns Chief Executive Officer Greg L'Estrange said that with the withdrawal today of the proposal from Pulpwood Plantations (PPPL) before a vote, following low levels of proxy support, and the suspension yesterday of the proposal by Black Tree Ltd, growers now needed to vote for the Gunns proposal.

"The Gunns proposal is the only proposal before growers and the only remaining chance for value to be delivered to growers," he said.

"However to be approved, the proposal needs the support of more than 50 per cent of the total votes that may be cast by members entitled to vote (including members who are not represented in person or by proxy) in each scheme.

"This is a high hurdle and it is vital that if growers want a return on their initial investment, they need to lodge a vote with the proxy forms they have been sent by no later than 11am (AEDST) on Monday 21 December 2009.

"There is no guarantee that growers will receive any proposal in the future if this offer is not approved.

"Growers cannot be complacent or apathetic if they want to have a say in their investment.

"Abstaining from voting may result in our proposal not being accepted. Growers must vote for our proposal for it to succeed, even though it is the only proposal available to growers."

Mr L'Estrange said Gunns' strong balance sheet and operational expertise meant it had the capacity to continue operating the schemes and realising their full value for growers.

"Gunns' proposal provides value for growers, taking into account the costs in completing the schemes, which cannot be funded by Great Southern following its insolvency," he said.

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Information about Gunns

Gunns is Australia's largest fully integrated hardwood-based forest products company, currently managing more than 300,000 hectares of land for forestry use. Gunns Plantations Limited has established 15 managed investment schemes in wood, wine grapes and walnuts with approximately \$620 million of funds under management.

Further information for growers

Growers who would like further information on Gunns' proposal can call the information line 1800 24 23 00.

Replacement proxy forms marked in favour of the proposal are available for download from Gunns' website at www.gunns.com.au

Contact

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