

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

S CI 2011

**IN THE MATTER OF WILLMOTT FORESTS LIMITED (RECEIVERS AND MANAGERS  
APPOINTED) (IN LIQUIDATION) (ACN 063 263 650)**

**WILLMOTT FORESTS LIMITED (RECEIVERS AND MANAGERS APPOINTED) (IN  
LIQUIDATION) (ACN 063 263 650) IN ITS CAPACITY AS RESPONSIBLE ENTITY OF THE  
MANAGED INVESTMENT SCHEMES LISTED IN SCHEDULE 2 AND IN ITS CAPACITY AS  
MANAGER OF THE UNREGISTERED SCHEMES LISTED IN SCHEDULES 3 AND 4  
AND ORS ACCORDING TO SCHEDULE 1**

Plaintiffs

**CERTIFICATE IDENTIFYING EXHIBIT**

Date of document: 13 December 2011  
Filed on behalf of: the Plaintiffs

Prepared by:

**ARNOLD BLOCH LEIBLER**

Lawyers and Advisers

Level 21

333 Collins Street

MELBOURNE 3000

Solicitor's Code: 54

DX 38455 Melbourne

Tel: 9229 9999

Fax: 9229 9900

Ref: 011565031

(Kimberley MacKay: kmackay@abl.com.au)

This is the exhibit marked "CDC-12" now produced and shown to **CRAIG DAVID CROSBIE** at the time of swearing his affidavit on 13 December 2011.

Before me: 

**MEAGAN LOUISE GROSE**

Arnold Bloch Leibler

Level 21, 333 Collins Street

Melbourne 3000

An Australian Legal Practitioner within the  
meaning of the Legal Profession Act 2004

**Exhibit "CDC-12"**  
**Interested Parties Pack**

## STRICTLY CONFIDENTIAL

Dear Interested Party

**Willmott Forests Limited (Receivers and Managers Appointed) (in Liquidation) ACN 063 263 650 ("Willmott") – Sale Campaign**

We are pleased to invite you to participate in the proposed sale of the Willmott land and plantation assets, including the plantations forming part of the Willmott managed investment schemes. The assets are being offered for sale by Willmott on the instructions of its Liquidators (PPB Advisory) and in conjunction with its appointed Receivers and Managers (KordaMentha).

The available assets comprise:

- over 46,000 hectares of prime agricultural land in the Bombala and Murray Valley Regions, Australia, which includes close to 27,000 net planted hectares of premium Radiata pine plantations;
- 8,900 hectares of prime agricultural land in the North Coast Region, Australia, which includes close to 4,500 net planted hectares of Silky Oak and Casuarina plantations; and
- on-site agribusiness assets including forestry offices, storage facilities, stock yards and residential dwellings.

Also available for sale is over 2,500 net planted hectares of premium Radiata pine located on land leased from the Forestry Commission of New South Wales.

Please find enclosed the following documents:

- **Information Overviews** which describe the available assets and sale process in more detail; and
- A **Confidentiality Deed Poll** which must be completed to proceed to the Indicative Offer Stage (described below).

As noted in the Information Overviews, the Willmott land and plantation assets are being offered both 'in one line' or on a 'property by property' basis. The land and assets are also being offered on an unencumbered basis or, if potential purchasers wish to continue with any of the Willmott managed investment schemes, on the basis that they are subject to those schemes.

### **Indicative Offer Stage**

All interested parties who execute and return the enclosed Confidentiality Deed Poll will advance to the Indicative Offer Stage and will be provided with online access to the relevant information memorandum.

In order to receive Indicative Offer Stage access, please execute the Confidentiality Deed Poll and return a scanned copy of the executed deed by email to [Willmott.sale@willmottforests.com.au](mailto:Willmott.sale@willmottforests.com.au) (with "*Willmott Confidentiality Deed Executed*" in the email subject field).

Indicative non-binding offers are then to be received by email on or before **midday (AEST) on Monday, 8 August 2011**.

### **Further Information**

Parties selected following the Indicative Offer Stage will advance to the due diligence stage. An opportunity to meet with the Willmott management and to participate in accompanied site visits may be granted during the due diligence stage.

All enquiries regarding the sale process must be directed to PPB Advisory. Further information will only be disseminated online. Your access to the online information is your responsibility.

The Liquidators and Receivers of WFL reserve the right to amend, postpone or withdraw the sale process at any time. Selected parties will also be determined at their sole discretion. This document is not an offer and should be read subject to the disclaimer in the Information Overviews.

Yours faithfully



**Craig D Crosbie and Ian M Carson**

Joint & Several Liquidators

Willmott Forests Limited (Receivers and Managers Appointed) (In Liquidation)

Encl.



## Murray Valley and Bombala Regions



*Picture: WFL Murray Valley – Murrumbung (foreground) Estate*



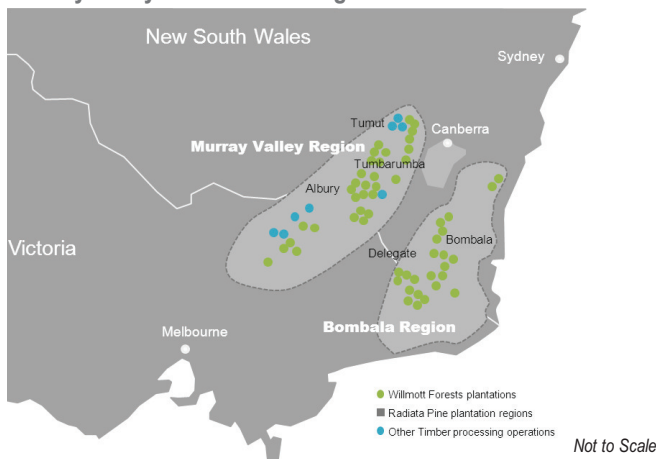
## COMPANY BACKGROUND

Willmott Forests Limited (Receivers and Managers Appointed) (In Liquidation) (ACN 063 263 650) (**WFL**) is a dominant player in the Australian softwood timber industry having grown its footprint over 30 years. WFL holds extensive Radiata pine plantation assets nestled in quality softwood growing regions of Bombala and Murray Valley.

### Plantation and Operations

WFL owns over 46,000 hectares of prime agricultural land in Bombala and the Murray Valley, and over 26,000 net planted hectares of premium Radiata pine softwood plantations. The portfolio includes forestry offices and equipment, light industry and storage facilities, stock yards and residential properties.

#### Murray Valley and Bombala Regions



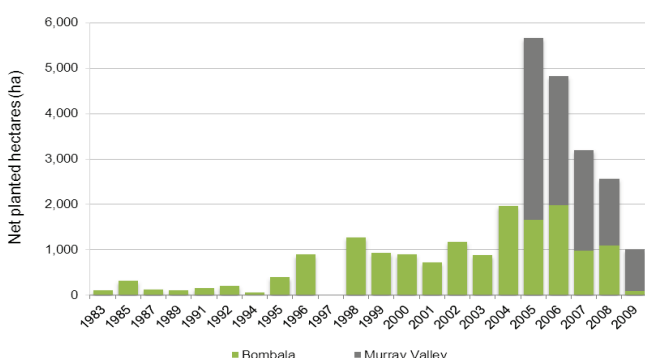
WFL's land assets are in optimal proximity to forestry facilities required for immediate operation, ensuring WFL's seamless integration into Australia's large domestic and export markets.

#### WFL Asset Portfolio

Region	Gross Area	Total Planted Area
Murray Valley plantation estate	19,554	10,720
Bombala plantation estate	27,144	16,635
<b>Sub-Total</b>	<b>46,698</b>	<b>27,355</b>
FNSW	2,577	2,577

WFL's plantation age is spread across a diverse age class which can provide continued revenue streams over a period of time.

#### Plantation Profile



## INVESTMENT HIGHLIGHTS

### Strategic location

The assets are strategically situated between the major domestic markets of Melbourne and Sydney.

- Bombala and Murray Valley regions boast favourable agronomic and climatic conditions for forestry.
- Strategically positioned with key infrastructure - processing plants, freight and export channels.

### Alternative revenue potential

- These two regions provide an opportunity for the conversion of WFL land for agricultural use. The Bombala and Murray Valley commercial plantations are established on high value pastoral land.
- Historically, the regions have displayed a 20 year annual compound growth rate of ~12.4% for the Murray Valley and ~7.5% for Bombala.
- WFL's assets are well positioned to take advantage of the expected upswing in the Australian agriculture industry.

### Significant growth opportunities

- Expected strong growth in exports from increased Chinese demand and continued domestic demand.
- Short to medium term growth boost from reconstruction efforts as a consequence of recent natural disasters.
- Supply and demand imbalance in the softwood timber market, from increased consumption and reduction in plantations.
- Improved competitive conditions with the contraction/consolidation of domestic forestry market.
- Opportunities to grow and strengthen presence in Australia's primary softwood plantation region. The Murray Valley region is responsible for 90% (188,000+ npha) of Australia's softwood plantations.
- A portfolio diversifier.

### Access to secure and stable market conditions

- WFL has an understanding for wood supply with a large multinational supplier.
- Established relationships with key industry consumers of pulpwood.

### Carbon trading

- Potential to trade carbon credits created from the assets (~4M tonnes CO<sub>e</sub> or 400,000 tonnes CO<sub>2</sub>e/pa from 2012- 2021).

## BASIS OF OFFER

WFL's land and plantation assets are being offered for sale both 'in one line' or on a 'property by property' basis. The land and assets are also being offered on an unencumbered basis or, if potential purchasers wish to continue with any of the Willmott managed investment schemes, on the basis that they remain subject to those schemes.

## SALE PROCESS TIMETABLE

The Expressions of Interest Stage will close at midday (AEST) on Monday, 25 July 2011.

All interested parties who execute and return the enclosed Confidentiality Deed Poll will advance to the Indicative Offer Stage and will be provided with online access to an information memorandum.

In order to receive Indicative Offer Stage access, please execute the Confidentiality Deed Poll and return a scanned copy of the executed deed by email to [willmott.sale@willmottforests.com.au](mailto:willmott.sale@willmottforests.com.au) (with "Willmott Confidentiality Deed Executed" in the email subject field).

Indicative non-binding offers are then to be received by email on or before **midday (AEST) on Monday, 8 August 2011**.

An opportunity to meet with the Willmott management and to participate in accompanied site visits may be granted during the subsequent due diligence stage.

Interested parties should note that completion of any sale of the assets will be conditional upon the approval of the Federal Court of Australia.

All enquiries regarding the sale process must be directed to PPB Advisory by email at:

[willmott.sale@willmottforests.com.au](mailto:willmott.sale@willmottforests.com.au)

The Liquidators and Receivers of WFL reserve the right to amend, postpone or withdraw the sale process at any time. Selected parties will also be determined at their sole discretion.

### Disclaimer

*This document has been prepared for the sole purpose of providing potential purchasers with information about WFL's assets in the Bombala and Murray Valley regions to assist such parties to make a decision as to whether they have any interest in purchasing any of WFL's assets. An information memorandum has been produced which contains details of the assets and*

*additional information which may be relevant to a decision in relation to any potential purchase.*

*This document is not an information memorandum, prospectus, or a product disclosure statement under the law of Australia or any other jurisdiction and does not constitute an offer, invitation or recommendation to purchase any of WFL's assets and neither this document nor anything contained in it shall form the basis of any contract or commitment.*

*This document is confidential, is being furnished solely for potential purchasers' information and may not be copied, reproduced or distributed to any other person, in whole or in part, except with the prior written approval of WFL.*

*The information contained in this document is based on information in the public domain at the date of publication. This document does not purport to be all-inclusive or contain all of the information which potential purchasers may require in order to make an informed assessment about whether to purchase WFL's assets. Accordingly, this document does not take into account potential purchasers' individual investment objectives, financial situation or particular needs. Potential purchasers acknowledge and agree that they will make their own independent assessment of and seek their own independent professional advice in relation to WFL and its assets and conduct their own investigations and analysis. This document should not be relied on to make any purchase decision.*

*To the maximum extent permitted by law, none of WFL, PPB Advisory, KordaMentha, or their respective related corporations, affiliates, officers, employees or agents, nor any other person, accepts any responsibility or liability, including without limitation, any liability arising from fault or negligence on the part of any person, for any claims whatever nature that may arise in any way from or in connection with the provision of this document or its contents and any inaccuracy or incompleteness or any reliance by any person on it.*

*No responsibility for any errors or omissions from this document arising out of negligence or otherwise is accepted. No representation or warranty, express or implied, is made as to the origin, fairness, accuracy, reasonableness, completeness or reliability of any information, statements, opinions or matters contained in this document or subsequently provided or made available to the recipient including the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this document (**forward looking statements**). Such forward looking statements are by their nature subject to significant uncertainties and contingencies and are based on a number of estimates and assumptions that are subject to change (and in many cases are outside the control of WFL) which may cause the actual results or performance of WFL to be materially different from any future results or performance expressed or implied by such forward looking statements. The forward looking statements should not be relied on as an indication of future value or for any other purpose.*

*By accepting this document, potential purchaser's acknowledge and agree that they understand the contents of this disclaimer and that they agree to abide by the foregoing terms and conditions of this disclaimer.*



North Coast Region



*Picture: WFL plantation*

**Information Overview 07.11**



## COMPANY BACKGROUND

Willmott Forests Limited (Receivers and Managers Appointed) (In Liquidation) (ACN 063 263 650) (**WFL**) is a major softwood plantation manager having established Managed Investment Scheme plantations in south eastern Australia for the past 30 years.

In 2008, through the acquisition of Bioforest Limited, WFL expanded into high value hardwood plantations (Silky Oak), and dedicated biomass plantations (Casuarina) on the North Coast of New South Wales.

### Plantation and Operations

WFL owns over 8,900 hectares of prime agricultural land on the North Coast of New South Wales and South East Queensland, and manages over 4,500 net planted hectares of Silky Oak and Casuarina plantations.

#### North Coast NSW plantation region



Not to Scale

The Land Assets consist of 22 properties that are primarily located within 70km of Casino, NSW. Two outlying areas include the 1,923 ha Yarras property located near Port Macquarie (NSW) and the 750 ha Stormat/Rocklea properties located north of Gympie, (Queensland).

#### WFL North Coast Asset Overview

Species	Gross Area	Current Stocked Area
Silky Oak plantation areas		2,323
Casuarina plantation areas		1,952
Combined plantation areas		292
<b>Total</b>	<b>8,969</b>	<b>4,567</b>

The Silky Oak plantations are typically located on high value, fertile land that was previously used for cattle farming. The Casuarina land is located on flat floodplain zones that were previously used for cropping.

## INVESTMENT HIGHLIGHTS

### High Value Species

Silky Oak (*Grevillea robusta*) is a high value, native timber, indigenous to northern NSW. Silky Oaks' renowned medullary rays provide a distinctive pattern and the timber was used widely at the turn of the century for fine furniture and cabinet making.

The Silky Oak plantations represent the only commercially grown Silky Oak plantation estate in Australia.

### Dedicated Biomass Plantations

The WFL Casuarina plantations represent the first dedicated commercial biomass plantation estate in Australia. The Casuarina species was specifically selected for its high calorific value, rapid growth and coppicing ability.

### High Value Land

The North Coast region has a diverse range of primary industries including beef cattle, horticulture, sugar cane, forestry, mining and commercial fishing. Combined with an increasing urban population, regional land prices have increased at over 7% per annum over the past 20 years.

Land within the region is also highly valued due to the consistent and reliable monthly rainfall. Most of the WFL properties receive in excess of 800mm/pa and many as high as 1,250mm/pa.

Due to the relatively young age of the plantations, there is potential to convert the land for farming operations.

### Carbon Potential

Both species may have the potential to be utilized for carbon credit sequestration capabilities.



## BASIS OF OFFER

WFL's land and plantation assets are being offered for sale both 'in one line' or on a 'property by property' basis. The land and assets are also being offered on an unencumbered basis or, if potential purchasers wish to continue with any of the Willmott managed investment schemes, on the basis that they remain subject to those schemes.

## SALE PROCESS TIMETABLE

The Expressions of Interest Stage will close at midday (AEST) on Monday, 25 July 2011.

All interested parties who execute and return the enclosed Confidentiality Deed Poll will advance to the Indicative Offer Stage and will be provided with online access to an information memorandum.

In order to receive Indicative Offer Stage access, please execute the Confidentiality Deed Poll and return a scanned copy of the executed deed by email to [willmott.sale@willmottforests.com.au](mailto:willmott.sale@willmottforests.com.au) (with "Willmott Confidentiality Deed Executed" in the email subject field).

Indicative non-binding offers are then to be received by email on or before **midday (AEST) on Monday, 8 August 2011**.

An opportunity to meet with the Willmott management and to participate in accompanied site visits may be granted during the subsequent due diligence stage.

Interested parties should note that completion of any sale of the assets will be conditional upon the approval of the Federal Court of Australia.

All enquiries regarding the sale process must be directed to PPB Advisory by email at:

[willmott.sale@willmottforests.com.au](mailto:willmott.sale@willmottforests.com.au)

The Liquidators and Receivers of WFL reserve the right to amend, postpone or withdraw the sale process at any time. Selected parties will also be determined at their sole discretion.

### Disclaimer

*This document has been prepared for the sole purpose of providing potential purchasers with information about WFL's assets in the North Coast region to assist such parties to make a decision as to whether they have any interest in purchasing any of WFL's assets. An information memorandum has been produced which contains details of the assets and additional information*

*which may be relevant to a decision in relation to any potential purchase.*

*This document is not an information memorandum, prospectus, or a product disclosure statement under the law of Australia or any other jurisdiction and does not constitute an offer, invitation or recommendation to purchase any of WFL's assets and neither this document nor anything contained in it shall form the basis of any contract or commitment.*

*This document is confidential, is being furnished solely for potential purchasers' information and may not be copied, reproduced or distributed to any other person, in whole or in part, except with the prior written approval of WFL.*

*The information contained in this document is based on information in the public domain at the date of publication. This document does not purport to be all-inclusive or contain all of the information which potential purchasers may require in order to make an informed assessment about whether to purchase WFL's assets. Accordingly, this document does not take into account potential purchasers' individual investment objectives, financial situation or particular needs. Potential purchasers acknowledge and agree that they will make their own independent assessment of and seek their own independent professional advice in relation to WFL and its assets and conduct their own investigations and analysis. This document should not be relied on to make any purchase decision.*

*To the maximum extent permitted by law, none of WFL, PPB Advisory, KordaMentha, or their respective related corporations, affiliates, officers, employees or agents, nor any other person, accepts any responsibility or liability, including without limitation, any liability arising from fault or negligence on the part of any person, for any claims whatever nature that may arise in any way from or in connection with the provision of this document or its contents and any inaccuracy or incompleteness or any reliance by any person on it.*

*No responsibility for any errors or omissions from this document arising out of negligence or otherwise is accepted. No representation or warranty, express or implied, is made as to the origin, fairness, accuracy, reasonableness, completeness or reliability of any information, statements, opinions or matters contained in this document or subsequently provided or made available to the recipient including the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this document (**forward looking statements**). Such forward looking statements are by their nature subject to significant uncertainties and contingencies and are based on a number of estimates and assumptions that are subject to change (and in many cases are outside the control of WFL) which may cause the actual results or performance of WFL to be materially different from any future results or performance expressed or implied by such forward looking statements. The forward looking statements should not be relied on as an indication of future value or for any other purpose.*

*By accepting this document, potential purchaser's acknowledge and agree that they understand the contents of this disclaimer and that they agree to abide by the foregoing terms and conditions of this disclaimer.*

# Confidentiality Deed Poll

Name of Interested Party

.....  
ACN

in favour of

Willmott Forests Limited  
(Receivers and Managers Appointed)  
(In Liquidation)  
(ACN 063 263 650)

and

its Affiliates

THIS DEED POLL is made on

2011

By:

.....  
[Insert name of interested party]  
ACN .....  
of .....  
[insert address]

("Recipient")

In favour of:

- (a) the Disclosing Party; and
- (b) the Affiliates of the Disclosing Party.

## AGREED TERMS

1 In this document, unless the context requires otherwise:

**"Affiliate"** means, in relation to any entity, any other entity that:

- (a) is a Related Body Corporate of the first mentioned entity; or
- (b) Controls, is Controlled by, or is under common Control with the first mentioned entity.

**"Approved Purpose"** means the consideration of whether to purchase any of the assets and the Disclosing Party and its Affiliates, whether on a 'property by property' basis or 'in one line'.

**"Confidential Information"** means all information, regardless of form, relating to the Disclosing Party, its Affiliates or their businesses or affairs, other than any part of the information that is or becomes lawfully part of the public domain or that the Recipient can prove by written records was:

- (a) developed or created by the Recipient prior to the Recipient receiving the information from the Disclosing Party or its Affiliates and independently of the Disclosing Party and its Affiliates; or
- (b) received from a third party legally entitled to possess the information and provide it to the Recipient.

**"Control"** has the meaning given to that term by section 50AA of the *Corporations Act 2001* (Cth).

**"Disclosing Party"** means Willmott Forests Limited (Receivers and Managers Appointed) (In Liquidation) ACN 063 263 650.

**"Related Body Corporate"** has the meaning given to that term by section 9 of the *Corporations Act 2001* (Cth).

- 2 The Recipient acknowledges that in consideration of the Recipient entering into this document, the Disclosing Party and its Affiliates may supply or procure the supply of Confidential Information to the Recipient.
- 3 The Recipient may use Confidential Information solely for the Approved Purpose and must keep this information confidential and ensure that its officers, employees, agents and advisers keep it confidential and must not disclose this information to any person except:
  - (a) with the prior written consent of the Disclosing Party;
  - (b) to the extent required by law or the rules of any stock exchange; or
  - (c) to any officers, employees, agents and advisers of the Recipient designated to and approved in writing by the Disclosing Party who:
    - (i) have a need to know the information for the Approved Purpose, but only to the extent they have a need to know; and
    - (ii) before disclosure, are directed by the Recipient to use Confidential Information solely for the Approved Purpose and to keep it confidential.
- 4 Nothing in this document confers upon the Recipient any right, licence or intellectual property in or to Confidential Information.
- 5 The Recipient will be deemed to have breached its obligations under this document if any of its officers, employees, agents or advisers commits any act or omission that, if committed by the Recipient, would be a breach of this document.
- 6 The Recipient must notify the Disclosing Party immediately upon being aware of any suspected, actual or deemed breach of this document and provide any assistance reasonably requested by the Disclosing Party in relation to any proceedings the Disclosing Party or any of its Affiliates may take against any person for any suspected, actual or deemed breach of this document.
- 7 The Recipient indemnifies the Disclosing Party and each of its Affiliates (each an **Indemnified Party**) against any claim, action, liability, loss, damage, cost and expense that any of the Indemnified Parties incurs or is liable for as a result of a breach by the Recipient of its obligations under this document. The Recipient acknowledges that the Disclosing Party holds the benefit of this clause on behalf of the other Indemnified Parties, and is entitled to enforce this clause on behalf of each such Indemnified Party.
- 8 The Recipient acknowledges that the Disclosing Party and each of its Affiliates makes no representations or warranties as to the quality, accuracy or completeness of the Confidential Information or that reasonable care has been taken in compiling and preparing the Confidential Information and, to the maximum extent permitted by law, excludes all responsibility or liability whatsoever in connection with the provision of, or any purported reliance on, the Confidential Information.
- 9 The Recipient must take all reasonable action with respect to the use, copying, access, security and protection of the Confidential Information or any part of it to prevent disclosure to third persons.
- 10 On the earliest to occur of:
  - (a) a demand by the Disclosing Party;



- (b) the Recipient determining that it does not wish to purchase any of the assets of the Disclosing Party or its Affiliates; or
- (c) the Disclosing Party notifying the Recipient that its bid to acquire the assets of the Disclosing Party and its Affiliates has been unsuccessful,

the Recipient must, immediately return to the Disclosing Party or destroy all records and materials, regardless of form, in its possession or control which contain or embody Confidential Information, delete any electronic copies of this information, cease to use this information or any part of it (including for the Approved Purpose) and notify the Recipient in writing that it has done so .

- 11 The Recipient continues to be bound by this document until the Disclosing Party gives the Recipient an unconditional discharge in writing.
- 12 The Recipient acknowledges that monetary damages may not be a sufficient remedy for a breach of this document and that the Disclosing Party or any of its Affiliates may seek and is entitled to remedies such as injunctive relief to prevent the breach and orders of specific performance to compel compliance.
- 13 Waiver of any power or right under this document must be in writing signed by the party entitled to the benefit of that power or right and is effective only to the extent set out in that written waiver.
- 14 Any rights and remedies that a party may have under this document are in addition to and do not replace or limit any other rights or remedies provided to that party by law.
- 15 This document may not be amended or varied unless the amendment or variation is in writing signed by all parties.
- 16 The document is executed as a deed poll. Accordingly, each of the Disclosing Party and each of its Affiliates has the benefit of, and is entitled to enforce, this deed poll even though it is not a party to, or is not in existence at the time of execution and delivery of, this deed poll.
- 17 This document is governed by and construed in accordance with the laws in force in the State of Victoria.

**EXECUTED and DELIVERED as a DEED POLL in .....**

**EXECUTED by** )  
)

.....  
Signature of director

.....  
Signature of director / company secretary  
(delete as applicable)

.....  
Name of director (print)

.....  
Name of director / company secretary (print)