

31 January 2012

Dear Grower

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

Further to the update sent earlier today we have been asked by a number of growers to outline the factual inaccuracies made by the Willmott Action Group (WAG). Provided below are the details of those inaccuracies:

WAG Comment

The WAG update states that "Her Honour also ordered that the Liquidators application be adjourned to 27 February 2012, to allow WAG time to prepare expert evidence to demonstrate flaws in the Liquidators proposed sale... the judge ruled that WAG had been denied access to information that they should be able to rely upon to make their case."

Liquidators Response

This statement is incorrect. The adjournment to 27 February 2012 was granted on the basis that there was insufficient time to hear the matter last week and so that the WAG had additional time to prepare its case. It was not granted to allow time to prepare material to "demonstrate flaws".

Her Honour made no ruling that the WAG had been denied access to information.

WAG Comment

The update states that "Her Honour granted the WAG committee access to confidential documents.. once again the Liquidators, despite their protestations, were ordered by the court to give such access".

Liquidators Response

This statement is incorrect. Her Honour, in fact, made orders maintaining the confidentiality of the confidential exhibits. The Liquidators agreed to provide confidential documents to the WAG committee, on the provision of suitable confidentiality undertakings by the WAG committee.

WAG Comment

The update states that " ...the Liquidators presented 10 binders of court documentation to our legal team (with clearly no time to read it, digest its importance or consult with the WAG executive)."

Liquidators Response

The folders referred to in this statement are a collation of the material filed by the parties in these proceedings (such as affidavits) into what is known as a "Court Book". The Court Book was prepared by the Liquidators and provided to the Court and the parties to assist Her Honour and the parties during the hearing. The Liquidators were not obliged to prepare or provide Court Books.

Of the 10 folders provided to the Counsel for the WAG, 6 of the folders simply contained documents previously filed by parties with the Court, a significant proportion of which was material filed on behalf of WAG itself. All court documents filed by the Liquidators were served on the WAG on the same day as filing and were available well before 20 January 2012. All other court documents filed by other parties (i.e., the Receivers and WGG) have been uploaded onto our website and are generally available within 24 hours of them being served. WAG therefore received all of the materials in these folders or had access to it at the same time as each other party.

2 of the 10 folders contained Project Documents for the Schemes, which had been exhibited to the court documents in these or earlier proceedings and which had been previously provided to the solicitors for WAG on a number of occasions.

The final 2 folders, being the 2 confidential volumes, contained the confidential documents provided to the solicitors for the WAG intermittently since the directions hearing on 16 December 2011. In particular, we note that the M3 and Poyry Reports were provided in December 2011 and the Sale Contract in early January 2012.

Accordingly, only a very minor proportion of the material provided to WAG's Counsel on 20 January 2012 had not previously been seen by the solicitors for WAG.

The solicitors for the Liquidators wrote to the solicitors for the WAG earlier this week seeking that the inaccuracies be addressed. No response has yet been received.

If you have any questions, please contact us at willmott@ppb.com.au

Yours faithfully



Ian M Carson and Craig D Crosbie
Joint and Several Liquidators