

Administration Bulletin No. 1

26 May 2009

Great Southern Limited ACN 052 046 536
(Receivers and Managers Appointed) (Administrators Appointed)



Week One

- On **Saturday May 16, 2009**, Ferrier Hodgson partners Martin Jones, Andrew Saker, Darren Weaver and James Stewart were appointed Administrators of Great Southern Limited and 34 of its subsidiaries. These appointments were by the boards of each company and placed the Group under the control of the Administrators.
- Since our appointment we have been focussing on the following key tasks:
 - Meeting with management and staff to develop a coordinated approach to the Administration.
 - Communicating with all known creditors, employees, investors and stakeholders about our appointment and answering their questions about the administration process.
 - Going through the Group's financial records to determine funding requirements for the various projects.
 - Reviewing the Group's assets to establish their recoverability.
 - Reviewing the Group's insurance policies to ensure their suitability.
 - Conducting meetings with the Australian Securities and Investments Commission.
 - Briefing the Federal Minister of Agriculture, Mr Tony Burke, about the company's situation.
 - Preparing updates to creditors, employees and investors regarding the administration (available on our website).
- On **Monday May 18, 2009**, Great Southern's financiers appointed McGrathNicol as Receivers and Managers of Great Southern Limited and 10 of its subsidiaries. While there remain a number of subsidiaries under the control of the Administrators, the appointment of Receivers and Managers places effective control of the majority of the Group in the hands of McGrathNicol.

The week ahead

- In the next week we will be focussing on the following tasks:
 - Preparing for and holding the first meeting of creditors (see details below).
 - Reviewing the Managed Investment Scheme ("MIS") projects.

- Beginning investigations into the Group's business, property, affairs and financial circumstances.
- Preparing further updates to creditors, employees and investors regarding the administration (which will be made available on our website).

First meeting of creditors

- On **Wednesday May 27, 2009**, the first meeting of creditors will take place at 11:00am (AEST) in the John Batman Room at the Melbourne Convention and Exhibition Centre, 2 Clarendon Street, South Bank, Melbourne. (Note: across the river from the Melbourne Exhibition Centre, attached to the World Trade Centre.) All 35 meetings will be held at the same time.
- The purpose of the meetings is to consider the appointment of the Administrators and determine whether to appoint a committee of creditors to each company (and who should be on the committee).
- For details on the meeting process please refer to the **FAQ document** on the Ferrier Hodgson website (www.ferrierhodgson.com).
- The first meetings of creditors will be broadcast on the internet via a **webcast**. To view the webcast, go to: www.ferrierhodgson.com and click the Great Southern link, then follow the link to the webcast.
- Please note, creditors will only be entitled to vote at the meetings if they attend in person or by proxy (for details, see the FAQ document on the Ferrier Hodgson website).

Going forward

- The Administrators will be examining the various MIS projects.
- The **second meetings of creditors** are due to be held by Monday 22 June 2009 unless the Administrators apply to the Court to extend this date. Before these meetings, the Administrators will issue a **report to creditors** outlining details of the Group's business, property, affairs and financial circumstances. At these meetings, creditors will consider the Administrators' report and make decisions about the Group's future.
- The Administrators are looking at the potential for reorganising the Group and will engage with the key stakeholder groups as appropriate.

Contact us

- Further details about the Administration can be found on the Ferrier Hodgson website. There you will find **circulars to creditors, employees, investors and shareholders**. There is also a link to a document containing answers to Frequently Asked Questions which is regularly updated. Go to www.ferrierhodgson.com and click the Great Southern link.
- For other questions, please call the **Great Southern Hotline** on 1800 258 348.