

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

**Great Southern 2008 Almond Income Project
ARSN 127 947 960**

Circular to Growers

Introduction

This circular is to advise Growers in the Great Southern 2008 Almond Income Project ARSN 127 947 960 (“**the Scheme**”) that the Receivers and Managers, on behalf of GSMAL, the Responsible Entity (“**RE**”) for the Scheme, are calling a Meeting of Scheme members (“**Meeting**”).

The Meeting will be held at the Wesley Conference Centre, 220 Pitt Street Sydney NSW 2000 on 24 February 2010 at 12.00 noon Australian Eastern Daylight Savings Time (**AEDST**).

A formal Notice of Meeting is enclosed with this circular.

Purpose of Meeting

The purpose of the Meeting is for:

- + GSMAL to explain its reasons for wanting to retire as RE of the Scheme. As Growers are aware, GSMAL is insolvent and cannot operate the Scheme; and
- + Growers to consider the terms of a proposal to Growers by Rural Funds Management Limited (“**RFM**”) (“**the RFM Proposal**”) for the future operation of the Scheme.

Growers should note the following:

- + The terms of the RFM Proposal as explained in the accompanying RFM Explanatory Memorandum involve change to the economic arrangements under which the Scheme operates and amendments to the Scheme Constitution and to the Licence and Management Agreement which each Grower has for their Almondlot(s); and
- + A Meeting is also being held on the same date for Great Southern's 2007 Almond Income Project. The Scheme and the 2007 Almond Income Project are separate managed investment schemes, and the passing of the resolutions at this Meeting is not dependent on the passing of the resolutions at the Meeting for Great Southern's 2007 Almond Income Project. However, subject to the resolutions being passed in this Scheme and in the 2007 Almond Income Project, RFM intends to co-locate the projects. Both projects will continue to operate as separate managed investment schemes as described in the RFM Explanatory Memorandum (attached).

Growers should ensure that they read the RFM Explanatory Memorandum, which contains information which is essential to a proper understanding of the RFM Proposal, and the significant changes which are proposed to occur to the Scheme if the Scheme is restructured as proposed. Please note that the RFM Explanatory Memorandum has been prepared by RFM and not by GSMAL or the Receivers and Managers.

Terms of the RFM Proposal

The terms of the RFM Proposal are outlined in detail in the RFM Explanatory Memorandum (prepared by RFM), enclosed with this Circular.

Growers should carefully review the terms of the RFM Explanatory Memorandum prior to determining how to exercise their vote.

Growers should be aware that the RFM Proposal may change after the date on which the Notice of Meeting is issued. If GSMAL receives notice of any changes to the RFM Proposal, the details will be posted on the Great Southern website at: www.great-southern.com.au.

The term "RFM Proposal" where used in the meeting materials is deemed to mean the RFM Proposal as described in the RFM Explanatory Memorandum as amended by any circulars published at the Great Southern website which are stated to update the RFM Proposal.

Growers are strongly encouraged to check the website regularly for any updates.

Those Growers that lodge Proxy Forms but later wish to revoke or amend their proxy appointment (in light of amendments to the RFM Proposal or for any other reason) may do so by submitting another Proxy Form (further copies can be obtained by contacting the Great Southern investor hotline on 1800 258 348).

Growers are also advised that implementation of the RFM Proposal may be subject to court directions or legal opinions being obtained, where the Receivers and Managers on behalf of GSMAL and/or RFM consider it is necessary or appropriate to do so (Refer below under the heading 'Legal Process')

Opt Out Option for Growers

RFM and GSMAL are offering Growers the option to opt out of some or all of their investments in Almondlots of the Scheme. Growers should refer to section 8 of the RFM Explanatory Memorandum for further information regarding this opt out option.

If you wish to opt out of the Scheme, you need to complete section 4 of the Proxy Form by marking an 'x' in the 'Yes' box in section 4 of the Proxy Form and insert the number of Almondlots you wish to opt out of in section 4 of the Proxy Form by writing the number in the box marked "Number of Almondlots you wish to Opt out of". If you elect to opt out and do not insert the number of Almondlots you wish to opt out of, it will be assumed you wish to opt out of all Almondlots you currently hold.

Growers should take particular care when completing section 4 of the Proxy Form and ensure that they read section 8 of the RFM Explanatory Memorandum and the information contained in the Proxy Form before completing this section.

Decision for Growers

Growers should note that the Receivers and Managers do not express any opinion on, and are not issuing any recommendation in respect of the RFM Proposal nor any of its terms and conditions.

The decision as to whether Growers accept or reject the terms of the RFM Proposal is a matter for individual Growers to determine. The RFM Explanatory Memorandum has been prepared by RFM.

In considering the terms of the RFM Proposal, it may be relevant for Growers to note the following:

- + GSMAL, the existing RE, is insolvent and without the necessary funds required to perform its duties as RE for the Scheme;
- + The Receivers and Managers carried out an extensive process to identify a suitable replacement RE for the Scheme. This involved a national marketing campaign through advertisements and press

releases as well as directly contacting parties that have relevant MIS management experience and technical capabilities;

- + The Receivers and Managers also established a comprehensive “data room”, containing the legal and financial information which any prospective RE would need to consider. That information included complete Management cash flow forecasts for the life of the Scheme, as well as a report on those forecasts by an independent expert.
- + Our search process concluded on 23 September 2009. As a result of this campaign, RFM was the only party that submitted an expression of interest to act as replacement RE for the Scheme.

In the event that Growers choose to not accept the terms of the RFM Proposal, and pass the resolutions (as required), the Receivers and Managers intend that GSMAL will commence winding up the Scheme pursuant to s601NC of the Corporations Act. A winding up application will be necessary on the basis that:

- + The RE is insolvent;
- + There is no other party of which the Receivers and Managers have notice, willing to act as a replacement RE; and
- + GSMAL has been advised by RFM as responsible entity of RFM Riverbank fund (the head lessee of the Moorah property and as the owner of the Yilgah property) that as a result of various defaults by Great Southern Almond Holdings Pty Ltd (In Liquidation) under the various leases, and in the absence of RFM or some other party being appointed as the RE of the Scheme and lease payments immediately resuming, the leases will be terminated by the RFM Riverbank fund. We understand that, on termination of the leases, ownership of the almond trees will revert to the land owner.

Debts owed by Growers to GSMAL, GS Finance and/or Bendigo and Adelaide Bank Limited

Please be advised that regardless of the decision made by Growers in respect of the RFM Proposal and/or whether a Grower elects to opt out of the Scheme;

- + Growers who have amounts outstanding to GSMAL, in the nature of unpaid management fees, unpaid GST amounts, unpaid cost reimbursements or otherwise (“**Unpaid Amounts**”) relating to the 2008 and 2009 years, shall continue to owe those debts to GSMAL;
- + RFM and GSMAL have agreed that Growers must before continuing to participate under the Scheme, pay such Unpaid Amounts to GSMAL. Whether or not the RFM Proposal is approved and implemented, GSMAL will continue to pursue payment of these Unpaid Amounts from any such Growers; and
- + Growers who may have borrowed from Bendigo and Adelaide Bank Limited or Great Southern Finance Pty Ltd ACN 009 235 143 (In Liquidation) to invest in the Scheme will continue to be bound by the terms and conditions of their respective loans. Where Growers have borrowed to invest in the Scheme, they should seek their own professional advice.

Legal Process

In considering the RFM Proposal, and the necessary amendments that will be required to change the existing structure of the Scheme for continuation as a registered scheme operated by RFM as the replacement responsible entity, some important legal issues have arisen.

Growers should refer to sections 7.13 through to 7.22 of the RFM Explanatory Memorandum for information provided by RFM in connection with these legal issues.

The Receivers and Managers believe it is necessary and appropriate for either the opinion of Senior Counsel or Court directions to be obtained in relation to the RFM Proposal and its implementation as described in the materials attached to this circular.

It is important for Growers to understand the relevance of these issues as they affect the proposal for continuation of the Scheme.

The Receivers and Managers note that the opinion of Senior Counsel or the Court's directions may be sought after you receive these meeting materials, including after the meeting, and that the issues may remain under consideration at the time of the meetings for the RFM Proposal.

Senior Counsel may be asked in connection with the RFM Proposal to give his or her opinion, or that Court directions or orders are obtained, on the following issues:

- (a) in relation to the proposed amendments of the Licence and Management Agreements ("**LMAs**") - confirmation that there are powers of attorney which can be used to amend the LMAs on behalf of Growers and that the Receivers and Managers (on behalf of GSMAL) or RFM would be justified, and would otherwise be acting reasonably and appropriately by:
 - (i) amending the Constitution of the Scheme as set out in the Schedule to the RFM Explanatory Memorandum;
 - (ii) executing an instrument in writing as agent and/or attorney for each Grower to amend their respective LMAs as set out in the Schedule to the RFM Explanatory Memorandum;
 - (iii) subject to the LMAs being amended, acting on and otherwise managing and administering the Scheme in accordance with the amended Constitution;
 - (iv) acting on and otherwise managing and administering the Scheme in accordance with the amended LMAs; and
 - (v) such further or other opinion, or orders as the Receivers and Managers on behalf of GSMAL consider appropriate; and
- (b) in relation to determining the value of votes by Growers on the resolutions at the meeting - confirmation that each Grower be given one vote in respect of each Almondlot held for which they are the registered holder (subject to the usual Corporations Act requirements in respect of voting eligibility or restrictions) and that such vote be attributed as having one dollar value for the purposes of counting the votes cast by Growers. This is confirmatory to ensure that counting of votes on the Resolutions complies with the law.

As soon as practicable after the legal process requirements have been completed to the reasonable satisfaction of the Receivers and Managers on behalf of GSMAL, details will be provided to Growers via the Great Southern website: www.great-southern.com.au.

You are encouraged to check this website for further details relating to the legal process requirements.

Receipt of materials

All Growers on the member register as at 5pm AEDST on 25 January 2010 will be sent the following information:

- + a Circular to Growers;
- + a Notice of Meeting;
- + a Proxy form; and

+ the RFM Explanatory Memorandum.

Attendance

Growers in the Scheme are encouraged to cast their vote by proxy on the resolutions, or if they wish to attend the Meeting and vote on the resolutions.

Information line for Growers' Queries

If, after reading the materials which have been sent to you, you have any queries about the terms of the RFM Proposal, please contact the RFM hotline on 1800 026 665.

Should you have any questions relating to the arrangements for holding the Meeting or in relation to your investment in the Scheme please email fm-gs@mcgrathnicol.com or contact the Great Southern investor hotline on 1800 258 348.

Disclaimer

The information in this Circular does not constitute legal or financial advice and Growers must carefully make their own assessment of the issues outlined in this Circular and seek professional advice if they are uncertain.

Dated: 25 January 2010

Yours faithfully

Great Southern Managers Australia Limited (Receivers and Managers Appointed) (In Liquidation)



James Thackray
Receiver and Manager

Enclosures:

Notice of Meeting
Proxy form
RFM Explanatory Memorandum

Notice of meeting

Notice is given that the meeting of Growers of the **Great Southern 2008 Almond Income Project ARSN 127 947 960 (AIP08)** will be held at

Time: 12:00 noon Australian Eastern Daylight Savings Time (**AEDST**)

Date: 24 February 2010

Place: Wesley Conference Centre, 220 Pitt Street Sydney New South Wales 2000.

Agenda

The purpose of the meeting is for:

- Great Southern Managers Australia Limited (Receivers and Managers Appointed) (In Liquidation) ACN 083 825 405 (**GSMAL**) to explain its reasons for wanting to retire as responsible entity; and
- Growers to consider and, if thought fit, to pass the Resolutions referred to in this notice for the appointment of a new responsible entity and other purposes.

Order of business – resolutions for the proposal by Rural Funds Management

Resolutions 1 and 2 will have no effect unless Resolutions 3 and 4 are also passed. Resolution 3 will have no effect unless Resolution 4 is passed. Resolution 4 will have no effect unless Resolution 3 is passed. Resolutions 2, 3 and 4 may have effect if each Resolution is passed, notwithstanding that Resolution 1 is not passed.

Resolution 1 – Approval of the Rural Funds Management Limited Proposal

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

'That the Growers approve the proposal by Rural Funds Management Limited described in the Explanatory Memorandum accompanying the Notice of Meeting dated 25 January 2010.'

Resolution 2 – Appointment of new Responsible Entity

To consider and, if thought fit, pass the following resolution as an extraordinary resolution:

*'That subject to the passing of resolutions 3 and 4, Rural Funds Management Ltd ACN 077 492 838 be appointed as responsible entity of the Great Southern 2008 Almond Income Project ARSN 127 947 960 (**AIP08**) on the retirement of Great Southern Managers Australia Limited (In Liquidation) (Receivers and Managers Appointed) in accordance with section 601FL Corporations Act and Great Southern Managers Australia Limited (Receivers and Managers Appointed) (In Liquidation) is released from all future liabilities and further obligations in relation to the AIP08.'*

Resolution 3 – Amendment of AIP08 Constitution

To consider and, if thought fit, pass the following resolution as a special resolution:

*'That subject to the passing of resolution 4 and Rural Funds Management Limited (**RFM**) being appointed the responsible entity, or the court appointing RFM as temporary responsible entity of the Great Southern 2008 Almond Income Project ARSN 127 947 960 (**AIP08**), the Growers approve the modifications to the Constitution of AIP08 as set out in the Schedule to the Explanatory Memorandum which accompanies the Notice of Meeting and authorise RFM*

to enter into a supplemental deed modifying the Constitution for that purpose immediately following its appointment as the responsible entity or as temporary responsible entity.'

Resolution 4 – Amendment of Licence and Management Agreement Standard Terms

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

'That subject to the passing of resolution 3, the Growers:

(a) approve the amendments to the standard terms of the Licence and Management Agreement for the Great Southern 2008 Almond Income Project ARSN 127 947 960 (AIP08) as set out in the Schedule to the Explanatory Memorandum which accompanies the Notice of Meeting; and

(b) acknowledge the right of Great Southern Managers Australia Limited (Receivers and Managers Appointed) (In Liquidation) as responsible entity or Rural Funds Management Limited as responsible entity or as a court appointed temporary responsible entity (as the case may be), of AIP08 to make those amendments to the Licence and Management Agreements to Growers using the rights under any powers of attorney granted by Growers, including the powers of attorney granted by the Growers pursuant to Resolution 3, and the powers of attorney granted by Growers in their application forms submitted at the time of applying for interests in AIP08, including in their respective Licence and Management Agreements.'

Explanatory notes

Refer to the Explanatory Memorandum accompanying this Notice of Meeting. Also refer to the Information for Growers contained in this notice of meeting (below).

Interpretation

Terms used in this notice of meeting have the meanings given to them in the Glossary contained in the Explanatory Memorandum included with this Notice of Meeting.

Dated 25 January 2010

By Great Southern Managers Australia Limited
(Receivers and Managers Appointed) (In Liquidation)



James Thackray
Receiver and Manager

INFORMATION FOR GROWERS

Interdependency of Resolutions

Resolutions 1 and 2 will have no effect unless Resolutions 3 and 4 are also passed. Resolution 3 will have no effect unless Resolution 4 is passed. Resolution 4 will have no effect unless Resolution 3 is passed.

Resolutions 2, 3 and 4 may have effect if each Resolution is passed, notwithstanding that Resolution 1 is not passed.

Voting Entitlement

For the purposes of the Corporations Act, the persons eligible to attend and vote at the meeting are those persons who are registered Growers of the AIP08 scheme at 11am AEDST on 22 February 2010.

None of GSMAL, RFM or their associates are entitled to vote their interests on the Resolutions.

On a show of hands, each Grower has one vote. On a poll, each Grower has one vote for each dollar value of the total interest they have in the AIP08 Scheme. For the purposes of the meeting, on a poll each Grower will be given one vote for each Almondlot, as each Almondlot held by Growers in AIP08 is considered to be of an equal value.

Special and extraordinary resolutions must be decided on a poll. Any other resolutions put to the vote at the meeting of AIP08's members must be decided on a show of hands unless a poll is demanded in accordance with the Corporations Act.

It is intended that a poll be called on all other resolutions put to the Meeting.

Voting Eligibility

Growers are reminded that the Corporations Act provides that the responsible entity and its associates are not entitled to vote their interest on a resolution at the meeting if they have an interest in the resolution or matter other than as a member.

Any Grower who believes that this voting restriction may apply to their circumstances should contact Great Southern Managers Australia Limited (In Liquidation) (Receivers and Managers Appointed) prior to the meeting date.

Voting by Proxy, Corporate Representative or Attorney

A Grower has a right to appoint a proxy. The proxy does not need to be a Grower of AIP08. If the Grower appoints two proxies, the Grower may specify the proportion or number of votes the proxy is appointed to exercise.

If you wish to appoint a proxy, please read the 'Instructions to complete a proxy form' attached to the proxy form carefully.

Corporations that are Growers eligible to vote on the resolutions and who wish to attend and vote at the meeting must appoint an individual as a representative, and the individual must bring with them to the meeting the original document properly authorising their appointment under section 253B of the Corporations Act.

If you wish to appoint a person as your attorney, to attend or to vote on your behalf at the meeting, that person must provide sufficient evidence of their appointment to attend or to vote on your behalf.

If you intend to vote by proxy, as a corporate representative or as attorney please ensure that you arrive at least 30 minutes prior to the scheduled starting time of the meeting to enable your registration to be completed in sufficient time prior to the meeting commencement.

Chairman

Under the law, GSMAL will nominate an individual to be Chairman of the Meeting.