
LOWELL CAPITAL LIMITED

ABN 60 006 844 588

AFSL: 241175

1 July 2012

Dear Grower

Grower Meetings Adjourned

The meetings for both the Great Southern HVT 2007 and 2008 Projects held on 26 June 2012 have been adjourned until 10.00 & 10.30, respectively, Tuesday 10 July.

It is disappointing to report that only 128 of the 2822 members eligible to vote, actually voted in the meetings and that the motions to adjourn were carried with 6% and 11% of the total eligible proportional votes in the respective 2008 and 2007 Schemes.

Effects of Adjournment

Settlement of the Land Transaction with the Liquidator on 2 July, to be settled with funds from the Finance Facility, the subject of the meeting resolutions, is no longer possible.

The ability of Lowell to conclude over eighteen months of complex negotiations to complete the Land Transaction has been put at high risk because of the decision to adjourn.

Transaction costs, which are already extremely high, are estimated to be increased by \$60,000 to \$80,000.

Lowell petitioned the Liquidator for a further extension and it has been confirmed by the Liquidator that "the Seller consents to a final extension to Completion until 12 July 2012."

The Finance Facility was made available only until 30 June and in view of the adjournments Lowell petitioned for an extension until 13 July. The Financier has indicated that the Finance Facility will remain open for the time being, subject to the application of an Interest Commencement Date of 11 June and his conviction that the Transaction will proceed following Grower approval at the 10 July meeting.

You Should Exercise your Right to Vote – It's Your Money

It is estimated that Growers initially paid around \$123 million to Great Southern to participate in the GSHVT Schemes and since Lowell took over as RE, Growers have contributed a further \$2 million in Additional and Increased Contributions.

Lowell has a fiduciary duty to act in the interests of all Growers and needs the active support of a majority of Growers in order to carry out those duties. Lowell would like many more than the 128 Growers who exercised **their vote at the 26 June 2012 meeting to do so at the resumed meeting on 10 July 2012.**

You Should Vote – It's Your Right

Lowell urges every eligible Grower to attend the forthcoming meetings and register a positive vote for the Resolutions as explained in the Meeting Booklet, dated 1 June 2012. If you are unable to attend the meeting, you should complete the Proxy Form, register your vote directly on the resolutions, and return the form via :

email : hvtgrowers@realmanagementservices.com.au

Fax : 08 8724 7466

to ensure that your form reaches us before the new cut off time for proxy votes.
Proxy voting for the meetings to be held on Tuesday 10 July closes at:

10.00 am EST Sunday 8 July 2012.

You Should Vote in Favour of the Resolutions

The Board of Directors of Lowell strongly recommends that you vote in favour of the Resolutions as detailed in the meeting booklet dated 1 June 2012 recently sent out to you. Uptake of the Offer for Growers to subscribe equity funds to the HVT Land Scheme, as detailed in the PDS dated 29 May 2012, has not been sufficient to enable the purchase of the Land without access to additional funds from the Finance Facility.

Approval of the Resolutions is required to empower Lowell to enter into the Finance Arrangements on the terms set out in the Meeting Booklet, so that it can complete the Land Transaction.

The Land Transaction will enable Lowell as the RE for the HVT Land Scheme to purchase the remaining properties upon which your tree schemes are planted.

Without access to the Funds from the Finance Facility, Lowell will be unable to complete the Land Transaction and it is probable the Schemes will fail.

Reasons for Adjournment of Last Week's Meetings

The meetings were adjourned to allow growers to petition Lowell to change certain aspects of the HVT Land Scheme Offer as currently detailed in the Product Disclosure Statement dated 29 May.

Issues for Consideration

Lowell is prepared to consider changes to the Offer which it considers to be in the equitable interests of all Growers. Among the issues under consideration are the conditions surrounding Grower's Eligibility to participate in the Land Schemes, price of interests in the Scheme, the mechanism for defaulting Growers from the Scheme, the eligibility of Lowell to participate in the Scheme and the level of equity, other than Growers, which may be taken into the scheme.

Lowell intends to consult with growers who have expressed an interest to do so over the next few days and will release any further information as soon as it becomes available.

Extension of Closing Date for the Offer for interests in the HVT Land Scheme

The closing date for applications for interests in the HVT Land Scheme (ARSN 154 154 033) has been extended to Tuesday 31 July 2012.

Visit our website for further details www.lowellcapital.com.au

Further Advice to Follow

Only Lowell has a fiduciary duty to act in the interests of **ALL** Growers and will keep **ALL** Growers informed as to developments. Please monitor our website closely during this period, read any emails or mail from Lowell. It will be important to your interests.

You may contact us for further information on 08 8724 2400 or email hvtgrowers@realmanagementservices.com.au