

STRONGER TOGETHER



GREAT SOUTHERN
GROUP OF COMPANIES

For personal use only



Great Southern Limited

26 August 2008

Disclaimer

IMPORTANT: The information in this document is provided for informational purposes only by Great Southern Limited ('Great Southern') and is subject to change without notice. Nothing contained in this document constitutes investment, legal, tax or other advice. The securities that are likely to be offered will be contained in a prospectus to be issued by Great Southern and which is expected to be lodged with ASIC on or about 29 August 2008. A person considering whether to acquire shares should consider the prospectus and will need to complete the application form that will accompany the prospectus. The information in this document does not take into account your investment objectives, financial situation or particular needs. Before making an investment decision you should consider, with the assistance of your professional securities adviser, whether an investment in Great Southern is appropriate in light of your particular investment needs, objectives and financial circumstances.

Nothing in this document should be considered a solicitation, offer or invitation to buy, subscribe for or sell any security in the United States or in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation. The distribution of this document outside Australia may be restricted by law. Persons who come into possession of this document who are not in Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Neither this document nor any copy hereof may be transmitted in the United States or distributed, directly or indirectly, in the United States or to any US person including (1) any US resident, (2) any partnership or corporation or other entity organised or incorporated under the laws of the United States or any state thereof, (3) any trust of which any trustee is a US person, or (4) any agency or branch of a foreign entity located in the United States. By accepting this document, you agree to be bound by these limitations.

Great Southern has prepared this document based on information available to it. Although all reasonable care has been taken to ensure that the facts stated and opinions given in this document are fair and accurate, the information provided in this document has not been independently verified for the purposes of this presentation. Accordingly, no representation or warranty, expressed or implied is made as to the fairness, accuracy, completeness or correctness of the information and opinions contained in this document. To the fullest extent permitted by law, none of Great Southern, its directors, employee or agents or any other person accepts any liability for any loss whatsoever arising from any use of this document or its contents or otherwise arising in connection therewith.

If this document contains Financial Product advice, then that advice has been prepared without taking into account the client's objectives, financial situation or needs, and because of that, the client should, before acting on the advice, consider the appropriateness of the advice, having regards to the client's objectives, financial situation and needs.

1	Strategic review	4
2	Proposal overview	7
3	Investment highlights	13
4	Financial highlights	25
5	Key Risks	33
6	Conclusion	35
7	Appendices	37
8	Annexure	

1

Executive Summary

Strategic review

- Great Southern Limited (“GSL”) (GTP.ASX) has built a market leading Agricultural Investment Services business and during this process has acquired a portfolio of prime agricultural land
- However, over the past 12 to 18 months, a number of factors have impacted on GSL’s business including the ATO’s position on non-forestry tax effective MIS, volatility in the global credit markets, rising cost of suitable land and the expected introduction of legislation with regards to carbon trading. As a result, GSL instigated a full strategic review of its existing business
- This review was aimed at creating a more sustainable, transparent and valuable business. The review concluded that GSL needed to:
 - Take advantage of its significant existing strategic assets including its large forestry land estate and forestry management skills
 - Improve the certainty of its future cash flows
 - Focus on selling tax effective MIS products that meet internal return thresholds and which have sufficient regulatory certainty
 - Reduce fixed overheads and tax effective MIS sales costs
 - Reduce gearing
 - Grow its existing agricultural funds management business
 - Maximise value from its significant cattle land estate

Key initiatives

- A proposal to acquire the interests of MIS investors in 8 projects
 - A \$438.1 million proposal under which the interests of project investors in each of the 8 projects would be exchanged for GSL shares
 - 6 hardwood plantation projects (1998, 1999, 2000, 2001, 2002, 2003) – \$315.9 million
 - 2 cattle projects (2006, 2007) – \$122.2 million
- A reorientation of GSL's Agricultural Investment Services business
 - Only High Value Timber ("HVT") and Pulpwood tax effective MIS products to be sold in the foreseeable future
 - Forestry projects targeted to be less capital intensive
 - Focus on growing the Rural Opportunities Fund ("ROF")
- Significant reduction in costs
 - Cost reduction program has commenced
 - Rationalise operations and deliver efficiencies
 - Reduction of over 50 staff already occurred
 - Targeting cost savings and efficiencies of approximately \$30m pa

2

Proposal overview

Proposal terms

- GSL has proposed to exchange interests of project investors across 8 MIS projects schemes for 398.4 million new GSL shares by way of 8 contractual scheme of arrangements (“scheme proposals”)
 - Represents 55% shareholding in post transaction GSL
 - Implies a value of \$438.1 million at the issue price of \$1.10 per share
 - The issue price has been determined having regard for a number of factors, including the current and historical share price of the company, the net tangible asset value at 30 June 2008 of \$2.13 per share and the proforma net tangible asset value if all proposals are successful of \$1.46 per share

MIS project	Number of GSL shares offered for project (m)	Implied value of offer at \$1.10 (\$m)	GSL shares to be issued per Woodlot/Drove
1998 Pulpwood	23.9	26.3	2,342
1999 Pulpwood	34.6	38.0	2,750
2000 Pulpwood	91.6	100.7	2,150
2001 Pulpwood	21.7	23.9	1,550
2002 Pulpwood	29.3	32.2	1,600
2003 Pulpwood	86.2	94.8	1,640
2006 Cattle	55.7	61.3	3,700
2007 Cattle	55.4	60.9	3,550
Total	398.4	438.1	NA

- At the same time as the scheme proposals, GSL will make an unconditional individual offer which is intended to give project investors the ability to exchange on the same terms, their interests for GSL Shares even if an individual scheme proposal is not approved

Pre-implementation

- The scheme proposals involve bringing together some of GSL's key assets with the assets and rights of project investors

Existing GSL
Shareholders

100%

Great Southern Limited

Land & Forestry

- Owns freehold forestry land of 180,000 ha with an unencumbered value of \$1.1 billion
- Owns pastoral leases or the freehold of 1.4 million ha of cattle land independently valued at \$130m
- 100% of net harvest proceeds from estimated harvest of 1.4 million GMt of woodchips over next 5 years

Agricultural Investment Services

- Leading tax effective MIS business
- Agricultural funds management business
- Diversified agricultural management skills
- Financial product sales network

MIS Project Revenues

- Rights to 5.5% of plantation net harvest proceeds
- Rights to 50% of cattle sales
- Rights to a share of horticultural project returns

Investors in
the Projects

100%

Project Assets

Pulpwood projects 1998-2003

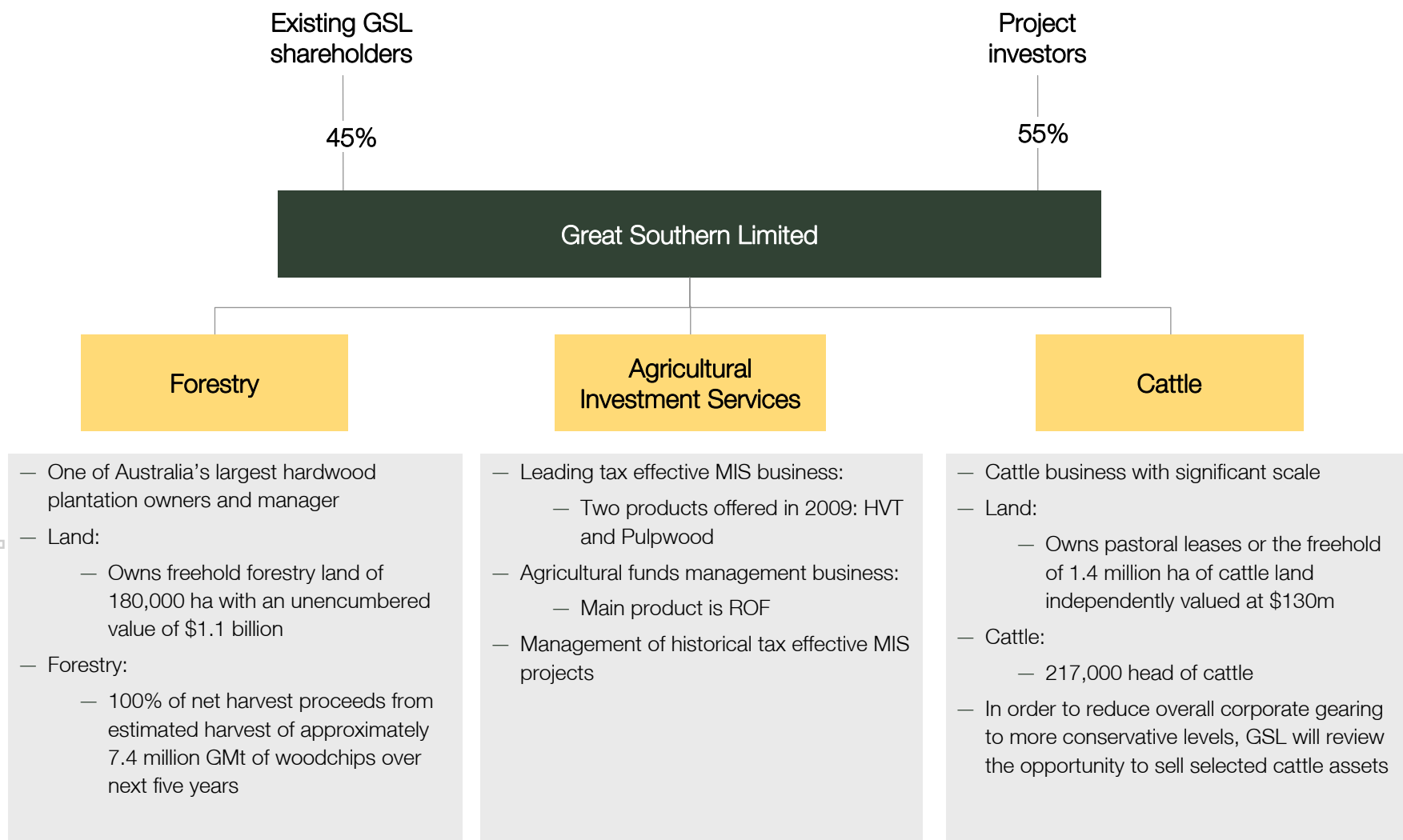
- Rights to 94.5% of net harvest proceeds from estimated 6.0 million GMt woodchips to be harvested during 2008-2014

Cattle projects 2006-2007

- Rights to 50% of net sale proceeds from sale of project cattle between 2008 and 2015

Post-implementation

For personal use only

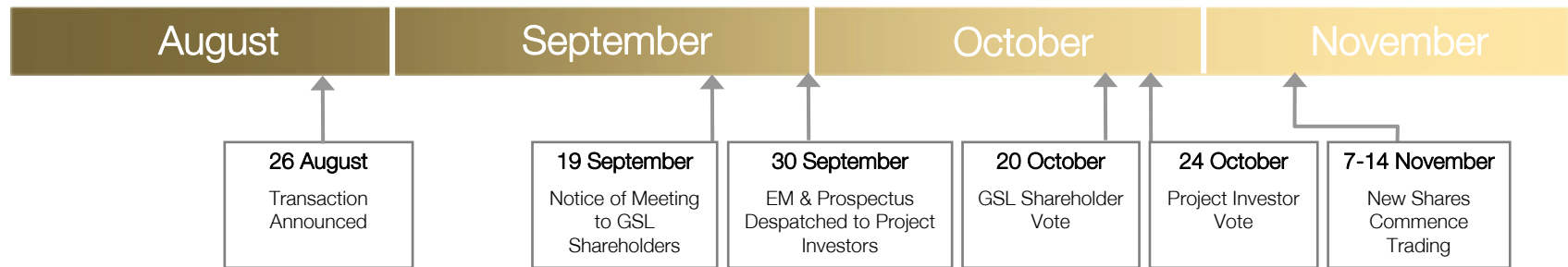


Benefits to project investors

- If each of the 8 scheme proposals are approved or project investors accept the individual offer, they will individually benefit from:
 - The flexibility to trade their investment in a liquid market
 - An exchange of assets at a fair and reasonable value supported by the conclusion of the Independent Expert
 - Value today in exchange for cash flows expected in the future
 - Diversification of risk and asset exposure
 - Removal of future expense obligations (plantation projects only)
 - A CGT concession in respect of a significant proportion of the consideration in relation to the cattle projects only (expected to be : 59% 2006 project, 74% 2007 project)
- As new shareholders, project investors will also participate in GSL's transformation into one of Australia's largest agricultural companies

Key dates and conditions

- The timetable* aims to complete the transaction by late October



- Conditions:
 - GSL shareholder approval
 - Project investor approval via a contractual scheme of arrangement (75% by votes and 50% by number in favour) for each of 8 projects
 - The 8 separate schemes are not inter-conditional on each other
 - Individual offer will be open from 30 September to 3 November 2008
 - The transaction is not conditional on any banking or regulatory approvals

3

Investment highlights

Appropriate valuation benchmarks

- At the issue price of \$1.10, Great Southern would have a market capitalisation of \$800 million and enterprise value of \$1.42 billion

Comparables	Pre Offer	Post Offer @ \$1.10 Issue Price	Post Offer @ 1x NTA	Gunns	AACo	PrimeAg
Share Price (\$)	0.70 ²	1.10 ³	1.45 ³	1.675 ²	3.01 ²	1.705 ²
Shares On Issue (m)	329.3	727.6 ¹	727.6 ¹	406.6	256.9	150.0
Undiluted Market Cap (\$m)	231	800	1,056	681	773	256
Net Debt (\$m)	621	621	621	1,035	408	(128)
Enterprise Value (\$m)	852	1,421	1,677	1,716	1,181	128
Net Tangible Assets (NTA) (\$m)	690	1,056 ¹	1,056 ¹	829	717	229
NTA / Share (\$) ⁴	2.10	1.45	1.45	2.04	2.79	1.52
Market Cap / NTA	0.3x	0.8x	1.0x	0.8x	1.1x	1.1x
Total Debt (\$m)	770	770	770	1,049	418	NA
Total Assets (\$m)	1,984	2,364 ¹	2,364 ¹	2,430	1,333	298
Debt / Total Assets (%)	39%	33%	33%	43%	31%	NA

- In the event GSL sell selected cattle assets, it is expected the proceeds from the sale will be used to reduce overall corporate gearing

1) Assumes 100% success of the scheme proposal

2) Closing price on 21 August 2008

3) There is no guarantee that GSL will trade at these implied values

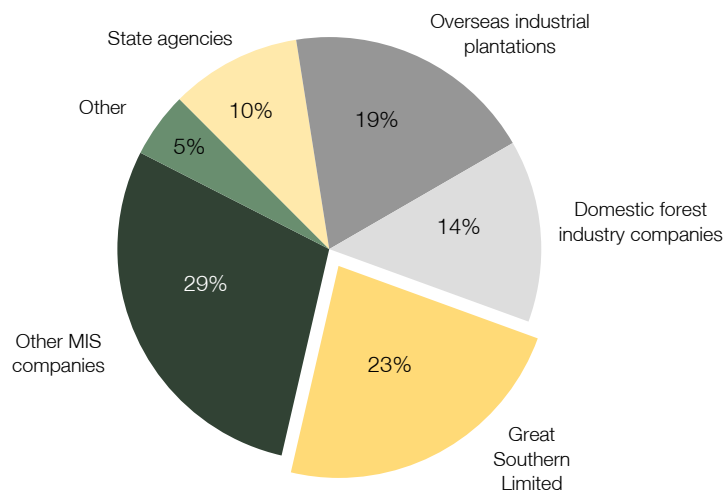
4) Based on NTA as at 30 June 2008 (management accounts) of \$2.13 and proforma NTA of \$1.46 adjusted for 6.0m shares issued from DRP in July 2008

Source: IRESS 21 Aug 2008, FactSet Financials 21 Aug 2008 (latest reporting period), GSL June 2008 Accounts, PrimeAg 12 April 2008 Release

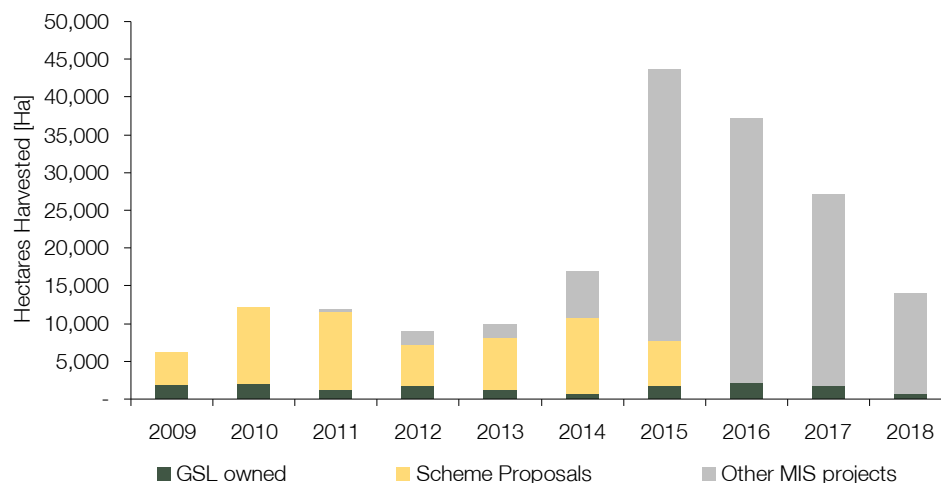
1) The creation of Australia's largest hardwood forestry business

- Great Southern will control ~ 23% of Australia's 800,000 ha hardwood plantation estate
- GSL would expect to harvest approximately 7.4 million green metric tonnes of hardwood woodchips over the next five years which at today's price of A\$207.4/BDMt would deliver gross harvest proceeds of approximately \$800 million (refer to Appendices for more detailed harvest schedule)

GSL share of Australian hardwood plantation estate



Indicative harvest areas: GSL v MIS





Investment highlights

For personal use only

GSL Owned or Managed Plantations

Tiwi & NT	'000 Ha
GSL Pulpwood	-
MIS Pulpwood	25.8
APT Pulpwood **	0.4
MIS HVT	9.3
Total	35.5

Bunbury	'000 Ha
GSL Pulpwood	15.1
MIS Pulpwood	13.3
APT Pulpwood	13.8
**	
Total	42.2

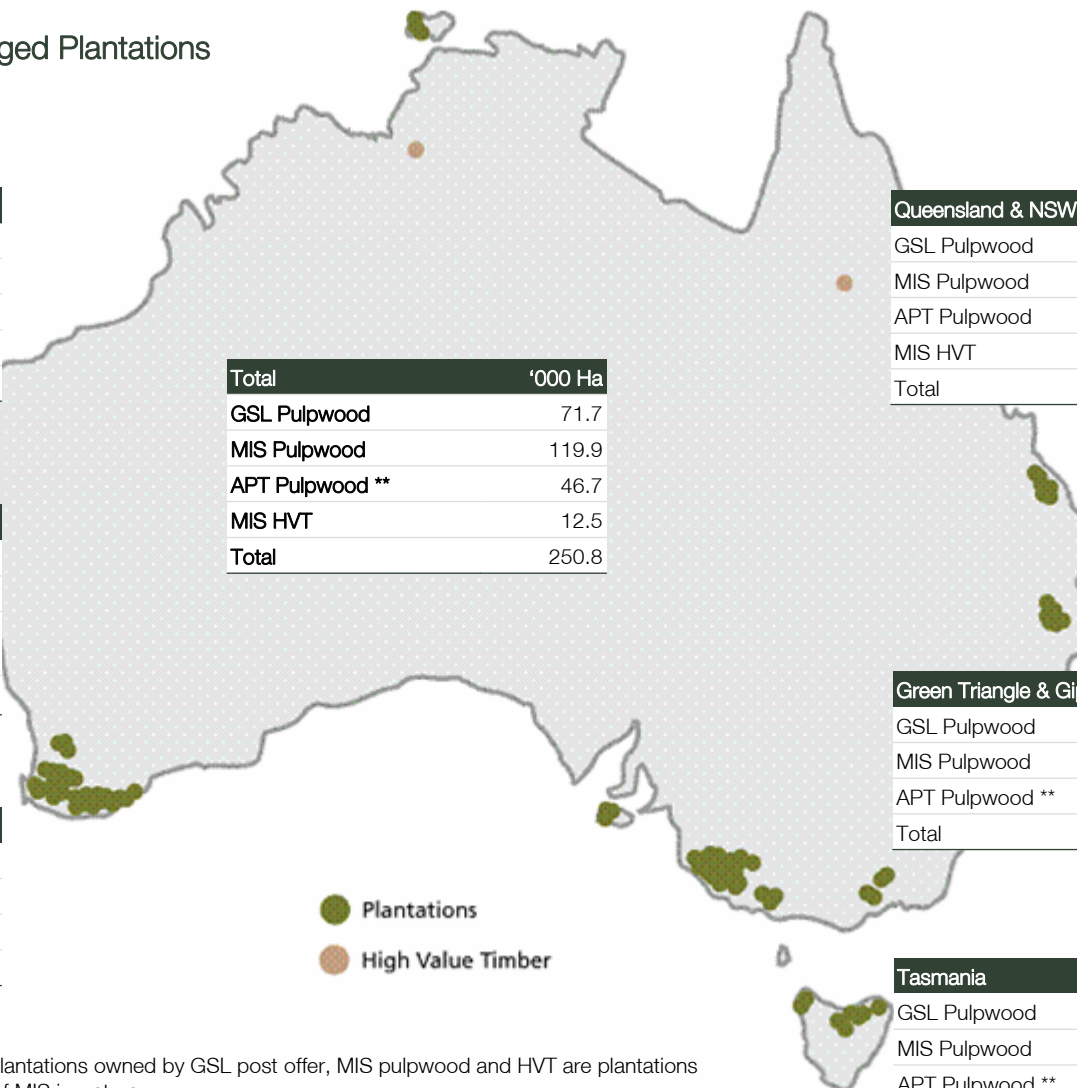
Albany	'000 Ha
GSL Pulpwood	29.7
MIS Pulpwood	15.3
APT Pulpwood **	11.5
Total	56.5

Total	'000 Ha
GSL Pulpwood	71.7
MIS Pulpwood	119.9
APT Pulpwood **	46.7
MIS HVT	12.5
Total	250.8

Queensland & NSW	'000 Ha
GSL Pulpwood	6.2
MIS Pulpwood	10.3
APT Pulpwood	-
MIS HVT	3.2
Total	19.7

Green Triangle & Gippsland/KI	'000Ha
GSL Pulpwood	20.7
MIS Pulpwood	45.5
APT Pulpwood **	21.0
Total	87.2

Tasmania	'000 Ha
GSL Pulpwood	-
MIS Pulpwood	9.7
APT Pulpwood **	-
Total	9.7



- Plantations
- High Value Timber

GSL Pulpwood are plantations owned by GSL post offer, MIS pulpwood and HVT are plantations managed on behalf of MIS investors

** Ex APT land estate is owned by GSL, but current rotation is managed by ITC

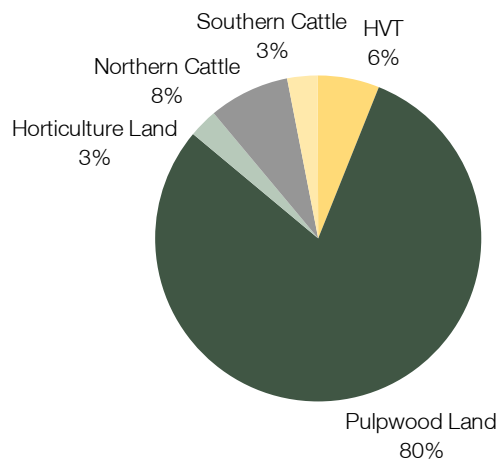


Investment highlights

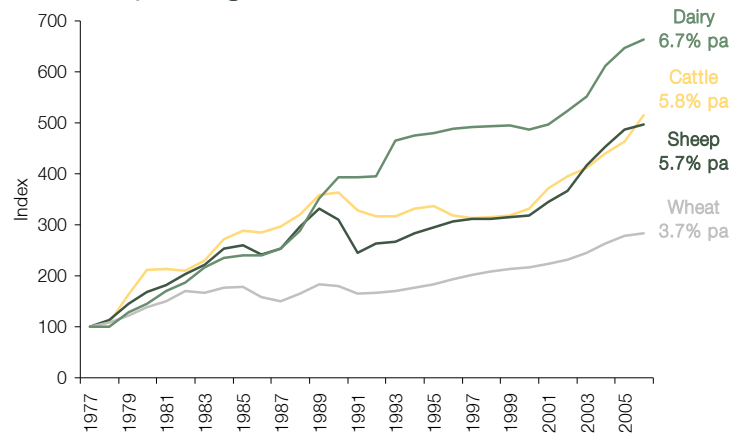
2) GSL will be able to better maximise the value of its significant land bank

- Land in relatively secure rainfall locations has been in particularly strong demand
- Freehold forestry estate of ~180,000 hectares is made up of 688 individual properties with an unencumbered value of approximately \$1.1 billion
- Freehold cattle estate of 1.4 million hectares is made up 7 freehold properties which has been independently valued at \$130 million

Land assets by value



Land price growth



Source: ABARE 2007

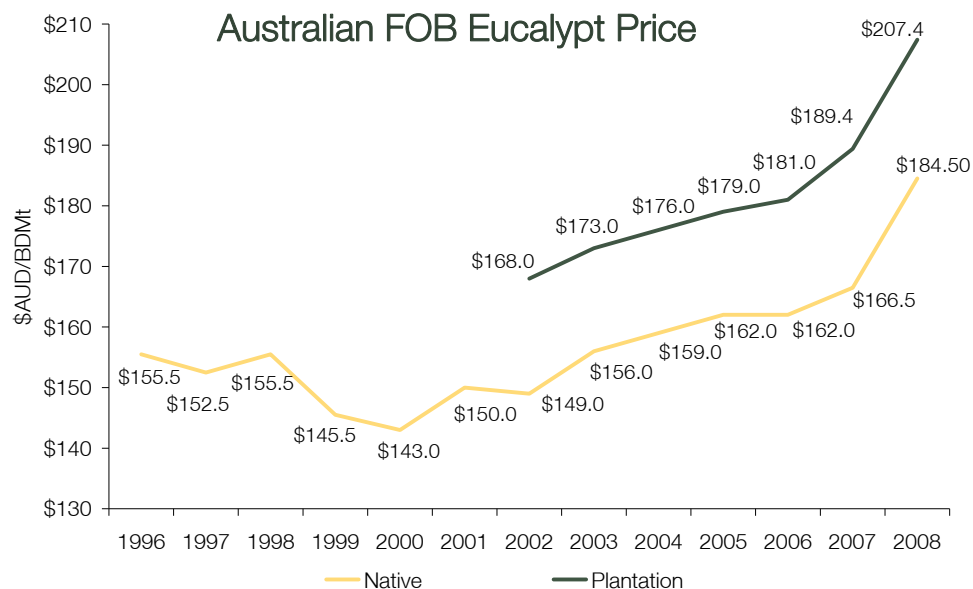
3) Improved forestry returns through operational efficiencies

- The successful implementation of the 8 scheme proposals will allow greater management flexibility to actively manage the plantation estate:
 - Remove operational costs associated with the ongoing management and reporting of the 8 projects
 - Removes project restrictions to harvest at specific time resulting in following benefits:
 - **Age/yield:** GSL can determine the most opportune time to harvest – typically between 8-12 years
 - **Location:** GSL can harvest plantations in close proximity to one another at the same time
 - **Infrastructure:** GSL will consider the opportune time to build or purchase infrastructure required to process plantations and manage volume throughput
 - **Revenue smoothing:** Given the lumpy nature of historical MIS sales, GSL will have the option to smooth the harvest of plantations
 - **Price:** Harvesting profile can be optimised to maximise revenue given existing and expected future contract price negotiations

Investment highlights

4) GSL will have greater exposure to woodchip/fibre prices

- As the leading Australian hardwood plantation woodchip supplier, GSL will be well placed to take advantage of any positive global wood fibre market factors
 - Australia is currently the largest exporter of hardwood woodchips in the Pacific Rim
 - Australian woodchip producers and exporters hold a transport cost advantage over woodchip exporters located in Latin America, South Africa, and the US
 - Australian plantation hardwood supply is increasing its market share compared with native hardwood chip supply due to higher pulp yield and environmental concerns
 - Higher woodchip prices should translate to a more profitable forestry and tax effective MIS forestry business

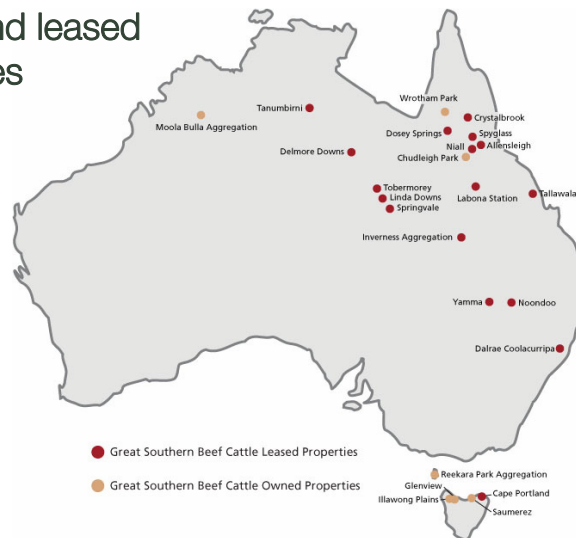


Investment highlights

5) Creates a cattle business with significant scale

- Ownership of pastoral leases or the freehold of 1.4 million ha across 7 properties
 - Independently valued at \$130 million
- Provides GSL with the rights to 100% of net sale proceeds from project cattle between 2008 and 2015

GSL owned and leased cattle properties



Cattle land	Ha (m)
Owned or Pastoral lease	1.4
Short term lease	2.4

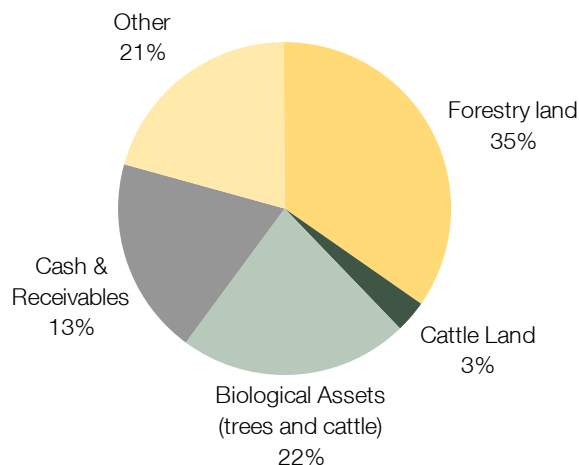
- The removal of the MIS structure around GSL's cattle business will allow greater operational flexibility in managing the GSL herd and the timing surrounding the sale of cattle
- The combination of management, cattle and land assets will create an integrated, geographically diverse cattle business
- 20 — In order to reduce overall corporate gearing to more conservative levels, GSL will review the opportunity to sell selected cattle assets

Investment highlights

6) Improved balance sheet strength, flexibility and scale

- As a result of the success of the 8 scheme proposals:
 - Total assets will increase to \$2.36 billion and net assets increase to \$1.15 billion
 - Gearing will fall with debt to total assets expected to fall from 39% to 33%
 - At the issue price of \$1.10, GSL would have a market capitalisation of \$800 million
 - At the issue price of \$1.10, GSL would have a market enterprise value of \$1.4 billion

Proforma total assets by value - \$2.36bn



Note: Cattle land at cost of approximately \$70m

Agricultural companies by market value



* GSL Pre Offer based on closing price on 21 August 2008 of \$0.70

** GSL Post Offer assumes the successful implementation of all 8 Proposals at the issue price of \$1.10

*** GSL Post Offer based on 1x Net Tangible Asset value of \$1.45/share

Note: there is no guarantee that GSL will trade at these implied values

7) Improves GSL's earnings and cashflow predictability

- Increased predictability of GSL's future cashflow
 - Expect \$104 million of revenue from woodchip sales and \$27 million from cattle sales in FY2009
- Focus on forestry MIS with ATO certainty
 - In 2007 legislation was introduced providing certainty of deductions for forestry MIS projects

The characteristics of GSL are expected to be more closely aligned with Australian agricultural companies rather than pure tax effective MIS companies

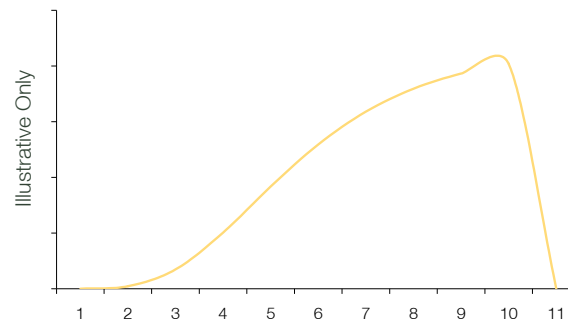


Investment highlights

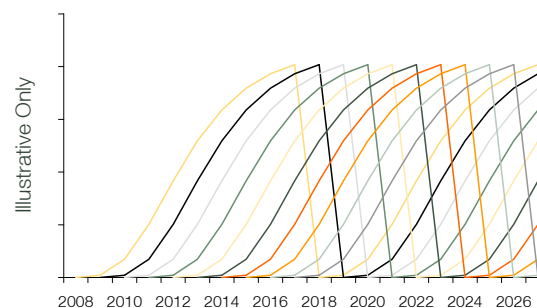
8) Capturing the potential benefits of carbon emissions trading

- In July 2008, the Australian Federal Government published its Carbon Pollution Reduction Scheme (CPRS) Green Paper, outlining a preliminary framework for a carbon emissions trading scheme to be introduced by 2010
- The Green Paper recognised the strong contribution made by plantation forests to Australia's greenhouse gas accounts and provided encouraging principles for the plantation forestry industry to allow plantation forestry carbon sequestration to be valued under the trading scheme
- The graphs demonstrate how an estate of pulpwood harvested on a 10 year rotation is able to permanently sequester carbon, and therefore may have permanent carbon available for sale. The values are indicative only
- Forestry carbon is only likely to have permanent value where land and plantations are held together

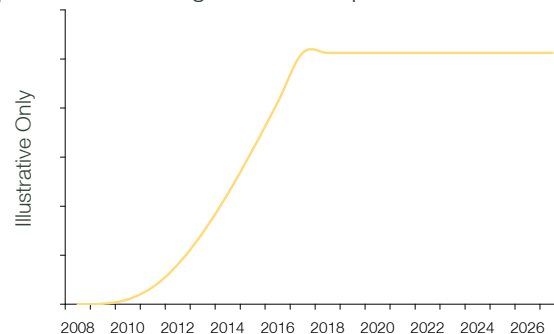
Carbon sequestration: 1 plantation – net zero impact



Carbon sequestration: multiple year plantings



Carbon sequestration: plantation portfolio (land & trees) – permanent average level of sequestration



Opportunities

- ATO non-forestry MIS test case
 - GSL will consider re-introducing non-forestry MIS to its product suite if certainty of ATO product rulings is resolved
- Infrastructure Development
 - GSL will have the opportunity to generate a return on investment via the processing of product from other third party plantations (as evidenced by its Hansol woodchip and export facility)
- Industry Consolidation
 - Given the benefits achievable through scale, GSL believes that there is the potential for consolidation within the forestry sector
- Biomass
 - GSL has already signed exclusive Biomass harvest residue offtake rights agreements with both Pacific Energy Limited and WA Biomass Pty Ltd
- Franking Credit Balance
 - As at 30 June 2008, GSL had an unused franking income tax credit balance of \$159.4 million
 - The declaration and payment of any future dividends will be determined by GSL directors in accordance with its existing dividend policy

4

Financial highlights

Proforma income statement

- FY2008 results reflect sales to 30 June 2008 of \$314 million
- New sales in Q4 FY2008 generally small but agricultural activities and support activities ongoing
- Indicative FY2008 after tax result before one-off items is expected to be close to breakeven
- FY2008 result impacted by one-off doubtful debt provision of \$34 million in March 2008. No additional asset write downs or significant provisions expected
- Indicative FY2008 result a loss after tax of between \$23 million to \$28 million, excluding the impact of investment properties in Q4 FY2008 *
- Should the scheme proposals be successful the adjustment below will arise in FY2009
- Proforma position impacted by stamp duty and contract cancellation costs booked as part of transaction

9 months to 30 June 2008 (\$m)	Management Accounts 30 June 2008	Difference	Management Accounts Proforma 30 June 2008
Revenue	384.4	14.1	398.5
Commissions, Marketing & Selling Costs	(52.1)	-	(52.1)
Agriculture & MIS related expenses	(150.5)	(95.7)	(246.2)
Other expenses	(145.5)	(13.5)	(159.0)
Total expenses	(348.1)	(109.2)	(457.3)
Profit / (loss) before income tax	36.3	(95.1)	(58.8)
Income Tax Expense	(14.6)	28.6	14.0
Profit / (loss) after income tax	21.7	(66.5)	(44.8)

* subject to actual timings of MIS forestry establishment activities and impact of revenue recognition

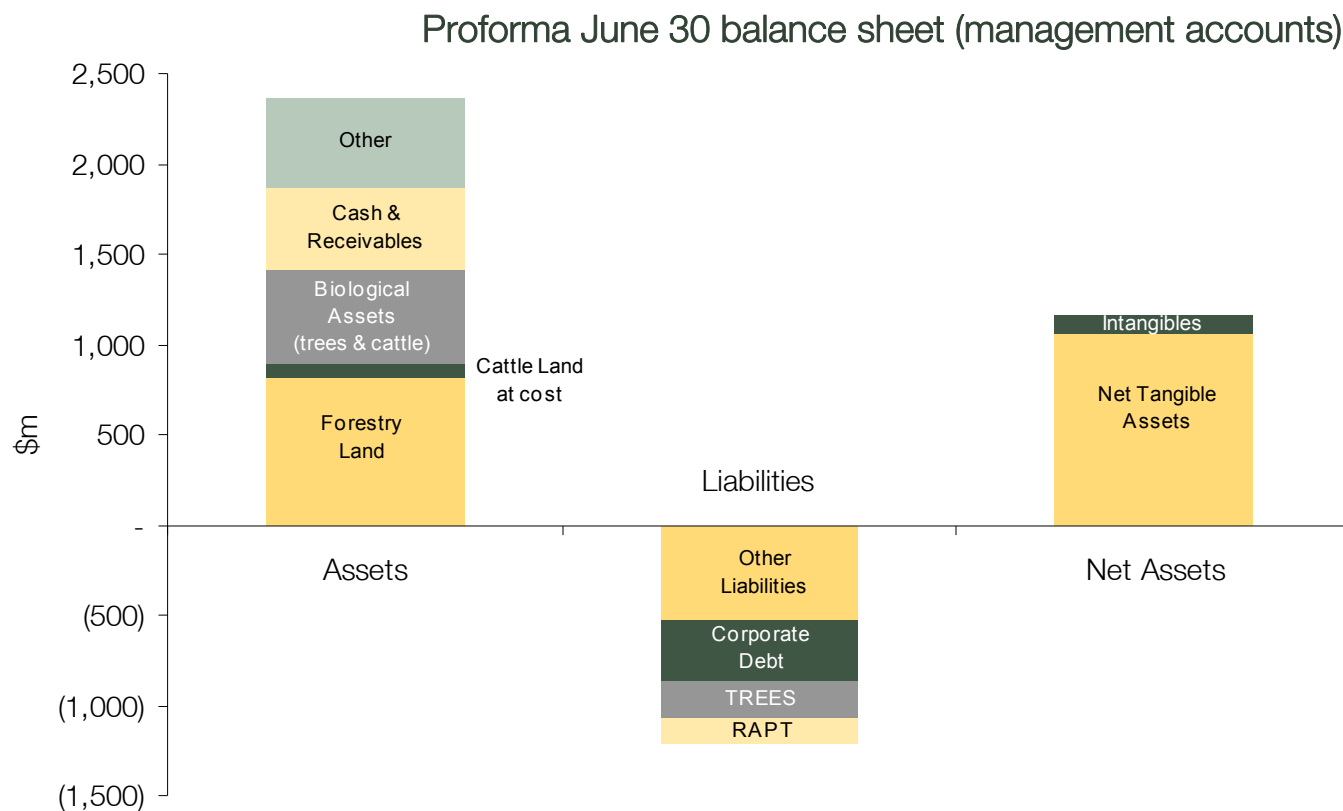
Proforma balance sheet summary

- Increase in standing timber and cattle assets of \$342 million, acquired at fair value
- Pulpwood land now carries GSL timber and so it is no longer classified as investment properties
- Proforma net tangible assets \$1.46 per share
- Approximately \$760 million of land, trees and cattle are not encumbered by MIS projects in the proforma balance sheet (circa \$1.05 per share)

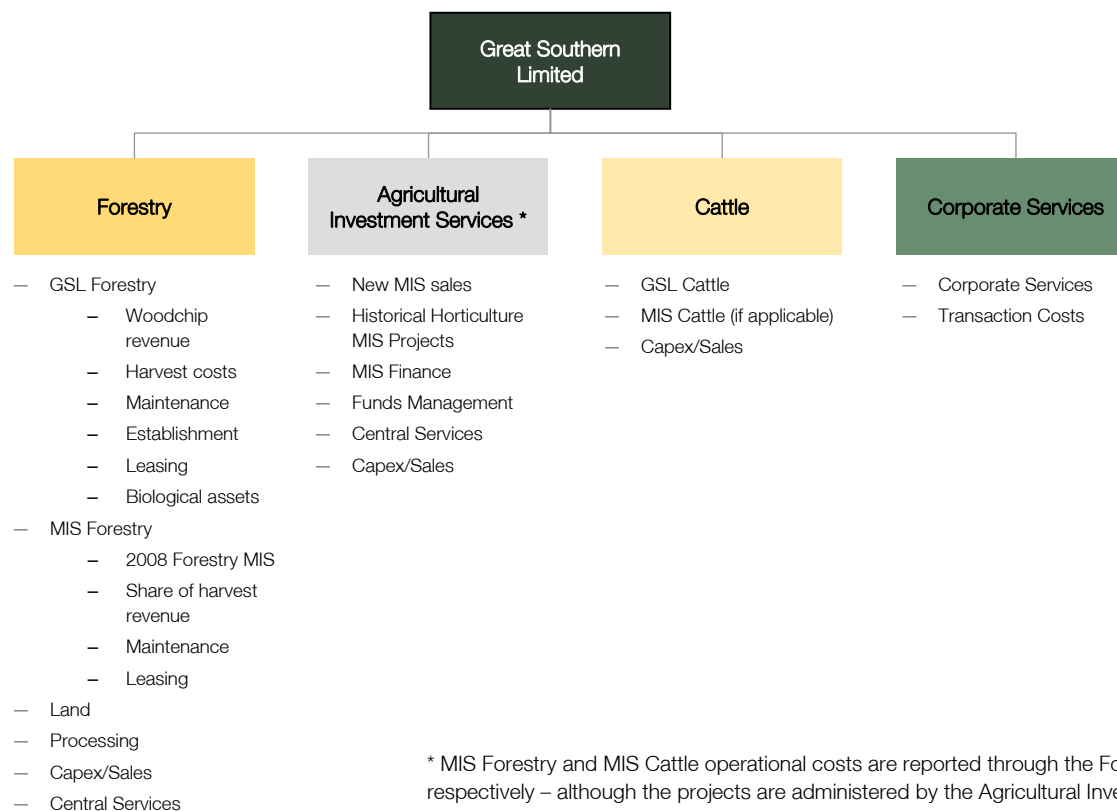
30 June 2008 (\$m)	Management Accounts 30 June 2008	Difference	Management Accounts Proforma 30 June 2008
Biological assets	181.9	342.4	524.3
Property, plant & equipment	218.7	200.0	418.7
Investment properties	834.6	(200.0)	634.6
Other assets	748.6	37.4	786.0
Total Assets	1983.8	379.8	2363.6
Interest bearing loans and borrowings	769.5	-	769.5
Other liabilities	427.8	13.4	441.2
Total Liabilities	1197.3	13.4	1210.7
Net Assets	786.5	366.4	1152.9

Proforma balance sheet summary

- The following chart sets out the proforma consolidated balance sheet as at 30 June 2008 (management accounts). A tabulated proforma balance sheet is included in Appendices



- In line with GSL policy, GSL is not providing forecast MIS sales
- Although GSL is not providing a complete FY2009 forecast income and cash flow statement, it intends to provide guidance on specific operating profit and loss and cash flow items (based on GSL's operating budgets) so as to provide investors with information relevant to understanding GSL's future business model
- The chart below shows the reporting structure post the success of the scheme proposals



* MIS Forestry and MIS Cattle operational costs are reported through the Forestry and Cattle divisions respectively – although the projects are administered by the Agricultural Investment Services division

2009 Outlook

- Only the 1998, 1999 plantation projects and 2006, 2007 cattle projects will materially impact FY2009 cashflow

Forestry

FY2009 Cashflow		No Projects Succeed	Success Both Projects
Revenue	\$m	30.6	104.0
Costs	\$m	(94.1)	(133.4)
Capex	\$m	(23.4)	(23.4)

Cattle

FY2009 Cashflow		No Projects Succeed	Success Both Cattle Projects
Revenue	\$m	13.6	27.2
Costs	\$m	(54.1)	(54.1)
Capex	\$m	(2.5)	(2.5)

Agricultural Investment Services

FY2009 Cashflow		
Revenue	\$m	No Guidance Provided
Costs	\$m	(42.9)
Capex	\$m	(8.9)

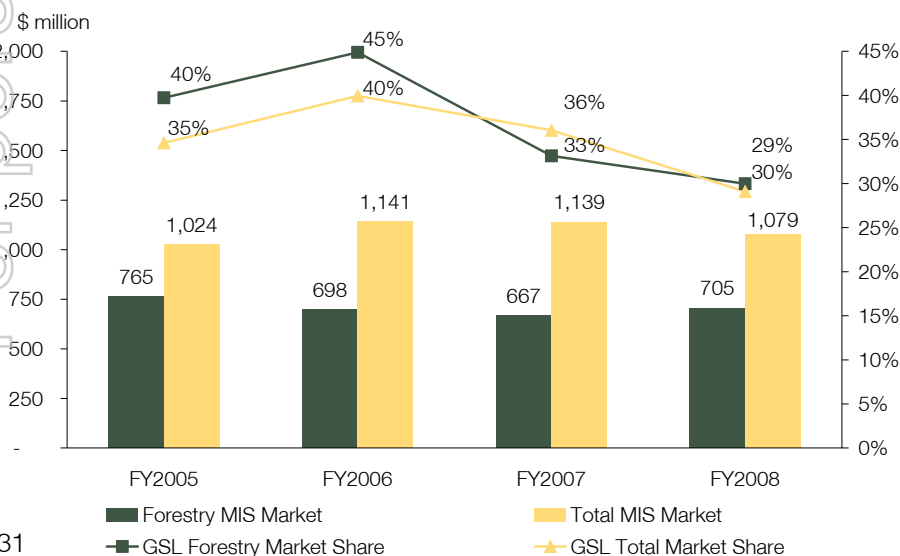
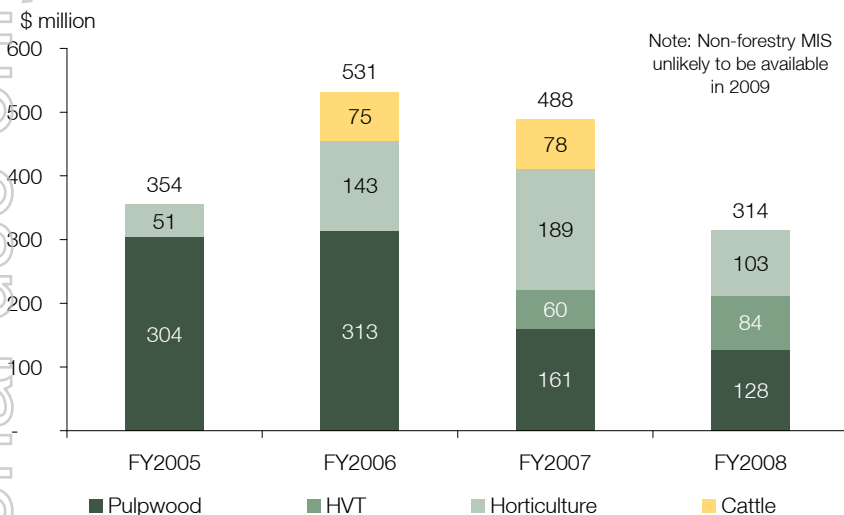
Corporate Services

FY2009 Cashflow		No Projects Succeed	Success All Projects
Revenue	\$m	NA	NA
Costs	\$m	(34.5)	(34.5)
Capex	\$m	NA	NA

Note:

- The guidance in this section is based upon GSL management's current best estimates and assumptions that are subject to business, economic and competitive uncertainties and contingencies, many of which are beyond the control of GSL, the GSL Directors and GSL's senior management team.
- The disclosures relate only to selected operational items and do not represent a complete forecast of all relevant revenues and costs

Historical MIS sales



Historical MIS Sales

- In the last 5 years, GSL has achieved MIS sales of approximately \$1.8 billion
- In FY2008, GSL achieved \$314 million of MIS sales including \$212 million of forestry MIS sales
- Forestry MIS sales corresponded to a market share of approximately 29% in FY2008

GSL focus on forestry MIS

- Over the past 5 years, forestry projects have represented approximately 65% of Great Southern's overall MIS sales
- With uncertainty surrounding non-forestry MIS, Great Southern intends to focus on its forestry projects in 2009

Agribusiness MIS market

- The Australian Agribusiness Group has reported \$1.08 billion was invested in the MIS sector in FY2008, down from \$1.14 billion in FY2007

Debt facilities

- Credit approval received
 - Agreed to extend Sept 2009 \$120 million corporate debt refinancing by 13 months to Oct 2010
 - Increase in facility of \$30 million for 12 months to Sept 2009
- Existing debt/hybrid facilities will stay in place
- In order to reduce overall corporate gearing to more conservative levels, GSL will review the opportunity to sell selected cattle assets

Facility	Net amount \$m	Maturity	Interest rate/coupon
Club corporate debt	350	\$75m 09/2009 \$205m 10/2010 \$70m 10/2012	Swaps in place for \$300m
RAPT debt facility (Gross debt \$217m) (Yield asset \$57m)	160	June 2012	Interest Pre paid & capitalises
TREES2	79	Oct 2009	6.4% fully franked
TREES3	122	Oct 2010	7.75% unfranked
HP Liability	1		
Total	712 *		

* net of RAPT yield asset and TREES issue costs

5

Risks

Key risks

GSL business risks

- Broader operational, agricultural and climatic risks
- Ongoing MIS obligations
- Land availability and valuation
- MIS sales & regulatory risk

Risks of scheme proposals and individual offer

- Less than all of the scheme proposals are implemented
- Significant issue of GSL Shares
- General share market investment risks

6 Conclusion

Conclusion

- The offering of GSL Shares in exchange for Woodlots and Drovers is a key initiative of this review and represents a major undertaking by GSL which is expected to improve the financial strength and operating efficiencies of our company
- The successful implementation of all of the scheme proposals is expected to:
 - Increased earnings and cash flow certainty – through the transformation to a more robust agricultural company
 - The creation of Australia's largest hardwood plantation forestry business
 - The creation of a cattle business with significant scale, although GSL will review the opportunity to sell some assets to reduce gearing
 - Improved forestry returns through operational efficiencies
 - Capturing any benefits from the expected introduction of carbon emissions trading
 - Greater balance sheet strength and flexibility
 - Ongoing exposure to woodchip/fibre prices
 - Better positioning of GSL to maximise the value of its significant agricultural land bank

7 Appendices

Project offerings

- Offer to project investors in 1998–2003 (inclusive) pulpwood projects and 2006-2007 cattle projects. Rationale being:

Pulpwood	Cattle	Horticulture
<ul style="list-style-type: none">— Secondary market legislation provides certainty to allow plantations over four years of age to be traded	<ul style="list-style-type: none">— No cattle project in 2008— Material increases in land leasing costs make 2006-2007 projects now unattractive to Great Southern	<ul style="list-style-type: none">— No intention to make offers to any of almond, olive or vineyard project investors

Proposal mechanics

- Project investors in relevant schemes will be asked to either:
 - Vote in favour of proposal through contractual scheme of arrangement (75% by votes and 50% by number in favour)
 - Scheme of arrangement outcome is binding on all project investors
 - The 8 separate schemes will not be inter-conditional on each other
 - At the same time as the proposal, GSL will make an unconditional individual offer which is intended to give project investors the ability to exchange on the same terms, their interests for GSL Shares even if an individual scheme proposal is not approved
- Process had a number of safeguards to ensure the acquisition was in best interests of scheme investors:
 - Three new independent directors appointed to board of scheme responsible entity to assess the offers
 - Independent experts report provided by KPMG Corporate Finance assessing whether the proposal is in the best interests of project investors
 - Independent legal advice for independent directors

Proforma balance sheet

For personal use only

30 June 2008 (\$m)	Management Accounts 30 June 2008	Management Accounts Proforma 30 June 2008
Current Assets		
Cash and cash equivalents	76.0	76.0
Trade and other receivables	233.1	233.1
Biological assets	11.7	69.0
Other current assets	38.6	38.6
Total current assets	359.4	416.7
Non-Current Assets		
Trade and other receivables	145.8	145.8
Biological assets	170.1	455.3
Property, plant & equipment	218.7	418.7
Investment properties	834.6	634.6
Other non-current assets*	202.2	202.2
Deferred tax assets	52.9	90.2
Total non-current assets	1624.3	1946.8
Total Assets	1983.7	2363.5
Current Liabilities		
Trade and other payables	163.5	188.9
Deferred revenues	128.8	114.7
Other current liabilities	29.1	29.1
Total current liabilities	321.4	332.7
Non-current liabilities		
Interest bearing loans and borrowings	769.5	769.5
Borrowings – securitised loans	29.3	29.3
Other non-current liabilities	77.1	79.2
Total Non-current liabilities	875.9	878.0
Total Liabilities	1197.3	1210.7
Net Assets	786.4	1152.8

*Includes goodwill and other intangible assets of \$96.6m

2009 Outlook - Forestry

- The Forestry division will have 3 core functions:
 - Plantations: Establishing and managing both GSL owned pulpwood plantations (GSL Forestry) and plantations on behalf of MIS pulpwood and High Value Timber project investors (MIS Forestry)
 - Land: Managing GSL's large forestry land estate
 - Processing and Marketing: Managing the logistics of harvesting plantations, processing into woodchips and delivering woodchips to customers
- Of the 6 projects, only forestry areas relating to the 1998 and 1999 project are forecast to be harvested in the 2009 financial year

FY2009 cashflow (\$m)		No projects succeed	Success both projects
Tonnes harvested	GMt	265,000	964,000
Woodchip revenue	\$m	28.6	104.0
Share of MIS Revenue	\$m	2.0	-
Operating Revenue	\$m	30.6	104.0
Harvesting costs	\$m	(16.4)	(55.7)
Maintenance	\$m	(11.1)	(11.1)
GSL Establishment	\$m	-	-
MIS Establishment Costs	\$m	(22.2)	(22.2)
Forestry Central Services	\$m	(44.4)	(44.4)
Operating Costs	\$m	(94.1)	(133.4)
Maintenance Capex	\$m	(2.5)	(2.5)
GSL Land Capex / (Sales)	\$m	4.6	4.6
MIS Land Capex	\$m	(25.5)	(25.5)
Total Capex	\$m	(23.4)	(23.4)

Note:

- 1) The above costs exclude biological asset movements and non operating costs such as corporate overhead allocations, financing costs and tax
- 2) Woodchip revenue based on A\$207.4BDMt

2009 Outlook - Agricultural Investment Services

New Tax Effective MIS Sales

- GSL is not providing specific guidance in relation to FY2009 tax effective MIS sales
- GSL will be focussing on 2 forestry MIS projects for sale in FY2009: Pulpwood and High Value Timber
- For MIS products, GSL targets an upfront 5-15% cash margin, and a 15-20% IRR taking into account initial fees, share of harvest proceeds and expected appreciation of underlying project land owned by GSL
- New forestry products reduce overall forestry management costs through economies of scale

Historical Horticultural MIS Projects

- GSL is committed to managing all historical MIS projects including 12 horticultural MIS projects
- Horticultural projects have been structured to be cash neutral to GSL at maturity (around 5-6 years time)

Agricultural Funds Management

- GSL's agricultural funds management business currently has assets under management of \$231 million
- GSL expects the business to make a marginal positive contribution before allocation of any corporate costs

Example MIS product – Cashflow	Year 1 and Year 2* %	Life of project %
MIS Sales (Non Cash)	100%	100%
Cash From Sale of Loan Receivables	98%	99%
Interest Revenue and Loan Income	0%	1%
Share of Project Income	0%	5-15%
Selling, Operating/Establishment Costs	(20-25)%	(25-35)%
Land Capex	(35-50)%	(35-50)%
Allocated Overheads	(10-15)%	(10-20)%
Cash Margin to Great Southern	8-15%	5-15%

* Includes year 1 & 2 to take account of forestry 12 month prepayment rule

Note: life of project in today's dollars

FY2009 cashflow (\$m) – Historical MIS Projects*	FY2009
Operating Revenues	26.2
Operational Expenditure	(50.0)
Capex	(8.9)

* Historical MIS projects relates to historical horticultural MIS projects and does not include historical forestry and cattle MIS projects which are reported separately through the forestry and cattle divisions

Note: Horticultural projects have been structured to provide neutral to positive annual cash flows from vine / tree maturity (around 5-6 years time)

FY2009 cashflow (\$m) – Central Services	FY2009
Central Services*	(19.1)

* Central services include sales and marketing costs, compliance, research, compliance and fund administration and reporting

2009 Outlook - Cattle

- Currently GSL manages the 2006 project and the 2007 project both of which are the subject of the 8 scheme proposals
- GSL is responsible for all operating costs associated with managing the projects and providing sufficient land on which to stand project cattle
- Under the MIS project structure GSL is entitled to 50% of cattle sale proceeds
- GSL is responsible for all cattle operating expenses under the 2006 Project and 2007 Project therefore the success of the proposal or individual offer in relation to these projects will have no material impact on GSL's cattle operating costs

FY2009 Cashflow (\$m)		No Cattle Projects Succeed	Success Both Cattle Projects
GSL cattle sales revenue	\$m	0.0	27.2
GSL share of MIS sales	\$m	13.6	0.0
Total Revenue	\$m	13.6	27.2
Cattle operating expenses	\$m	(29.0)	(29.0)
Cattle property leases costs	\$m	(25.1)	(25.1)
Total Operating Costs	\$m	(54.1)	(54.1)
Capex	\$m	(2.5)	(2.5)

Note: Cattle revenue assumes a 1% nominal increase on current cattle price

Pulpwood harvest schedule

- GSL expects that it will harvest approximately 7.4 GMt of woodchips in the next five years, with the largest share coming for the Albany region of WA

Post offer GSL plantations - indicative 5 yr harvest schedule (GMt)

million GMt	2009	2010	2011	2012	2013	Total
Total	1.0	2.1	1.9	1.1	1.3	7.4

- Current FOB woodchip price is A\$207.4/BDMt or \$105/GMt (assume 52% DF content)



Post offer GSL plantations - indicative harvest schedule (ha)

'000 ha	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total
Total	6.1	12.2	11.5	7.2	8.2	10.8	7.8	2.1	1.7	0.7	68.3

Post offer MIS Plantations* - indicative harvest schedule (ha)

'000 ha	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total
Total	-	-	0.4	1.8	1.8	6.2	36.0	35.1	25.3	13.3	119.9

*Does not include Sylvatech Tiwi MIS project

Infrastructure to export woodchips is either already in place or planned

Region	Pulpwood plantation '000 ha	Estimated 1 st harvest year	Harvest method	Planned processing & loading
Albany	56.5	2005	Mix log and IFC	All log and IFC processed at existing APEC Mill, rail to port and loaded at shiploader at Port of Albany
Bunbury	42.2	2004	Mix log and IFC	Sold at mill door to existing HPI mill and chip handling facility (50% GSL owned) at Port of Bunbury
Green Triangle	70.0	2005	Mix log and IFC	Option to construct new Great Southern chip mill with road transport to joint industry shiploading and chip handling facility at the Port of Portland
Gippsland	4.9	2015	Mix log and IFC	Anticipate a mill door or toll handling arrangement with existing operator in region. Delivery to pulp mill and/or Port of Eden
Kangaroo Is	12.3	2014	IFC	GSL to develop port facility at Ballast Heads at cost of \$30-40 million for chip handling, storage and loading
NSW / Qld	16.6	2011	IFC	All infield chipped and delivered to the Port of Gladstone
Tasmania	9.7	2014	Mix log and IFC	Anticipate a mill door or toll handling arrangement with existing operator in region, delivered through Port of Bell Bay or Port of Burnie.
Tiwi Islands	26.2	2014	IFC	GSL to develop port facility at Port Melville at estimated cost of \$35-45 million for chip receipt, storage and loading
Total	238.4			