



GREAT SOUTHERN
LIMITED

COMPANY ANNOUNCEMENT

Tuesday, 25 November 2008

UPDATE ON PROPOSED RESTRUCTURE INCLUDING CONFIRMATION OF VWAP PRICE

Confirmation of VWAP Price in Reference Period

Great Southern Limited (GSL) has offered project investors the opportunity to exchange their interests in the 1998 to 2003 Plantation projects and the 2006 and 2007 Beef Cattle projects for GSL shares. Project investor meetings are scheduled for 1 December 2008 and GSL shareholder meeting for 4 December 2008.

The number of GSL shares offered for each project has been determined based on the volume weighted average price (VWAP) of GSL shares during the Reference Period, which started on 19 November 2008 and concluded on 25 November 2008 (VWAP Price).

The VWAP Price has been calculated as \$0.2845, and being below the floor price of \$0.50, project investors will be offered the maximum number of shares as shown below.

Project	Total GSL Shares Offered to Project Investors (m)	GSL Shares Offered Per Woodlot / Drove
Plantations 1998	47.0	4,606
Plantations 1999	68.7	5,466
Plantations 2000	211.2	4,958
Plantations 2001	49.3	3,520
Plantations 2002	63.4	3,464
Plantations 2003	200.0	3,806
Cattle 2006	89.0	5,910
Cattle 2007	87.4	5,602
Total	816.0	
Total % shareholding of GSL offered to project investors	71%	

KPMG's Independent Taxation Reports determined that project investors' tax liability is likely to be based on the market value of the consideration received, according to the VWAP Price. Based on KPMG's assessment, the consideration payable for each project, and the split of this consideration between capital and income is shown in the table below.

Project	Consideration (\$ per woodlot / drove)	Income Component (\$ per woodlot / drove)	Capital Component (\$ per woodlot / drove)
Plantations 1998	1,310	1,310	-
Plantations 1999	1,555	1,555	-
Plantations 2000	1,411	1,411	-
Plantations 2001	1,001	1,001	-
Plantations 2002	986	986	-
Plantations 2003	1,083	1,083	-
Cattle 2006	1,681	1,681	-
Cattle 2007	1,594	1,030	564

Project investors who exchange their MIS interest for GSL shares will crystallise taxable income in the 2009 financial year. However, project investors will have 7 months to plan for the income created and may be able to offset this income in other

ways. In the event that tax is payable, it should be payable following lodgement of project investor tax returns in October 2009 at the earliest, or may be as late as May 2010 if project investors use a tax agent.

Project investors should read the KPMG Independent Taxation Report (see Annexure 2 of each Explanatory Memorandum) for detailed information regarding the tax consequences of the transaction and seek professional advice specific to their individual circumstances.

Deadline for receipt of project investor proxies extended to 9am (WDT), Saturday, 29 November 2008

The independent Directors of Great Southern Managers Australia Limited (GSMAL) have confirmed that the deadline for receipt of Green Proxy forms for voting on scheme proposals is **9am (WDT), Saturday, 29 November 2008**, not 9am (WDT), Friday, 28 November as set out in each Explanatory Memorandum.

Further information to be released prior to project investor and GSL shareholder meetings

GSL intends to release to the ASX on either 26 or 27 November 2008 its preliminary financial results for the year ended 30 September 2008.

KPMG Corporate Finance (Aust) Pty Ltd (KPMGCF) is expected review each of its Independent Expert's Reports and advise the independent Directors of GSMAL of any update to its opinions shortly. On 13 October 2008 the Independent Expert Report for each project prepared by KPMGCF calculated the "target value" of GSL shares above which project investors will not be financially disadvantaged by accepting the offer. KPMGCF calculated the target prices in the Independent Expert's Report taking into account tax payable assuming a VWAP Price of \$0.50. As the actual VWAP Price is \$0.2845, KPMGCF's "target price" may also be lowered to take into account the expected lower tax payable under the offer. Any change of target prices will be announced to the ASX by GSL.

If you would like further information, please contact the project investor and shareholder information line on 1300 652 672 from within Australia or +61 3 9415 4884 from outside Australia.