

25 September 2012

Company Announcements Platform
Australian Securities Exchange

APPOINTMENT OF VOLUNTARY ADMINISTRATOR

As previously announced by Gunns Limited, ongoing lender group support has been required in order to stabilise the Company's operations whilst discussions in relation to a potential capital raising, restructuring or alternative transaction proceed, and to retain proceeds from planned asset sales to meet the operational and working capital requirements of the business.

The Company now regrettably advises that the lender group has informed the Company that the lenders will not permit the Company to retain further funds, which are necessary to meet the operational and working capital requirements of the business.

As a result, the Company is unable to continue trading and the directors are in the process of appointing an administrator. That appointment is expected to be made shortly.

The Company is disappointed that it will not be able to pursue the restructuring transaction, which it considers would have delivered a better outcome for the people who have a stake in the Company's past and future. The Company is very grateful to all those people, especially employees, past and present, who worked hard to support the Company's strategy.

This is a disappointment for them and those associated with the restructure of Gunns' business to a plantation-based manufacturing industry in Tasmania.