

31 March 2011

CIRCULAR TO GROWERS OF FEAP SCHEMES 1999 TO 2009

Dear Growers

**FEA PLANTATIONS LIMITED
(SUBJECT TO A DEED OF COMPANY ARRANGEMENT)
(RECEIVERS AND MANAGERS APPOINTED) ("FEAP")**

Further to my report to Growers on 30 March 2011, Rural Fund Management ("RFM") has confirmed this afternoon that both Banks have given approval to the RFM restructuring proposal. The Banks' lawyer has also advised the Deed Administrators directly that the Banks have approved the RFM proposal

Accordingly, we recommend Growers to vote for an adjournment of the Grower meetings called by the FEA Grower Group on Monday 4 April 2011 to give Growers time to consider the RFM proposal.

Please also find the attached letter from RFM confirming the Banks approval.

Yours faithfully
FEA Plantations Limited



Brian Silvia
Deed Administrator

31 March 2011

BRI Ferrier (NSW) Pty Ltd
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Sydney NSW 2000

Attention: Philip Armstrong

Rural Funds Management Ltd

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Dear Phil,

Re: Proposal for the restructure of Forest Enterprises Australia (FEA) Group

Rural Funds Management Ltd (RFM) is pleased to advise that the secured creditors of the FEA Group have given their support to the RFM proposal to restructure the FEA Group and have today provided us with their credit approval.

We will now correspond with the secured creditors to finalise the terms of the Forbearance Agreement and expect this agreement to be entered into shortly.

Yours sincerely,



David Bryant
Managing Director