

Our Ref: AJ  
Your Ref: PCS: 2008/26446



24 February 2009

**By Facsimile 07 3867 4725**

Australian Securities and Investments Commission  
GPO Box 9827  
BRISBANE QLD 4001

Attention: Neale Patterson

Dear Neale

**Huntley Management Limited - Australian Olives Project ARSN 093 217 139 (Project 1), Australian Olives Project No. 2 ARSN 085 515 788 (Project 2) and Australian Olives Project No. 3 ARSN 091 051 437 (Project 3)**

We refer to our previous correspondence.

Huntley Management Limited was appointed as responsible entity of above Projects on the following dates:

- Project 1 - 06/11/2008
- Project 2 - 17/11/2008
- Project 3 - 12/12/2008

The former responsible entity Australian Olives Limited (**AOL**) is under a statutory obligation pursuant to section 601FR(1) of the Corporations Act, 2001 to:

- as soon as practicable give our client as the new responsible entity any books in the your client's possession or control that the Corporations Act requires to be kept in relation to the above schemes; and
- give other reasonable assistance to our client as the new responsible entity to facilitate the change of responsible entity.

In addition to AOL's obligations under section 601FR(1) of the Corporations Act, 2001, AOL is under a fiduciary duty to hand over all documents and records in its possession, custody or control to our client whether or not those documents are books which AOL was required to keep in relation to the schemes. In this regard we refer you to the decision of White J in *Re Stacks Managed Investments Ltd* (2005) 23 ACLC 1,647.

We are instructed that AOL has neglected and refused to fully comply with the aforesaid obligations for Project 3.

**Lawyers**

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A handwritten signature in black ink, appearing to be "AJ", written over a thin diagonal line.

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We are instructed that AOL invoiced management fees to Growers in Projects 1, 2 & 3 annually in advance and in many cases Growers paid them in respect of dates well beyond the date they were replaced as Responsible Entity by our client. AOL has neglected and refused to pay to our client the proportion of fees received in respect of the period beyond the date our client was appointed as responsible entity.

We are also instructed that it is simply not possible for our client to ascertain which Growers have paid fees, for what period and in what amounts because AOL simply refuses to comply with its above obligations. Without these fees, our client has no monies to perform its obligations under the Constitution. AOL has effectively starved each of the Project of funds by refusing to comply with its obligations and transfer the funds to the scheme accounts.

Further we are instructed that AOL has neglected and refused to transfer the scheme property to Huntley Management Ltd and in particular the lease over the Project land. This is particularly critical because the common directors of AOL and the land owner Collective Olive Groves Limited (Administrator Appointed) (**COGL**) have placed COGL into administration. If the common directors remove the lease from the Project land notwithstanding that such lease is held on trust for the Growers pursuant to section 601FC(2) of the Corporations Act, 2001, then the Growers will lose their investment. We expect that there will be thousands of investors complaining to ASIC should this occur.

Therefore we are instructed on behalf of investors to lodge a formal complaint to ASIC concerning the failure of AOL to comply with section 601FR of the Corporations Act, 2001 and in particular its failure.

Yours faithfully

**Piper Alderman**

Per:

**Alan Jessup**  
Partner

cc John Price