



### **Australian Bight Abalone Media Release**

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#### **“ABA Voluntary Administration: McGrath Nicol appointed”**

The directors of the Australian Bight Abalone Group today resolved to place the company into voluntary administration. McGrath Nicol’s Partners, Sam Davies and Tony McGrath will be responsible for the administration.

The directors of ABA noted the issues surrounding the MIS industry, including the failure of two of the largest companies in the industry, deteriorating general business conditions, the last minute withdrawal of financiers from the grower loan funding market and the subsequent reduction in investment, had been the decisive factors in taking the decision to move into voluntary administration.

“The issues surrounding Great Southern and Timbercorp have affected the entire industry,” says Sir Tipene O’Regan, the ABA group’s independent Chairman.

“The board does not have faith in the tax effective MIS model of fundraising going forward. Our investment inflows for this year were down 77.6% from last year and 86.7% on our expectations,” he said.

“Whilst we could have drawn down on funds raised this year to continue operations we did not think that to do so would be in the best interest of those 2009 applicants, accordingly we have arranged to reimburse all of the 2009 application monies,” said Sir Tipene.

“Both management and the board are committed to working with McGrath Nicol to ensure the best outcome for all of our stakeholders, including growers in prior projects, staff and the township of Elliston where ABA is the largest employer.”

CEO Andrew Ferguson said, “I fully understand and respect the board’s decision not to open the 2009 project. Along with the senior staff I will be working with our stakeholders and the administrators with the aim of allowing the group to continue trading while a sale of the business is investigated.”

Further information: Sam Davies, McGrath Nicol