

25th March 2011

The Manager
Company Announcements Office
Australian Securities Exchange

Electronic Lodgement

Dear Sir or Madam

The Board of LandMark White Limited (LMW) makes the following announcement in response to persistent media and industry enquiry.

LMW, has lodged with the Orchard Funds Limited (OFL) Board a letter expressing interest in a merger between the two companies. The following is an extract from that letter:

Proposal

Following detailed discussions with stakeholders, our proposal would be to make a scrip offer for all of the shares in OFL, subject to the conditions following. This would provide immediate liquidity for shareholders without “swamping” their potential for upside.

We would price any such offer at an amount equivalent to the valuation inherent in the Barwon offer and \$0.40 for each LMW security.

We would accompany our offer with an underwritten capital raise to ensure we had sufficient funds to grow the business. The amount raised would not be less than the capital raised under the Barwon transaction. That raising would be structured in a manner that would allow our new shareholders to participate.

At this stage our proposed offer is subject to a number of conditions precedent. Those conditions are substantially the same as the announced conditions to the Barwon transaction and the major ones are identified below. However any proposed offer by us would be a regulated takeover, our ownership condition would be 51% acceptances and no shareholder meeting would be required.

- Finalisation of the banking arrangements on satisfactory terms between National Australia Bank (NAB) and BOS International (Australia) Ltd (a subsidiary of Lloyds Banking Group Plc) (BOSI) in relation to OFL and its Diversified Property Fund (DPF)
- Due diligence updating the 31 December 2010 results

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Credentials

We are a group with a long and respected history in the property space. Our valuation practice is one of the largest independent national practices. We provide valuation services to all of the major financial institutions and are well respected and connected to them.

We established a retail funds management division in 2008 and have been patiently building a track record for that business. We have a team ready to step up to a larger and wider mandate when we are successful with this offer. That team would supplement the existing OFL team who have significant history and expertise with the current assets.

Finally, we have a team that is well versed in this type of transaction and, in particular, the sensitivities of the Orchard Fund stakeholders. As such, we believe our execution risk is low.

The Future

We are committed to building a presence in the retail funds management space but believe that the Orchard Funds will need the support of significant likeminded capital if value is to be restored to unit holders and shareholders. We have access to the capital required and would look to introduce it at an appropriate time. We believe that between \$30-50m may be required in the short term. In particular, the recapitalisation of DPF in a manner sympathetic to unit holders, would build a lot of support with both shareholders and unit holders. We will be focused on building that support.

Next Steps

We are a listed public company with a majority independent board. Glen White (Chairman) and Brad Piltz (CEO) are the majority shareholders in the company and we and the board are supportive of this proposal.

As a public company this is not a formal offer but a basis on which to commence discussions with a view to LandMark White Limited making a formal binding offer.

To this end, nothing in this announcement should be construed as an intention to make a takeover offer for the purposes of Section 631 (or otherwise) of the Corporations Act.

LMW is in a position to provide:

- Liquidity to OFL shareholders with the proposed combined entity having approximately 1400 shareholders
- Working capital to OFL immediately
- Experienced property professionals available to assist existing OFL team

LMW understands that the banks have or will shortly agree terms at the OFL and Funds level and based on its understanding LMW can and will work within those parameters.

This early release of information is due to the rumors, press and industry inquiries that we have received as a result of our initial approach to the fund manager. This advise is preliminary and in no way construes that any offer will be made or any transaction will transpire.

Yours faithfully

LANDMARK WHITE LIMITED



Frank Hardiman
Company Secretary