



Contacts

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14 December 2022

**BY POST AND EMAIL
URGENT**

Harriett Swift

BY EMAIL: harriett@woodchippingsux.net.au

The Proper Officer

South East Region Conservation Alliance Inc
PO Box 724
Narooma NSW 2546

BY EMAIL: contact@serca.org.au

The Proper Officer
South Coast Beagle Pty Ltd
PO Box 3029
Tuross Head NSW 3029

BY EMAIL: beagleweeklynews@gmail.com

Dear Ms Swift / South East Region Conservation Alliance Inc / South Coast Beagle Pty Ltd

The Pentarch Group – Demand for retraction and undertaking

- 1 We act for Allied Natural Wood Enterprises Pty Ltd ABN 65 607 144 089 (**ANWE**) and The Pentarch Group.
- 2 We are instructed that, on 30 November 2022, an article was published by 'beagleweekly.com.au' containing material misrepresentations of facts purportedly derived from the audited Annual Report for ANWE for the financial year ended 30 June 2022 (**Annual Report**).
- 3 The article:
 - (a) appears to have been reproduced in a post on Twitter by South East Region Conservation Alliance Inc (**SERCA**), along with at least one other twitter user, being the person with the twitter 'handle' @SusanJa39395818;
 - (b) on 2 December 2022 was reproduced in the Beagle Weekender Volume 287; and
 - (c) was discussed by Ms Swift during an interview with the ABC that was aired on ABC Illawarra on or around 1 December 2023.

4 The publication refers to the Annual Report lodged with the Australian Securities and Investments Commission that week, however the publication misrepresents information from the Annual Report. In the publication, quotations are provided by SERCA spokesperson Harriett Swift.

Misrepresentations

5 We are instructed that the article and the assertions by Ms Swift are misleading, and misrepresent information published in the Annual Report. Specifically, the article includes the following misleading assertions (without being exhaustive):

- (a) "Eden Chipmill Owner Reports \$60,453,885 Profit" as the title;
- (b) "Allied Natural Wood Enterprises (ANWE), owner of the Eden woodchip mill has just reported a staggering profit of over \$60 million for 2021/22";
- (c) "a significant part – about 20% - of this profit has come from new forestry assets...acquired by ANWE during the financial year, but overwhelmingly it has come from the Eden chipmill"; and
- (d) "The profit has been boosted by tens of millions of taxpayer dollars in subsidies".

6 The above comments are false, misleading and deceptive to the general public as they misrepresent financial information contained in the Annual Report. In particular, we would draw your attention to the directors' report (page 1 of the Annual Report), and notes to the financial statements (including Note 5 'Other income' at pages 17 and Note 29 'Business combinations' at pages 28-29 of the Annual Report). In these sections the contribution to our client's reported revenue and profit from extraordinary transactions, being the acquisition of two businesses during the relevant financial year, is appropriately highlighted.

7 The misrepresentations in the article and the quotations provided by Ms Swift:

- (a) are likely to mislead and deceive those who do business with our client;
- (b) may interfere with our client's relationship with its employees and the local community;
- (c) may cause reputational and business harm to our client; and
- (d) may give rise to claims against you for economic loss and damage,

in relation to which our client's rights are reserved.

Demand

8 By **4:00 pm on 16 December 2022**, we are instructed to demand the following:

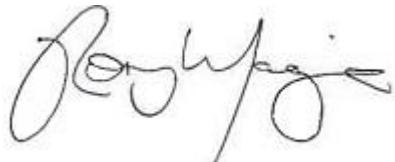
- (a) that **South Coast Beagle Pty Ltd**:
 - (i) remove the offending publication from its platform (including via <https://www.beagleweekly.com.au> where it is currently accessible);
 - (ii) publish a retraction noting the offending article has been removed due to inaccuracies contained in the original article;
 - (iii) cease and desist from repeating the misrepresentations in any form; and

- (iv) undertake not to repeat the assertions, re-publish or cause to be re-published, the article or the misrepresentations in any form; and
- (b) that **SERCA (and Ms Swift)**:
 - (i) remove the offending publication from its website, Facebook and/or Twitter platforms;
 - (ii) publish a retraction noting the offending article has been removed due to inaccuracies contained in the original article;
 - (iii) cease and desist from repeating the misrepresentations in any form;
 - (iv) undertake not to repeat the assertions, re-publish or cause to be re-published, the article or the misrepresentations in any form; and
 - (v) notify any publication and/or news outlet that this article was sent to (or to whom similar assertions were made) of the errors and request that any publications from those outlets be removed.

9 If you are unwilling to agree to an undertaking, we reserve our client's right to initiate court proceedings against you and any other party that has made false and misleading representations about our client's business and financial position. If such court proceedings are necessary, our client reserves the right to seek urgent interlocutory orders, damages, and recovery of its costs.

10 Naturally, if court proceedings are necessary, our client will produce this correspondence to the court, in support of any such application, and any application for payment of its legal costs incurred.

Yours faithfully
RUSSELL KENNEDY



Rory Maguire
Principal



Nahum Ayliff
Principal