

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To: Gunns Limited
ACN: 009 478 148

1. Details of substantial holder

Name: Perennial Value Management Limited (PVM)
ACN: 090 879 904

The holder became a substantial shareholder on: 3 February 2006

2. Details of Voting Power

The total number of votes attached to all the voting shares in the company or voting interest in the scheme that the substantial holder or an associate had a relevant interest in on the date the substantial holder are as follows:

Class of securities	Number of securities	Person's votes	Voting Power
Ordinary	17,023,721	17,023,721	5.020%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder	Nature	Class & number
Perennial Value Management Limited	Investment Manager	Ordinary shares 17,023,721

4. Details of present registered holders

The persons registered as holders of the securities are as follows:

Holder	Registered holder of securities	Person Entitled to be holder	Nature of relevant interest	Class & Number (Ord)	Person's votes
PVM	Westpac		Investment Manager	446,447	446,447
PVM	WERE		Investment Manager	47,837	47,837
PVM	State Street		Investment Manager	1,914,757	1,914,757
PVM	NCS		Investment Manager	8,493,622	8,493,622

PVM	JP Morgan		Investment Manager	3,615,000	3,615,000
PVM	Cogent		Investment Manager	1,389,550	1,389,550
PVM	Citigroup		Investment Manager	1,102,237	1,102,237
PVM	ASGARD		Investment Manager	14,271	14,271

5. Consideration

The consideration paid for each relevant interest and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Date	Person	Nature	Consideration	Class & number (ord)	Person's votes
6/10/2005	PVM	Purchased on market	\$ 2,821.68	890	890
7/10/2005	PVM	Sold on market	-\$ 939.36	- 304	- 304
10/10/2005	PVM	Sold on market	-\$ 643.62	- 205	- 205
11/10/2005	PVM	Purchased on market	\$ 642.77	206	206
12/10/2005	PVM	Purchased on market	\$ 597.91	190	190
19/10/2005	PVM	Purchased on market	\$ 493.01	159	159
26/10/2005	PVM	Purchased on market	\$ 586.73	214	214
27/10/2005	PVM	Purchased on market	\$ 1,160.21	413	413
28/10/2005	PVM	Purchased on market	\$ 1,150.27	416	416
31/10/2005	PVM	Purchased on market	\$ 1,739.00	628	628
2/11/2005	PVM	Purchased on market	\$ 117.86	42	42
7/11/2005	PVM	Purchased on market	\$ 1,764,171.51	630,465	630,465
8/11/2005	PVM	Purchased on market	\$ 1,139,124.00	400,000	400,000
9/11/2005	PVM	Purchased on market	\$ 2,449,370.47	859,930	859,930
10/11/2005	PVM	Purchased on market	\$ 1,763,035.34	622,474	622,474
15/11/2005	PVM	Purchased on market	\$ 52,678.15	17,857	17,857
16/11/2005	PVM	Purchased on market	\$ 1,772.44	607	607
21/11/2005	PVM	Sold on market	-\$ 1,760.80	- 568	- 568
23/11/2005	PVM	Purchased on market	\$ 904.15	314	314
29/11/2005	PVM	Purchased on market	\$ 149,524.82	52,438	52,438
30/11/2005	PVM	Purchased on market	\$ 1,733.44	602	602
2/12/2005	PVM	Purchased on market	\$ 1,163,189.99	400,000	400,000
6/12/2005	PVM	Purchased on market	\$ 73,398.35	24,060	24,060
7/12/2005	PVM	Purchased on market	\$ 1,939,155.16	604,318	604,318
13/12/2005	PVM	Purchased on market	\$ 143,233.92	46,656	46,656
14/12/2005	PVM	Purchased on market	\$ 2,200.67	696	696
15/12/2005	PVM	Purchased on market	\$ 1,434.40	444	444
16/12/2005	PVM	Purchased on market	\$ 1,414.01	446	446
22/12/2005	PVM	Sold on market	-\$ 218.00	- 69	- 69
28/12/2005	PVM	Sold on market	-\$ 213,667.93	- 65,075	- 65,075
29/12/2005	PVM	Sold on market	-\$ 1,693,753.78	- 514,107	- 514,107
30/12/2005	PVM	Sold on market	-\$ 199,393.05	- 60,522	- 60,522

3/01/2006	PVM	Sold on market	-\$ 336,564.19	- 102,207	- 102,207
4/01/2006	PVM	Sold on market	-\$ 9,050.14	- 2,747	- 2,747
9/01/2006	PVM	Sold on market	-\$ 724.40	- 227	- 227
10/01/2006	PVM	Purchased on market	\$ 21,818.83	6,821	6,821
11/01/2006	PVM	Sold on market	-\$ 141,665.85	- 43,000	- 43,000
12/01/2006	PVM	Sold on market	-\$ 131,782.20	- 40,000	- 40,000
16/01/2006	PVM	Purchased on market	\$ 1,362.68	418	418
18/01/2006	PVM	Purchased on market	\$ 2,202.67	710	710
24/01/2006	PVM	Sold on market	-\$ 416,962.70	- 138,337	- 138,337
25/01/2006	PVM	Sold on market	-\$ 488,487.90	- 165,297	- 165,297
31/01/2006	PVM	Purchased on market	\$ 29,130.25	10,229	10,229
1/02/2006	PVM	Sold on market	-\$ 41,572.69	- 14,385	- 14,385
3/02/2006	PVM	Purchased on market	\$ 236,665.72	83,333	83,333

6. Associates

The reasons the persons above are associates of the substantial holder are as follows:

Name & ACN	Nature of association
Not applicable	

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Perennial Value Management Limited	Level 29, 303 Collins St Melbourne VIC 3000