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21 March 2007

The Directors  
AgriWealth Pty Limited  
Level 1, 21-23 Grosvenor Street  
NEUTRAL BAY NSW 2089

Dear Sirs

Re: Request for General Overview of Rural Property Market in the  
Tumut-Tumbarumba Region of New South Wales

## INSTRUCTIONS

The purpose of this report is to give a general overview of the rural property market for high quality grazing land that is suitable for plantation forestry in the Tumut-Tumbarumba region of New South Wales (the "Region") and to comment on the availability and current value of land in the Region. In addition, comment on the value range and historical movements in land values in the Region since 1980.

The Shires captured in this report are Gundagai, Tumut, Greater Hume and Tumbarumba. The areas targeted within those Shires are those dominated by high quality grazing and rainfall in excess of 800mm per annum.

## QUALIFICATIONS AND EXPERIENCE

Nicholas Lucas Valuation Services Pty Limited is a former Senior Valuer for the State Valuation Office. He is a Certified Practising Valuer, Registered Valuer (NSW and QLD) and an Associate of the Australian Property Institute, serving as a Divisional Councillor (NSW) from 1992-2003. He has been valuing property in the Gundagai, Tumut and Tumbarumba Shires for the past 37 years.

## BRIEF HISTORY OF THE REGION

The planting of pines in the Region was greatly accelerated after the end of World War 2, following a review of established planting between 1920 and 1935. This review showed that the cool, moist areas of the South West Slopes offered very good growth prospects.

In an effort to reduce dependence on imported supplies, pine plantations began on a large scale. Initially the plantations were on land cleared of relatively unproductive native forests (acquired from private interests specifically for this purpose). Since the introduction of clearing restrictions, land purchases and plantings have been on cleared pastoral country. Today, the pine plantations must compete in the open market for the best-cleared agricultural land.

The plantations increased to such a scale that by the 1980s the timber in the Tumut-Tumbarumba area supplied two large sawmills and ply mill complexes and a particleboard factory at Tumut, two smaller sawmills near Tumbarumba and a larger newsprint mill at Albury.

Today, the Tumut-Tumbarumba area is the largest softwood producing area in Australia with all produce value added locally. The fully integrated industry now has in the immediate area 10 sawmills, 2 paper pulp mills, 2 ply manufacturers and 2 wood panel plants which enables every part of the harvested trees to be productively utilised. A total of approximately 89,000 hectares are planted to pine under the control of Forests NSW plus 35,000 hectares under private plantation.

The pine industry has a strong hold in the area and a well-developed infrastructure of access roads for heavy haulage, fire prevention strategies and availability to the necessary mill operations.

## VALUATION OBSERVATIONS

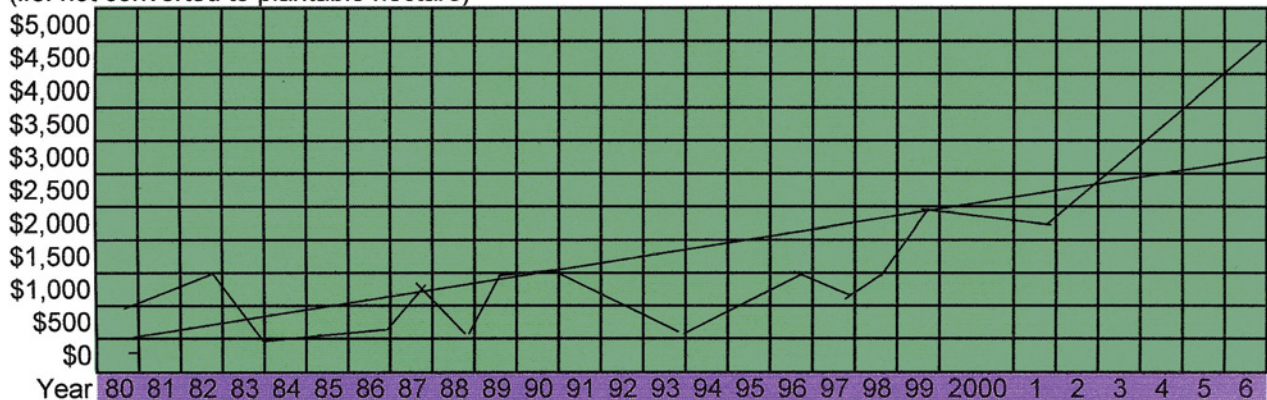
The diversity of the country within the Region is such that any comparison of improved land value between each property is difficult. Land in the Region comprises natural timbered lands, part timbered, improved and partly improved grazing lands to sown pastures and lands with and without structural improvements. The properties within this area are typically sold on a livestock capacity basis and each property is assessed on its own merits.

The below graph of land values in the Tumut-Tumbarumba area shows a steady value growth from 1980 to 1990, a value decline in the early 1990s to coincide with the wool industry price fall, a plateau level and then the price rises in line with high rural commodities prices and low interest rates to today's date. The sales data used to compile this information is taken from past Valuer-General and respective Shire Office records. In forming our view we have excluded the extreme highs in historical sales data as such highs are not in our opinion reflective of typical values in the area.

## LAND VALUES CHART

### Average Land Sales in the Tumut - Tumbarumba Region \$/ha gross

(i.e. not converted to plantable hectare)



The above graph shows that land values in the Tumut-Tumbarumba area have increased on average by approximately 9.1% per annum between 1980 and 2006.

The demand for good well-presented properties in the Region is unprecedented at the present time, with fewer listing and increased enquiry. Such properties attract a premium, with competition from well-established local grazing families, new investors and Forests NSW. This places a solid floor price for good properties in the Region.

Based on research and knowledge of land in the Region, it is my opinion that an assumption of the current average unencumbered land value of \$4650 per plantable hectare is fair and reasonable.

In recognition of the required industry return rates for investors over the rotation length of a pine plantation, and the current average unencumbered land value noted above, a rental either on an annual basis of \$297.60 per plantable hectare (adjusted for annual CPI movements) (excluding GST) or on a single advanced rental instalment payable on 1 April 2008 of \$4,400 (excluding GST) per plantable hectare for a 26 years lease, as calculated by the Project Manager, appears fair and reasonable.

## DISCLAIMERS

This report has been prepared based upon information made available to us in relation to the Project as at the date of the valuation. We believe that this information is accurate and complete but we have not independently verified all such information.

This report has been prepared for inclusion in the AgriWealth 30 June 2007 Radiata Pine Project Information Memorandum ("IM"). Nicholas Lucas Valuation Services Pty. Limited has not been involved in the preparation of any part of the IM and has not been required to approve or express any opinion about any part of the IM other than this letter of summary and any extracts appearing elsewhere in the IM.

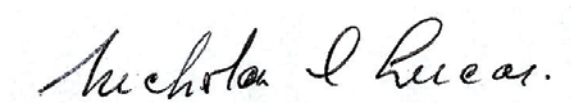
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Nicholas Lucas Valuation Services Pty. Limited does not have any other interests (whether pecuniary or not and whether direct or indirect) or any associations or relationships with Stanford Australia Finance Limited or AgriWealth Pty Limited that might reasonably be expected to be or have been capable of influencing Nicholas Lucas Valuation Services Pty. Limited in providing this report.

Yours faithfully,

A handwritten signature in black ink that reads "Nicholas D Lucas". The signature is written in a cursive style with a large, stylized 'N' and 'L'.

Nicholas D Lucas AAPI  
Certified Practising Valuer  
Registered Valuer NSW No: 1300  
VALUATION SERVICES PTY. LIMITED