

AgriWealth Pty Limited

2012 SOFTWOOD TIMBER PROJECT

FORAUST CONSULTING SERVICES PTY LTD

2013-2014 Annual Report

Context

This annual report has been prepared in accordance with Schedule 1 Part 3(h) of the Forestry Management Contract between AgriWealth Pty Limited and Foraust Consulting Services Pty Ltd (Foraust) for the 2012 Softwood Timber Project. The purpose of the report is to review establishment of the pine trees and ongoing management activities over the period October 2013 to September 2014.

The report refers to plantations at the following locations:

Location	Property Name	Planted Area (ha)
Braidwood NSW	Hockeys	39.5
Burruga NSW	Press	34

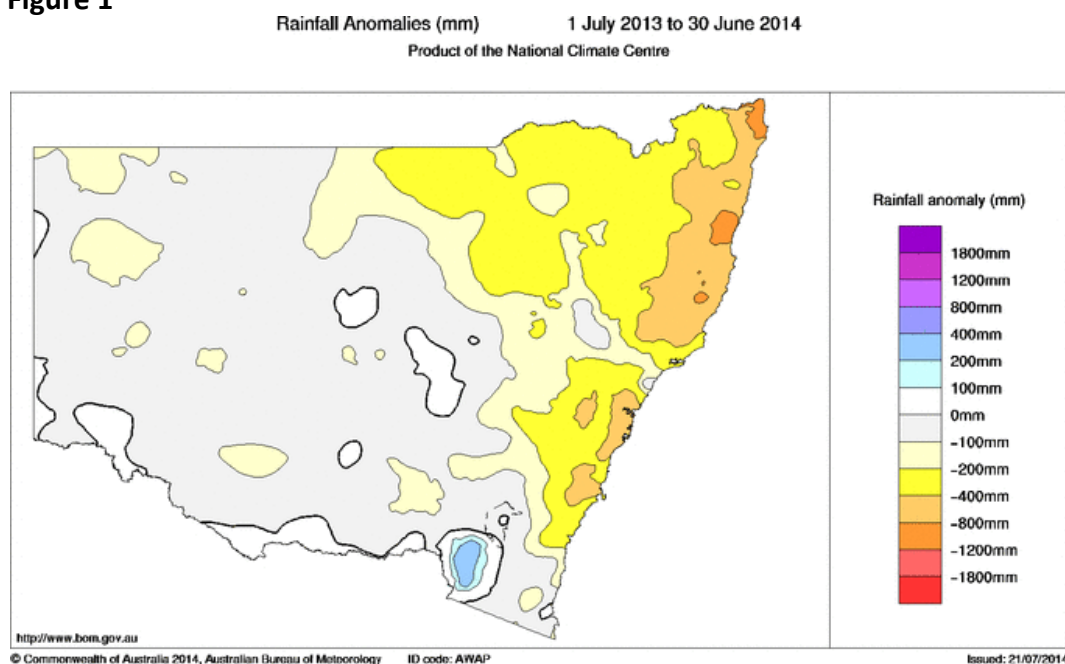
The Hockey property is located 15km east of Braidwood and comprises undulating country at elevations around 700m asl. Previous land use was pine plantation established around 1970 and harvested several years ago.

The land planted at the Press property adjoins the 2011 Softwood Timber Project and comprises previously cleared farmland of moderate topography at elevations around 1000 m asl.

Seasonal climatic conditions

Rainfall. Annual rainfall in the Oberon area was well below average at 694mm with a pronounced spike above average during November and March 2014. The long term average rainfall at Oberon is 954mm (refer Figure 1 and Table 1 Annexure A).

Figure 1



Annual rainfall in the Braidwood area (Charleyong weather station) was also well below average at 529 mm with a pronounced spike above average during September 2013, and March 2014. The long term average rainfall at Charleyong is 743mm (refer Figure 1 and Table 2 Annexure A).

Post plant survival

Survival assessments were undertaken in February/March 2014 on each property with 104 plots established (one plot every 3ha). Overall survival was variable, ranging from an average of 740 stems per hectare at Press to 928 stems per hectare at Hockey's. The results of the assessment are summarized in the table below:

Location	Property Name	Stocking (stems / ha)		Survival (%)	Factors adversely affecting survival
		Nominal	Actual		
Braidwood NSW	Hockeys	1040	928	89	Pig & livestock damage; sandy soil
Burruga NSW	Press	1100	740	67	Pig & livestock damage

Replanting of areas where stocking was found to be below requirements (<850 spha) was undertaken in June-July 2014. A total of 21,040 seedlings were planted into under-stocked areas at these two properties.

Early growth of seedlings at Hockey's was outstanding, while not so vigorous at Press.



Seedling at Hockey's 5 months after planting (December 2013)

Weed Control.

Application of herbicide and manual slashing to control emergent weeds was undertaken where necessary in late spring, summer and autumn as shown below:

Property	Dominant Weeds	Treatment
Hockey's	Wattle - Strip spray windrows (approx 30ha) Eucalypt regrowth along boundary and buffers	Helispray with 1.8kg/ha Clopyralid Basal bark spray with Access 1 part per 60 diesel or foliar spray using handgun Glyphosate 450 @ 1l plus Metsulfuron @ 10g
Press	Wattle - Strip spray windrows	Helispray with 1.8kg/ha Clopyralid

Post plant fertilizing

Areas identified as requiring fertilizer application were treated in spring 2013 and autumn 2014. The fertilizing program is summarized in the following table:

Property	Situation	Application
Press	Farmland with a history of sheep grazing	Boron applied by helicopter in June 2014 at rate of 8kg elemental B per ha (55kg of ulexite /ha)
Hockey's	Second rotation; nutrient deficiency identified in first rotation crop	290 g/tree of Incitec Pasture Prompt (NPKS 0-13.8-0-13.2) – applied as a spot to each tree in two doses. First application (125g) in Sept 2013, second application (165g) in April 2014.



2 year old seedling exhibiting boron deficiency



Application of boron at Press, April 2014

Pest and Disease

Nil

Fire Incidents

No fire incidents occurred within any property. The Triange Flat fire which came within 10km of the Press property in January 2014 was controlled by private forestry, Forestry Corporation and RFS personnel.

Other Management Issues

Grading of tracks and firebreaks to improve drainage and access was undertaken at Press in May 2014. At Hockey's roll-over drains were installed on several tracks in May to mitigate erosion of unstable sandy soils.

Report Prepared by

A handwritten signature in black ink, appearing to read 'John Allmore', followed by a colon.

FORAUST Consulting Services Pty Ltd

ANNEXURE A

