

AgriWealth Pty Limited

2011 SOFTWOOD TIMBER PROJECT

FORAUST CONSULTING SERVICESPTY 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 Foraustr Consulting Services Pty Ltd (Foraustr) for the 2011 Softwood Timber Project. The purpose of the report is to review development of the pine trees and ongoing management activities over the period October 2013 to September 2014.

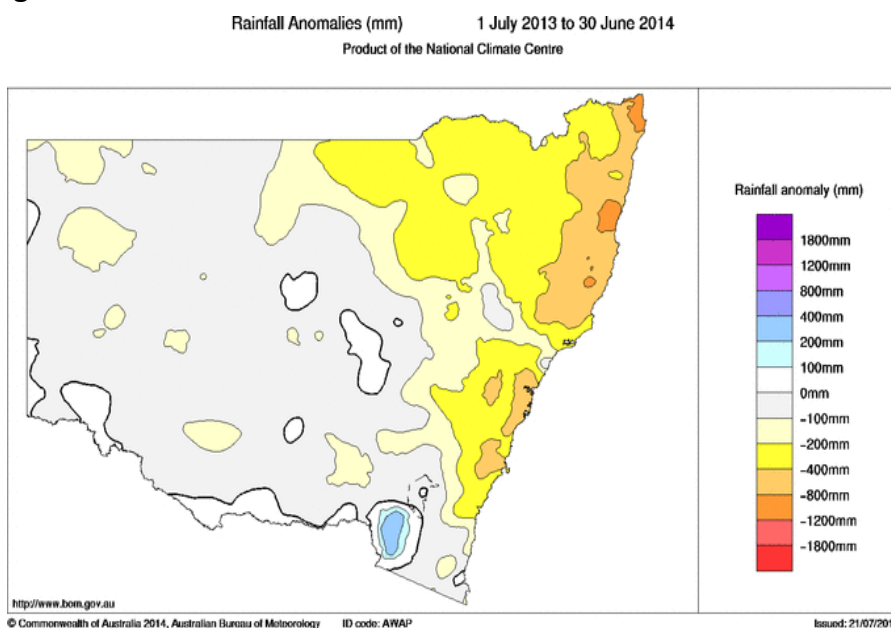
The report refers to plantations at the following locations:

| Location | Property Name | Planted Area (ha) |
|-----------------|---------------|-------------------|
| Tumut NSW | Mobbs | 60.7 |
| Shelley Vic | Barkman | 75.8 |
| Taggerty Vic | Charlton | 52.4 |
| Tallangatta Vic | Nicholsons | 25.0 |
| Burruga NSW | Press | 13.6 |
| Burruga NSW | Wandalla | 31.6 |

Seasonal 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

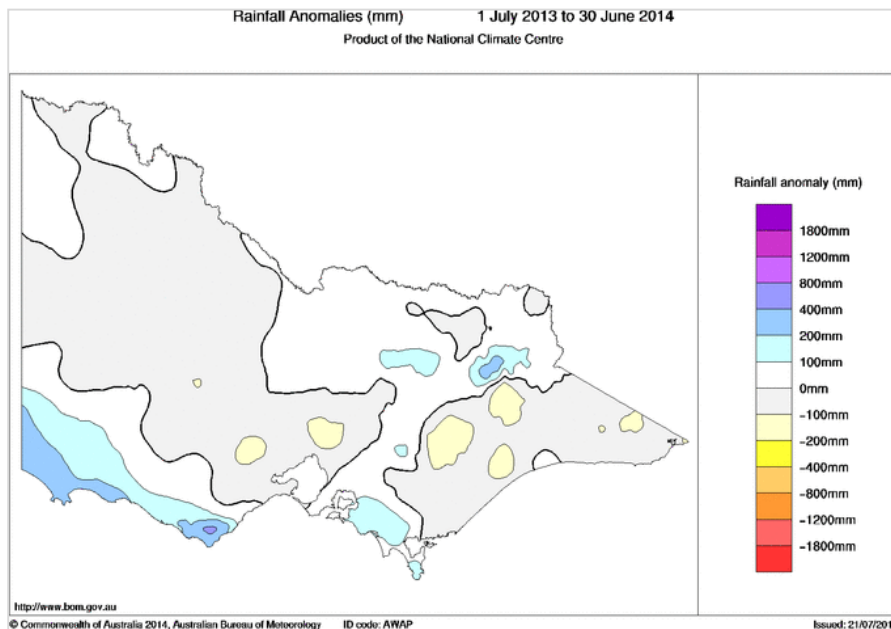


Total rainfall in the Tumut area was below average during the reporting period (see Figure 1 and Table 2 Annexure A), with above average monthly spikes in December and March.

Total rainfall at Burrinjuck Dam, (25 km north east of Tumut) from July 13 to June 14 was 696 mm compared to the long term average of 927mm.

Total rainfall was generally below the long term average in North East Victoria and to the west in Central Victoria (see Figure 2 and Table 3, Annexure A). However total Rainfall at Hunters Hill (Shelley area) was 1342 mm compared to the long term average of 1180 mm with a peak above average in late summer and is anomalous with Figure 2.

Figure 2



Early growth and development.

Seedlings planted into under-stocked areas at the Mobbs, Barkman and Press properties in July 2013 have increased overall stocking rate in line with requirements Average >850 spha.

Seedlings have established well with generally favourable seasonal conditions, however vigorous early growth on 1st rotation sites (Press, Nicholson’s) combined with competing grass cover led to a deficiency of the trace element boron resulting in necrosis of growing tips and occasional seedling mortality.

Post plant fertilizing

Areas identified as requiring fertilizer application were treated in 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) |
| Nicholson's | As above | As above; applied in April 2014 |



2 year old seedling exhibiting boron deficiency



Application of boron at Press, April 2014

Weed Control.

Follow up weed control has not been required.

Pest and Disease

Nil

Fire Incidents

No fire incidents occurred within any property. The Triangle 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 the Press property in May 2014.

Report Prepared by

A handwritten signature in black ink, appearing to read "John Moore". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

John Moore
Managing Director
Foraust Consulting Services Pty Ltd

ANNEXURE A

