

AgriWealth Pty Limited

2011 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 2011 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.

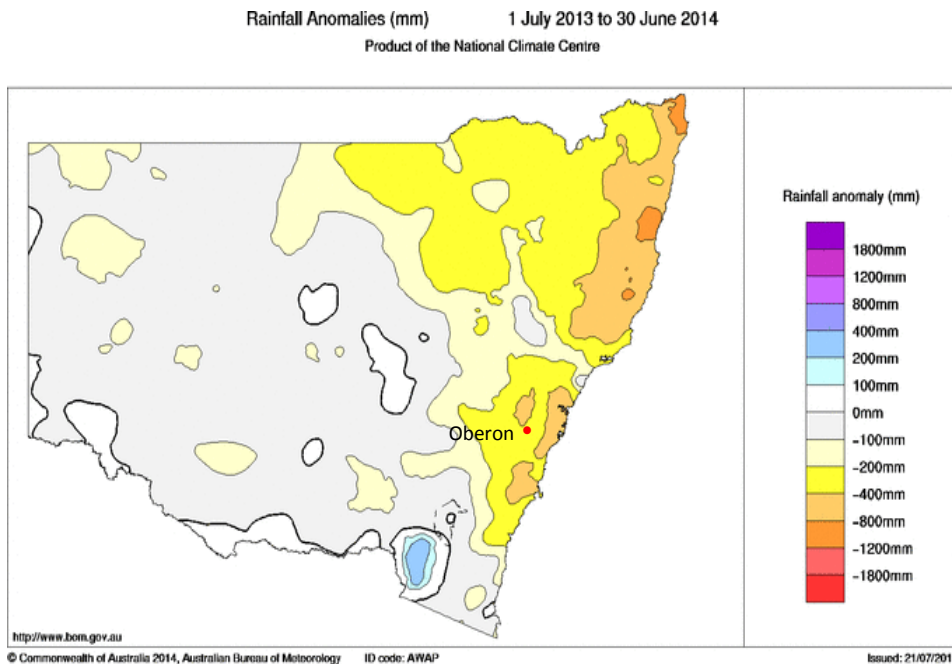
The report refers to plantations at the following locations:

| Location | Property Name | Planted Area (ha) |
|-------------|---------------|-------------------|
| Burruga NSW | Press | 4.0 |

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



Early growth and development.

Overall survival and residual stocking following planting was in line with requirements, and seedlings have established well with generally favorable seasonal conditions. However vigorous early growth 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) |



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

Stray livestock have been removed on several occasions however they have not had an adverse impact on seedlings.

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 in May 2014.

Report Prepared by

John Moore

Managing Director

Foraust Consulting Services Pty Ltd

ANNEXURE A

