

30 JUNE 2007 RADIATA PINE PROJECT

AgriWealth Pty Limited



Forests NSW Annual Report
(Part A)

Financial Year 2010-2011

Legal Context

This annual report complies with Schedule 1 Part 4(h) of the Forestry Management Contract between AgriWealth Pty Limited and the Forestry Commission of New South Wales (Forests NSW) for the AgriWealth 30th June 2007 Radiata Pine Project.

At the request of AgriWealth two reports have been prepared for this Project. This report (Part A) covers 604 hectares of the 1,451 hectare Project.

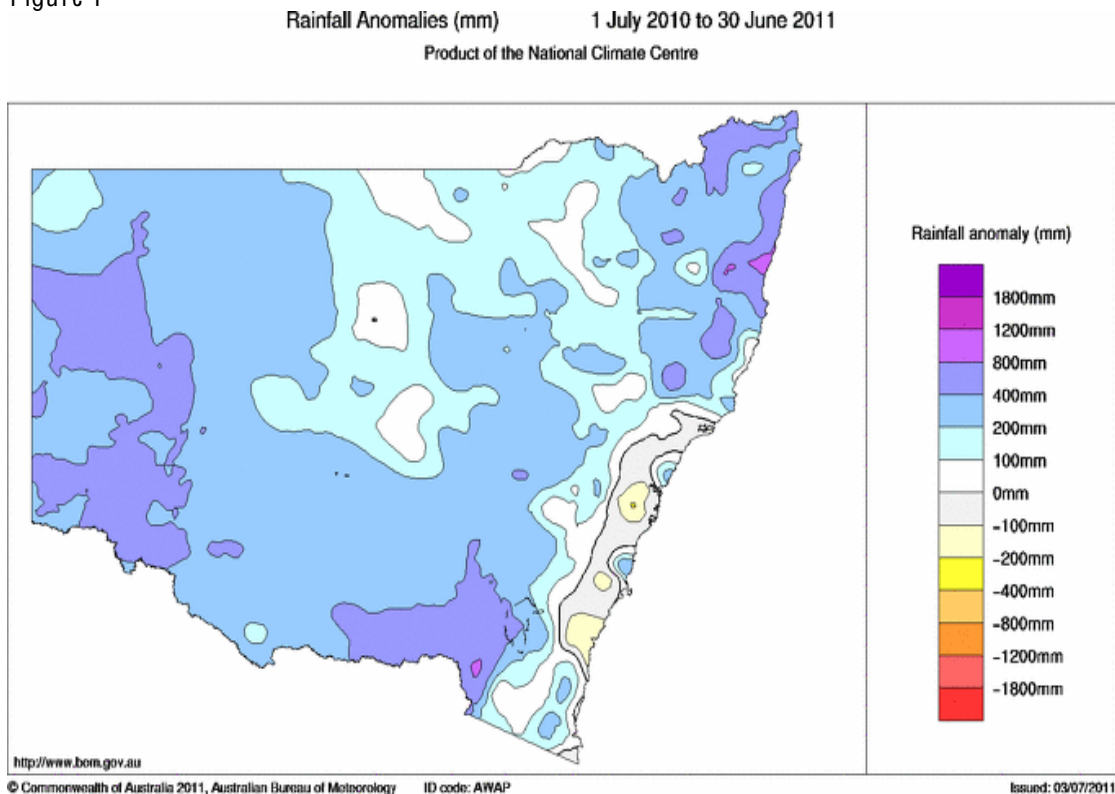
Overview

This report covers 604 hectares of *Pinus radiata* plantation established on seven properties all located within the Hume Forestry Region.

Planting of this project was completed in 2008.

Rainfall in Hume Region was well-above average during the reporting period (refer figure 1) with significant rainfall events occurring during spring and summer. The above average rainfall resulted in good tree growth for all plantation areas. Total rainfall at Tumbarumba from July 10 to June 11 was 1580mm compared to the long term average of 981mm.

Figure 1



Plantation growth and stocking is generally satisfactory on the majority of the properties and particularly good at Tinonee. E&P 1 has ongoing stocking issues despite replanting and herbicide treatment programs in 2009 and 2010. Approximately half this block is still significantly understocked.

Stand Condition

Stand condition of each property is detailed in the following table:

Table 2: Post establishment stocking rates and plantation condition

Property Name	Stand Condition Comment
Tinonee	<p>Tree growth and condition is very good and stocking is satisfactory.</p> <p>Trees affected by toppling during a wind event in June 2010 have generally recovered with excellent seasonal growth conditions and it is now considered that this damage will not have any significant affect on future timber yields or quality.</p> <p>A proportion of the trees have a bushy appearance usually related to low levels of boron availability. Folia nutrient sampling undertaken in 2011 indicated potential effects from low boron. As many trees are currently growing into a more apically dominant form, it is proposed to monitor the situation over the next 12 months to review potential requirement for additional application of boron fertiliser.</p>
Walkers McLennan Russell E&P2	<p>Plantations stocking is satisfactory stocking and reasonable growth was associated with the favourable seasonal conditions. The western proportion of the Walkers property which was affected by wind toppling in 2010 has recovered significantly with recent tree growth.</p>
E&P1	<p>A significant proportion of this property was subject to patch replanting in 2010 however the trees have again been subject to severe trampling and grazing damage from wild horses. Forests NSW implemented a successful horse removal program during 2010 which has significantly minimised ongoing damage. Sections of this plantation will require ongoing replanting in 2011 with follow up herbicide treatment also required. General growth of the plantation has impeded by the poor stocking and requirement to replant.</p>
Hansens	<p>Tree growth and condition satisfactory. Blackberry and bracken competition, but trees establishing site dominance.</p>

Tinonee July 2011



E & P 2 July 2011



Low stocking due to wild horse damage, with successful replants, E & P 1 July 2011



Activities undertaken on the Plantation during financial year 2010/2011

Activities undertaken on the properties were associated with the finalisation of plantation establishment treatments, replanting and maintenance, and included:

- Additional herbicide treatment and replanting, mostly on E&P 1 and Russell properties.
- Pest animal control, including the implementation of a wild horse removal program.
- Foliar nutrient analysis
- Maintenance of roads and tracks
- Fence maintenance

Planned Activities for 2011/2012 include;

- Additional replanting and herbicide treatments where stocking is unsatisfactory, in the E&P 1 property.
- Monitor for boron deficiency symptoms at Tinonee, where foliar nutrient analysis and tree form has indicated that there may be a requirement for additional boron application.

- Pest animal control, including fencing where appropriate
- Installation of advisory signs
- Maintenance of roads and tracks
- Identification and signage of Plantation Fire roads for NSW plantations – compliance with Plantations and Afforestation Code amendments.

Pest and Disease Information

Pest animals are present on all properties and there has been localised areas of damage. Russell and E&P1 in particular have been affected by native animal browsing, some rabbit damage and trampling and browsing damage by wild horses.

Wild horses have caused significant damage to trees in an area of about 15 hectares in the E&P 1 property. Controlling wild horses is difficult due to local and general community concern, however, Forests NSW has been successful in implementing a wild horse removal program. Replanting of severely affected areas will be required and is planned for 2011.

In addition to routine pest control, regular monitoring is being undertaken and in instances where damage to seedlings is observed ongoing control work will continue.

No issues with disease have been observed.

Fire Incidents

No fire incidents have occurred within or close to any of the 30 June 2007 Radiata Pine Project plantations.

Other Management Issues

Nil

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