

Australian Forestry Management Pty Limited (AFM)

2005 Softwood Project



2014-2015 Annual Report

Legal Context

This annual report has been prepared in accordance with Schedule 1 Part 3(h) of the Forestry Management Contract between Australian Forestry Management Pty Limited and the Forestry Commission of New South Wales (now known as the Forestry Corporation of NSW) for the 2005 Softwood Project.

Background

The 2005 Softwood Project comprises seven plantation blocks. Five blocks are located within the Snowy Region near Tumut and Tumbarumba. Vans is located in north east Victoria and Mingary Vale is located within the Bathurst management unit of Northern Region.

Plantation Area

A review of the net stocked area of each plantation block was undertaken in mid-2015 using new aerial photo coverage (Table 1). This is the first review that has been undertaken since the completion of post plant survival assessments. The review captured mortality and natural attrition that has occurred over the last 8 years.

Table 1 – Updated Net Stocked Area

Plantation	Net Stocked Area in 2015 (ha)
Maragle Park	193.8
Paddy's River	186.0
Parker	196.1
Ruby Creek	127.9
The Valley (2006 age class)	199.6
The Valley (2008 age class – isolated patch)	1.2
Mingary Vale *	169.7
Vans	76.2
Total	1,150.4

*original area not updated in 2015

The updated net stocked area which includes Forestry Right Land and Adjoining Land constitutes a change of minus 1.8%.

2014-15 Growing Season

In the Tumut Management Area rainfall was below average (figure 1) with dry spells occurring in spring and late summer and above average temperatures (figure 2). The dry periods were partially offset by above average rainfall in December and January. Total rainfall at Tumbarumba for 2014-15 was 765 mm compared to the long term average of 977 mm (refer Annexure A).

The Bathurst Management Area was subject to another challenging growing season receiving below average rainfall (figure 1) and very much above average temperatures (figure 2). The effect of the drier conditions was offset by high rainfall events in December and April. Rainfall for Oberon (Springbank) was 764 mm compared to a long term average of 840 mm (refer Annexure A). Significant, potentially damaging, snowfall events occurred during winter.

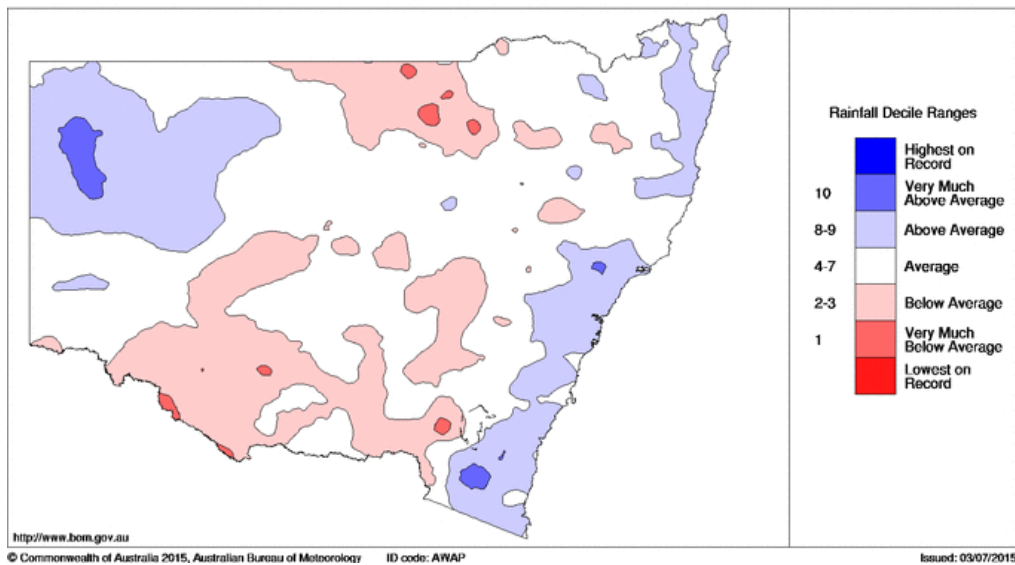


Figure 1 – New South Wales Rainfall Deciles – 2014-2015

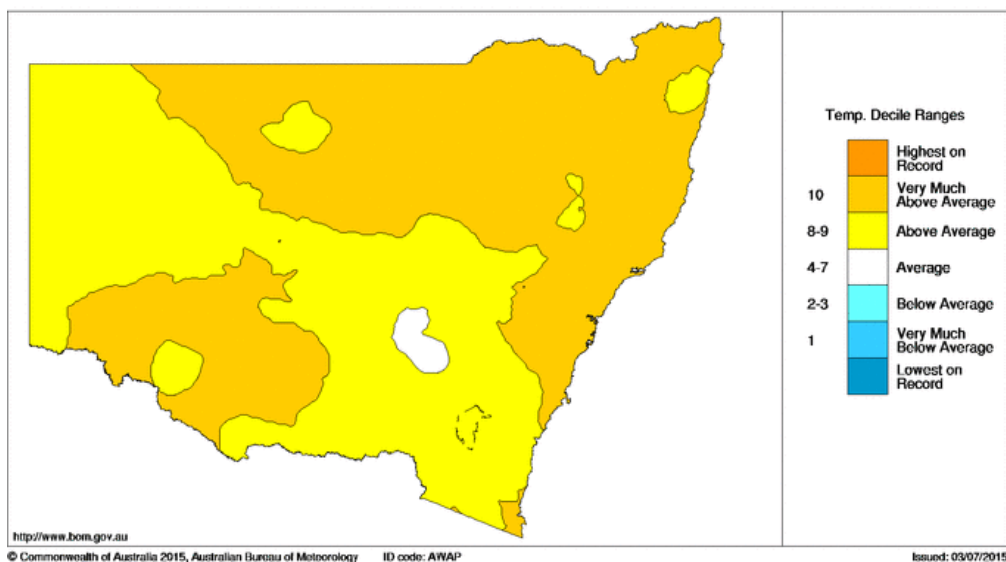


Figure 2 – New South Wales Rainfall Deciles – 2014-2015

Stand Condition

Overall the plantations are performing well and are in good condition. Exceptions to this exist within sections of Parkers and Ruby Creek.

Mingary Vale (Transgrid)

Overall the stand continues to exhibit excellent condition despite the challenging growing season. It remains well stocked, healthy, vigorous and with reasonable form. The age class was inspected in December 2014 and July 2015 the crop did not appear to have suffered with respect to survival, health or form (see figures 3 and 4 below).

Following the winter snow quite a few trees appear to have suffered damage. Fortunately the damage appeared to be limited to broken branches (as opposed to broken stems). Broken branches, while not desirable, will not have a significant impact on future crop value. Broken stems however, would have led to stem malformation and defect which in turn would have devalued the crop at time of harvest. Also, the damage appears to have been almost entirely limited to trees on the stand edge. Edge trees, rather than trees further into the stand,

generally have larger branches so tend to intercept more snow, increasing the risk of branches breaking.



Figure 3: Mingary Vale. Nine year old trees – a healthy, uniform and vigorous crop (July 2015)



Figure 4: Mingary Vale. Some minor snow damage to branches of edge trees (July 2015)

Maragle Park

This plantation continues to exhibit very good condition and growth. A recent snowfall has caused some minor damage to some trees across the plantation, being mostly breaking of lower branches, which will not affect overall tree health and vigour. The plantation has low levels Dothistroma needle blight.



Figure 5: Maragle Park. Good growth, form and vigour (July 2015)



Figure 6: Maragle Park. Broken tree branches from recent snow fall (July 2015)

Paddys River

This plantation continues to exhibit very good condition and growth. No significant issues have been observed during the reporting period.



Figure7: Paddy's River – July 2015 – Continuing good tree growth

Parkers

Condition and growth at Parkers has been satisfactory during the reporting period, given the variable condition of this plantation due to low stocked and replanted areas. Generally the overall plantation condition has continuing to improve in terms of tree growth and stability in the well-stocked sections.

It is apparent the areas with exposed rocky soils have very poor tree stocking, height growth and tree form. For these areas, in particular, there is expected to be significant future effects in terms of reduced future log yield and value. Year 10 inventory scheduled for 2016 will provide quantitative information for the extent of low stocking and poor tree form.



Figure 8: Parkers 2006 AC July 2015 – Area of trees with poor height growth and form
Ruby Creek

As noted in the 2014 report, this plantation has continued to improve significantly in growth and condition over the reporting period (figure 9), noting that it generally remains affected by poor stocking and a damaging hail event which occurred in late 2011, as previously reported.

Observations in 2015 identified that the hail damaged trees have continued to recover in external appearance and their growth is similar to unaffected trees. The extent of internal damage was formally assessed and reported in October 2014, recommending that the area considered for an insurance claim to facilitate replanting be retained, rather than cleared and replanted. This recommendation was based on the observation that the majority of trees were not severely affected in terms of future wood quality and the likely financial return.



Figure 9: Ruby Creek – trees with good growth and form on upper slope



Figure 10: Ruby Creek - Trees with poor height growth and form on lower slopes affected by cold air drainage.

The Valley

The Valley plantation continues to exhibit acceptable tree growth and vigour where stocking levels are adequate. Localised areas that are unstocked, or have low stocking have been detailed in previous reports.

No other significant issues have been observed in this plantation



Figure 11: The Valley 2006 AC- plantation - July 2015

Vans

The Vans plantation continues to grow well, with tree form continuing to improve with tree age and growth. In particular, tree height and volume growth appears to be very high over the majority of the plantation.

Dothistroma needle blight is low to moderate, predominantly around lower lying areas, due to the seasonal conditions experienced on this plantation site during the reporting period.



Figure 12: Vans plantation – good health and growth July 2014

Forest Health Surveys

The timing of this year's forest health survey was rescheduled to ensure that reports from NSW DPI Forest Health unit could be received in advance of AgriWealth's annual reporting deadline (forest health reports have traditionally been one year in arrears as they are received after the annual report submission date).

Aerial forest health surveillance was undertaken in June-July 2015(figures 13 and 14). No new or emerging issues were identified. Historically there were concerns about kangaroo and wallaby grazing at Mingary Vale. The trees are now of a size where they appear to be no longer troubled by these animals.

No significant pests or diseases affecting tree growth and health were observed on the plantation blocks within Tumut management area. Feral animals (pigs, deer and horses) continue to be present and subject to ongoing control.



Figure 13: Aerial forest health surveillance flight path over Bathurst management unit– winter 2015

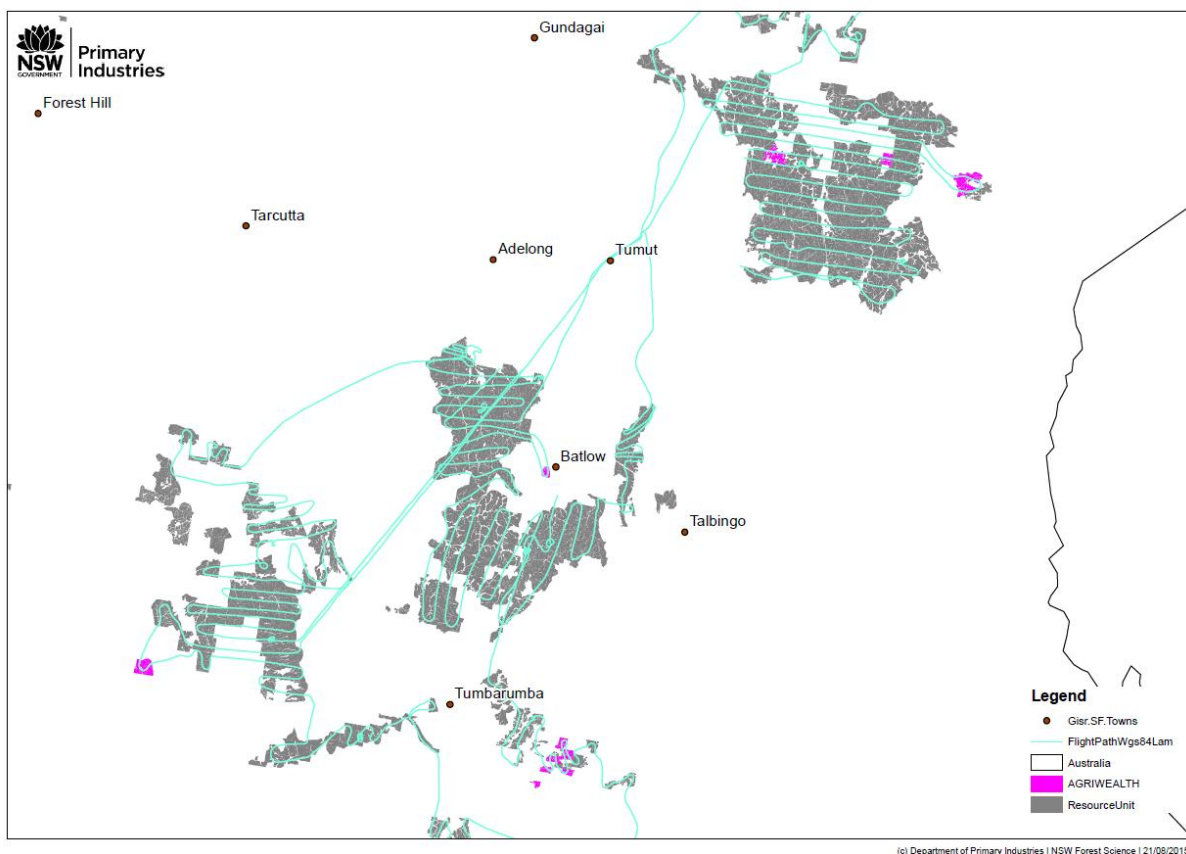


Figure 14: Aerial forest health surveillance flight path over Tumut management unit – winter 2015.

Biosecurity

In October 2014 Giant Pine Scale (*Marchalina hellenica*) was detected in suburban Melbourne and Adelaide. Giant Pine Scale is a scale insect that lives by sucking the sap of pine, fir and spruce trees. Trees impacted by large populations of giant pine scale suffer severe dehydration and dieback of branches, and can eventually die. Representatives from the Commonwealth, State and industry have agreed to a national eradication program which is currently underway in Melbourne and Adelaide. Each state jurisdiction has also agreed to undertake monitoring in amenity and production pine plantings. During this year's surveys no Giant Pine Scale was detected in AgriWealth plantations nor in the region.

Fire Incidents

There were no fire incidents within or in close proximity to the plantations. Fire risk reduction works and surveillance was undertaken during the reporting period

Summary of Activities Planned for 2015/2016

- Aerial forest health surveillance and monitoring
- Maintenance of roads and tracks
- Fire risk reduction works and surveillance
- Grazing where fencing is available
- Identification and signage of plantation fire roads to comply with Plantations and Afforestation Code amendments. The actions required are not of an urgent nature. The actions will be included on a prioritised schedule of fire preparedness tasks that Forest Corporation NSW needs to undertake.
 - o For example, at Mingary Vale signage will be installed at the main entry point to the forest indicating the condition of the internal access tracks with respect to their use by Category 1 fire appliances. Some roadside tree pruning will also be scheduled to improve vehicle access along a short section of road (~100m) to improve access from the Western end of the plantation

Other Management Issues

Nil

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Monthly Rainfall Statistics

