

Timbercorp's Pre-appointment Yield Schedule

Disclaimer:

The following summary of Timbercorp's Forestry Schemes is based on the Timbercorp internal production management program.

The Liquidators do not warrant or provide any guarantees in relation to the accuracy, appropriateness or underlying assumptions contained in the program.

Further and for the avoidance of any doubt, the Liquidators have not prepared, renewed or updated the production program.

Scheme	No. of Growers	Hectares Planted	PDS Stated Weighted/Ave Yields	Expected Weighted/Ave Yields
1997 Eucalypts SR (DR)*	604 (73)	1,249	300 (300)	132 (136)
1998 Eucalypts SR (DR)*	1,264 (439)	16,334	300 (300)	192 (171)
1999 Eucalypts PO SR (DR)*	10	948	300	234
1999 Eucalypts	3,243	28,010	300	212
2000 Eucalypts	1,189	10,323	300	206
2001 Eucalypts	529	4,112	300	223
2002 Eucalypts	520	3,567	300	160-195
2003 Eucalypts	541	5,791	300	174-232
2004 Eucalypts	169	1,741	300	301
2004 Timberlots	866	4,163	250	249-265
2005 Timberlots	2,420	11,582	275	232-290
2007/2008 Timberlots	1,967	Approx 9,000	275	Not determined

* SR refers to the production within the relevant scheme that is a single rotation and DR refers to the production within the relevant scheme that is a double rotation.

The above table sets out the expected weighted/average yields for the twelve Timbercorp Forestry Schemes (eleven MIS and one Private Offer Scheme) currently in existence.

The yields were calculated by forecasting the total volume of woodchips produced over the projects' lives (measured in Green Metric Tonnes) per hectare of harvested land.

To determine the forecast yield schedule, the land and trees at various stages of development were assessed by specialist Timbercorp staff to calculate the estimated future yield:

- Pre-planting: estimate based on land variables including rainfall predictions and soil characteristics;
- 4 ½ years old: refined estimate based on trees' height, diameter and age; and
- 7½ years old: another refined estimate based on trees' height, diameter and age.

Depending on the age of each plantation, the most recent estimate has been used to calculate the above forecast yields. However, as the above table shows, the expected weighted/average yields for the majority of projects are significantly lower than originally predicted in the PDS.

Further compounding the problem is the fact that the Forestry Schemes, in their current state, have:

- No cash
- No maintenance being undertaken

- No ability to pay leases that fell due 30/6/09
- Reduced treefarm staff
- A Court Order preventing Timbercorp from using or occupying the leased land