



Willmott Forests

Forestry Investment and
Management Services

17 June 2003

COMPANY ANNOUNCEMENT

10 year wood supply agreement with State Forests of NSW receives ministerial approval

Willmott Forests sawmill and processing operations to receive first sawlogs in July 2003

Willmott Forests Limited (ASX: WFL) is pleased to announce that its wholly owned subsidiary, Willmott Forest Products Pty Ltd, has received ministerial approval for the completion of the 10 year wood supply agreement with State Forests of New South Wales (NSW).

State Forests has now executed the wood supply agreement and have notified the Company that delivery of sawlogs to Willmott Forests' sawmill and processing operations can begin in the next few weeks.

The agreement allows Willmott Forests to source 320,000 tonnes of pine plantation timber from State Forests' softwood resource in the Bombala region. The timber will be used to supply Willmott Forests' operations while its own growing resource matures.

By 2005, Willmott Forests expects its milling and processing operations to generate between 40% and 50% of the Company's total revenues.

About Willmott Forests

For the six months to 31 December 2002, WFL reported a net profit after tax of \$3.528 million on revenue of \$10.861 million. On May 6, the Company announced it had passed the previous year's sale result of \$7 million, well before the traditional June end-of-financial-year rush.

WFL has declared a fully franked dividend of 3.255 cents per share, payable on 1 July 2003.

A Quality Endorsed Company with net assets in excess of \$46 million, WFL manages over 14,000 hectares of commercial plantations on behalf of more than 1,000 individual growers. The majority of these plantations are located in south-east NSW and north-east Victoria in an area known as the Bombala Supply Zone. WFL has been operating in this region since 1982.

In July 2003 the Company will become a fully integrated forestry company and produce a wide range of landscape and structural timber products from its sawmill and softwood processing operations in Bombala NSW.

For further information please contact:

Marcus Derham - Managing Director
Willmott Forests Limited - Phone: (03) 9696 1355