

1 July 2004

COMPANY ANNOUNCEMENT

Woodlot sales reach \$35.7 million in FY04.

85% increase on previous year.

Willmott Forests Limited (ASX: WFL) is pleased to announce that Woodlot sales for the financial year ending 30 June 2004 have reached \$35.7 million. This result is an 85% increase on the previous years' Woodlot sales result of \$19.3 million.

Willmott Forests' Chief Executive Officer, Mr. Marcus Derham said..."Over the last 10 years Willmott Forests has delivered sustained growth in excess of 15% per annum in the key areas of Woodlot sales, plantation resources, assets and profit. This is an excellent result for the Company that recognises the high rating that our products have received from independent research houses and the continued expansion of our sales network".

In accordance with the Company's stated revenue recognition policy, revenue from Woodlot sales is recognised in line with plantation established works.

Of the \$35.7 million Woodlot sales revenue \$5.4 million will be recognised as income at 30 June 2004 and the balance of \$30.3 million will be carried forward to FY05.

Profit Forecast

With strong revenue growth, a stable cost base and predictable earnings Willmott Forests expects to record NPAT in excess of \$8.0 million in FY04 with 25% further growth in NPAT in FY05.

About Willmott Forests

Willmott Forests is an integrated forestry company that produces a wide range of landscape and structural timber products from its softwood processing operations in south-east NSW.

A Quality Endorsed Company with a market capitalisation in excess of \$100 million, Willmott Forests manages over 16,000 hectares of commercial plantations on behalf of more than 1,500 individual growers via managed investment projects. The majority of these plantations are located in south-east NSW and north-east Victoria. Willmott Forests has been operating in this region since 1982.

PLANT

MANAGE

HARVEST

PROCESS

SUPPLY

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