

31 March 2005

COMPANY ANNOUNCEMENT**FORESTRY A POSITIVE FOR BOMBALA REGION: REPORT****PLANT**

Willmott Forests Limited (ASX: WFL) is the subject of a report by the Centre for International Economics (CIE) showing that forestry is having a positive social and economic impact on the Bombala region in south-east New South Wales.

The CIE report, *Plantations, Jobs & Investment in Regional NSW - A socio-economic analysis of the Bombala region*, was launched by Minister for Fisheries, Forestry and Conservation, Senator Ian Macdonald in Bombala today. It focused on Willmott Forests, an integrated forestry company which operates in this area.

MANAGE

The report showed that there are sustainable, growth opportunities in the Bombala region and that Willmott Forests is playing a significant role in developing jobs, investment and services for both the industry generally and in the local community.

HARVEST

Other key results from the report include:

- Expansion of private plantations of a further 13,000 plus hectares, as is planned by Willmott Forests, will be justifiable given the synergies they allow.
- In terms of land production value, the agricultural sector in Bombala produced approximately \$138 of output per hectare compared with \$166 per hectare in estimated gross value of production by Willmott Forests' plantation business.
- The diversification into downstream timber processing has improved the already positive outlook for Willmott Forests through the opening up of additional revenue streams.
- Willmott Forests continually ranks as one of Australia's top performing companies in terms of environmental management, social engagement and corporate governance.
- Willmott Forests manages over 18,000 hectares of plantation estate in the Bombala region, employs over 135 people locally and produced output of almost \$15.9 million from its timber processing operations in 2003-04.

PROCESS**SUPPLY**

Willmott Forests Chief Executive Officer Marcus Derham said "Willmott Forests has been committed to the sustainable development of the softwood timber industry since it began operating in this region in 1982. The Company has planted the majority of New South Wales' new softwood plantations since 1999, most of which has been in the Bombala region. The CIE report shows that we are on the right track for future expansion that also benefits the local community."

The CIE report, *Plantations, Jobs & Investment in Regional NSW* is available via www.willmottforests.com.au – follow link to 'News' page.

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About Willmott Forests

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

A Quality Endorsed Company, with a market capitalisation in excess of \$140 million, Willmott Forests manages its commercial softwood plantations on behalf of more than 1,500 individual growers. The majority of these plantations are located in south-east NSW and north-east Victoria.

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.

Further information:

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