

27 July 2006

COMPANY ANNOUNCEMENT**Willmott Forests consolidates Bombala processing operations****PLANT**

Willmott Forests Limited will transfer all its Bombala-based wood processing jobs and operations to the company's Sandy Lane landscape products mill next month.

Operations at the company's urban Bright Street mill, which produces structural timber product for construction markets, will cease on 31 August 2006.

MANAGE

Planning is underway for a further \$5 million investment in capital works at the company's Sandy Lane Bombala plant, according to CEO Marcus Derham.

The new investment planning follows the completion of \$1.7 million of expenditure on infrastructure development and equipment installation at Sandy Lane last month.

HARVEST

"Our decision is aligned with present resource availability in the Bombala region and with current market realities. Future processing investment will focus on boosting the landscape products business at Sandy Lane." Mr Derham said.

PROCESS**About Willmott Forests**

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

A Quality Endorsed Company, with total assets in excess of \$275 million Willmott Forests manages 30,000 hectares of commercial softwood plantations on behalf of more than 3,400 individual growers. The majority of these plantations are located in south-east New South Wales and north-east Victoria.

SUPPLY

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