

22 March 2006

**COMPANY ANNOUNCEMENT****PLANT****Willmott Forests forms arrangement with  
Hancock Victorian Plantations**

The directors of Willmott Forests Limited are pleased to announce the formation of a commercial arrangement with Hancock Victorian Plantations Pty Limited (HVP), Australia's largest private timber plantation company.

**MANAGE**

Under the terms of this exclusive arrangement, HVP will make available to Willmott Forests a minimum of 10,000 hectares of harvested plantation lands to be replanted for new Woodlot sales over the next three years. HVP will provide forestry services to Willmott Forests for the duration of the rotation period, including plantation establishment, maintenance and log marketing for the Woodlots established on that land supplied.

**HARVEST**

"The commercial arrangements with HVP will significantly strengthen Willmott Forests' business platform, enhance our cash flow and help facilitate our future growth" said Marcus Derham, Willmott Forests' Chief Executive Officer.

**PROCESS****The key features of the Commercial Arrangements are:-**

- HVP will make available to Willmott Forests by lease or licence a minimum 10,000 hectares of productive plantation land in Victoria's four major softwood regions;
- Willmott Forests may request additional HVP land over the next three years that has been cleared after harvesting;
- During the term, the arrangement on HVP land is exclusive to Willmott Forests;
- HVP will act as a service provider to Willmott Forests on commercially agreed arms-length arrangements within these four new geographic regions by establishing and managing the new plantations in line with Willmott Forests' management principles, and consistent with HVP's stewardship principles; and
- The arrangement will provide Willmott Forests with improved market access and economies of scale, increasing the potential for higher end-market prices for Woodlot investors.

**SUPPLY**

Continued.....

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### **About Hancock Victorian Plantations**

Melbourne based Hancock Victorian Plantations (HVP) manages approximately 245,000 hectares of land across Victoria, annually supplying some three million tonnes of softwood (pine) and 300,000 tonnes of hardwood (eucalypt) to sawmillers, panel producers and pulp and paper mills in Australia and overseas.

HVP is owned by Australian superannuation and investment companies and by US investors whose funds are managed by the Hancock Timber Resource Group (HTRG). As of December 31, 2005, HTRG managed assets in North America, Australia, New Zealand and Brazil with a value of US\$5.2 billion.

### **About Willmott Forests**

Willmott Forests Limited is an integrated softwood forestry company that produces a wide range of landscape and structural 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 over 24,000 hectares of commercial softwood plantations on behalf of more than 2,500 individual growers. The majority of these plantations are located in south-east New South Wales 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.

For further information please contact:

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