

**WILLMOTT
FORESTS**

**PREMIUM
FORESTRY
BLEND –
2010
PROJECT**



PROJECT SUMMARY

ARSN 142 722 585

***Willmott Forests' plantation strategy is a simple one -
'develop valuable plantation resources of proven
species, in key regions, with a focus on value adding'.***



Willmott Forests

ABOUT THE COMPANY

THE WILLMOTT FORESTS' VIEW

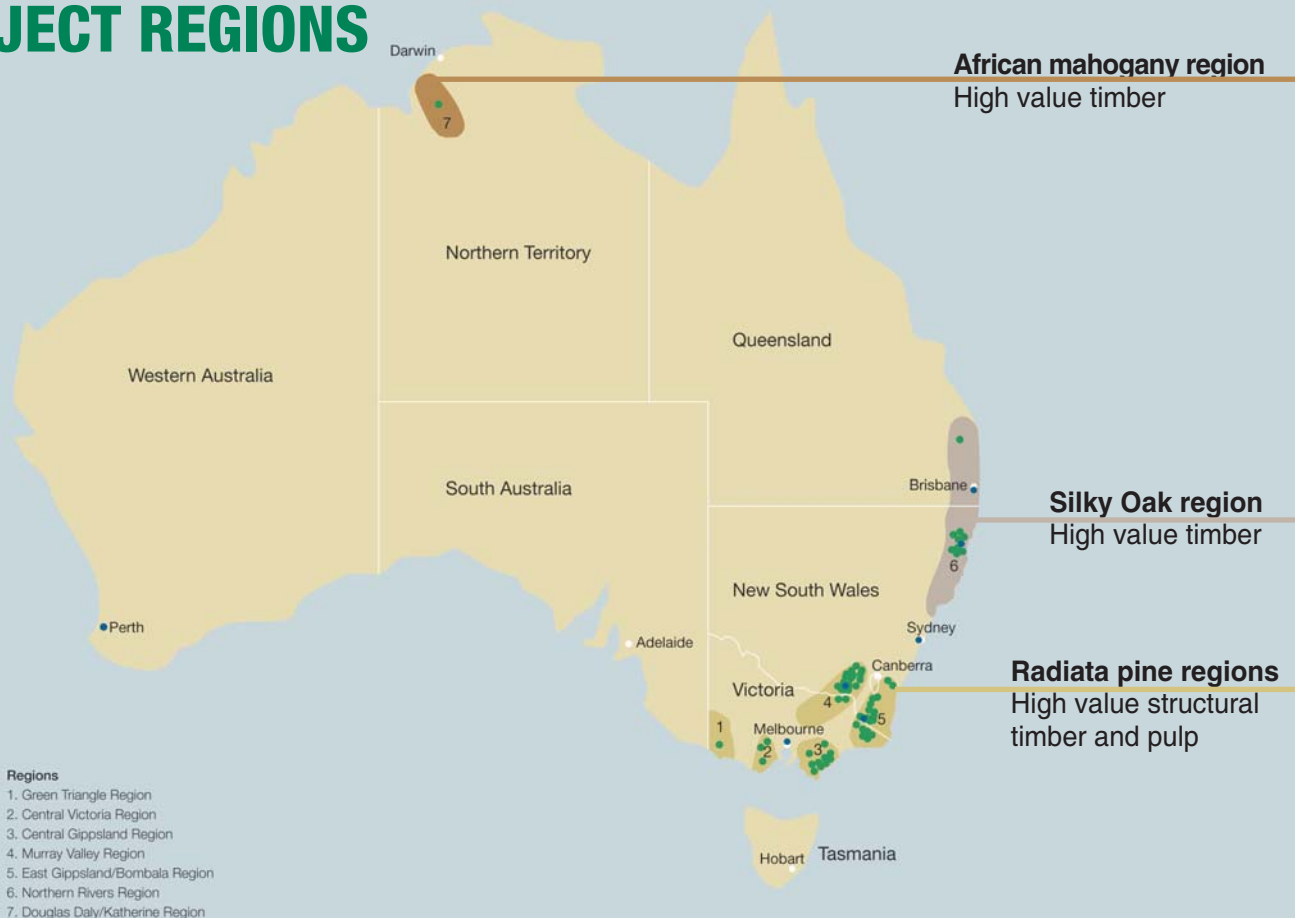
We see ...

- Commercial plantations increasing in value;
- Softwood demand to intensify;
- High value timbers in great demand;
- Developing biofuel markets that will add value to our resource;
- Dedicated, fast growing plantations for energy and fuel; and
- Willmott Forests playing a key role.

Willmott Forests is a publicly listed (ASX Code: WFL) and quality accredited company. Our core activities are establishing, managing, harvesting, processing and supplying timber products from plantation grown resources on behalf of our growers and shareholders.

The company employs over 150 people and manages in excess of 53,000 hectares of Radiata pine, Silky Oak, She-oak and African mahogany plantations, ranging from new plantings to mature trees.

PROJECT REGIONS



● Willmott Forests plantations ● Willmott Forests offices
■ Radiata pine plantation regions ■ African mahogany plantation regions ■ She-oak and Silky Oak plantation regions

THE PROJECT AT A GLANCE

THE OFFER

The Willmott Forests Premium Forestry Blend - 2010 Project ("Project") is an opportunity to participate in a Project that invests in a blend of:-

Species	Species Allocation
Radiata pine	Approximately 75%
African mahogany	Approximately 20%
Silky Oak	Approximately 5%

Investors are issued Forestry Interests. Each Forestry Interest represents a share in the beneficial interest in the Project Property. The Project Property includes the Land Agreements, the Trees established for the purposes of the Project and the income derived from the harvesting and sale of the Trees.

Species	End Products	Indicative timing of harvest and sale (Age of Tree)			
Radiata pine	Structural timber, newsprint, pulp			13	15*
African mahogany	High value appearance timber	8		12	16
Silky Oak	High value appearance timber		10		15

* Sold as standing timber

APPLICATION PRICE

\$5,000 per Forestry Interest.

MINIMUM INVESTMENT

The minimum application is one (1) Forestry Interest.

OFFER OPENS

7 April 2010.

OFFER CLOSES

30 June 2010. Willmott Forests may, however, determine to extend the Offer or close the Offer Period earlier.

INVESTMENT TERM

The term of the Project will be approximately 16 years after the establishment of all the Trees.

PAYMENT OPTIONS

Payment options for the Application amount are as follows:

- **Cash;**
- **12 Month Interest Free Loan, available through Willmott Finance Pty Ltd;**
- **3 or 5 year Principal and Interest Loans available through Willmott Finance Pty Ltd.**

FEES

In addition to the application fee, Investors will pay a Deferred Forestry Management Fee of 10% of Gross Timber Proceeds. There are no annual payments other than insurance. Refer to section 5 of the PDS for further details.

STOCKING GUARANTEE

Stocking Guarantee for a period of 13 months from the date of completion of the planting of each species ("Stocking Guarantee Period").

INSURANCE

Plantation Insurance - following the expiry of the Stocking Guarantee Period for a species of Tree, Willmott Forests will use its reasonable endeavours to obtain and maintain an insurance policy in respect of that species which at a minimum will cover fire.

TAX TREATMENT

100% tax deductible based on ATO **Product Ruling PR2010/4**.

INDEPENDENT RESEARCH

Independent Research available.

The Project is a registered managed investment scheme which will establish Radiata pine, African mahogany and Silky Oak plantations for the supply of sawlogs to the domestic and export markets.

BENEFITS OF INVESTING IN THE PROJECT

Willmott Forests is a leading plantation land and forestry business with a 30 year history.

BENEFITS OF THE OFFER

A new Project structure not previously available in this sector ...

- **pre-paid leases** - enhanced land tenure arrangements;
- **'Switch' feature** to provide ongoing funding for the Project;
- 'stand alone' Project;
- new diversified forestry blend; and
- 100% tax deductible.

ESTABLISHED AND HIGH VALUE SPECIES

Radiata pine, African mahogany and Silky Oak plantations will be established under the Project. Radiata pine is a well established timber species and Silky Oak and African mahogany are high value hardwood species.

FORESTRY INCOME

The Project is expected to derive income from:

- the Thinning, harvesting and sale of the African mahogany and Silky Oak trees; and
- the Thinning and sale of the semi-mature standing Radiata pine trees.

Each Investor will receive a proportion of the Forestry Income determined by reference to the number of Forestry Interests held by the Investor.

TERM

The term of the Project will be approximately 16 years after establishment of all of the Trees which is expected to occur within 18 months after 30 June 2010.

The term of the Project encompasses the anticipated growth and harvest cycle of the African mahogany and Silky Oak plantations and the growth and sale of semi-mature standing timber from the Radiata pine plantations.

LAND SECURITY

Willmott Forests has secured access to suitable plantation land ...

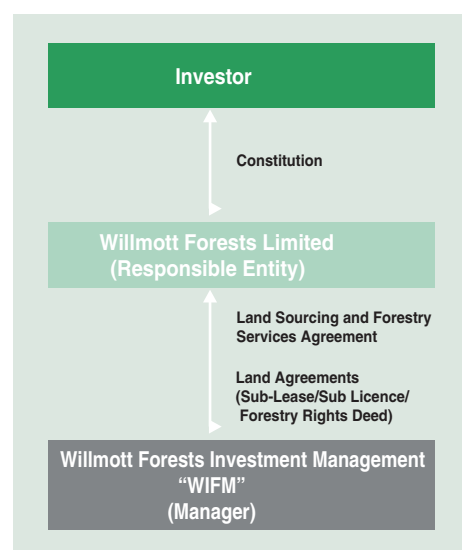
- proven site quality;
- known procurement costs;
- majority of 2010 Project land requirements has **already been secured**;
- **land rental pre-paid** for the duration of the term on commencement - provides security of tenure to the land throughout the term of the Project against financial default and competing adverse interests.

Land Provider	Type	Tenure
Willmott Forests	R1 & R2	Owned / Pre-paid Lease
Third Parties*	R2 & R3	Pre-paid Lease

* Third Parties may include Hancock Victoria Plantations and/or Forests NSW.

- R1 = First Rotation - new land
- R2 = Second Rotation - land previously used commercially in plantation production.
- R3 = Third Rotation - land previously used commercially in plantation production.

Willmott Forests' Project delivers security of land tenure against financial default.



Willmott Forests has a long track record of successfully identifying and securing suitable land to fulfil obligations for it's Projects.

Radiata pine



LOW CORRELATION WITH RETURNS FROM OTHER ASSET CLASSES

The factors that impact returns from an investment in plantation forestry are different from those that affect returns from more traditional investment asset classes such as shares, fixed interest and commercial property.

This means that the returns from a plantation forestry investment are expected to have a low correlation to returns from investments in the more traditional investment asset classes.

African mahogany



SALE OF RADIATA PINE AS STANDING TREES

The usual rotation (that is, the period of time from establishment to harvesting) of a Radiata pine tree is 25 years.

Under the Project, the semi-mature Radiata pine trees will be sold as standing timber approximately 15 years after the Trees are established, through a tender process in which Willmott Forests may participate.

If the sale price of the Radiata pine trees is below 90% of the market value of the Trees determined by independent valuation, Willmott Forests will contribute from its own assets the difference between the sale price and 90% of the market value of the trees.

Silky Oak



PROJECT MANAGEMENT

Willmott Forests is the Responsible Entity of the Project and is responsible for all aspects of the Project including the establishment, maintenance and marketing of the Trees.

ENHANCED INVESTOR SECURITY

The 'Switch' ...

The Project incorporates a 'switch' feature whereby the Deferred Forestry Management Fee equal to 10% of the Gross Timber Proceeds is replaced with an Annual Forestry Management Fee of \$142.50 per Forestry Interest, payable to a new Responsible Entity, in the event of the insolvency of Willmott

DIVERSIFICATION

The Project offers diversity by:

- the region in which plantations are established;
- the species of Trees which are established; and
- the end markets for the Trees.

Investors will be able to participate in the Project which will establish plantations on a scale, and in locations, which the investor may not be able to establish if the investor were investing on an individual basis.

The Responsible Entity:

Willmott Forests Limited

ABN 17 063 263 650

Australian Financial Services Licence
Licence No 233215

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South Melbourne, Victoria 3205

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The Manager:

Willmott Forests Investment Management Pty Ltd

ABN 50 098 718 837

249 Park Street (Locked Bag 4011)
South Melbourne, Victoria 3205

The Project:

Willmott Forests Premium Forestry Blend - 2010 Project

ARSN 142 722 585

Important Information

This Product Disclosure Statement (**PDS**) is dated 7 April 2010. Willmott Forests Limited (**Willmott Forests or Responsible Entity**) is the Responsible Entity of the Willmott Forests Premium Forestry Blend - 2010 Project ARSN 142 722 585 (**Project**) and the issuer of the PDS.

The Project is not intended to be a short term investment and is subject to the normal risks associated with commercial plantation forestry. The Responsible Entity does not guarantee any particular return to Investors or that any particular expenditure by Investors in relation to the Project will be tax deductible. A paper copy of the PDS can be obtained from or inspected at Willmott Forests.

The PDS is available electronically from Willmott Forests' website (www.willmottforests.com.au).

The offer of the PDS is only available to persons receiving this PDS (electronically or otherwise) in Australia.

The information in the PDS and this Project Summary is general information only and has not been prepared having regard to the investment objectives, financial situation, or the specific needs of any particular person. As an investor you should consider whether the information in the PDS is appropriate for you in light of your objectives, financial situation and needs. You should seek professional advice before making an investment decision and consider the risk factors that could affect the financial performance of the Project.

The information in the PDS and in this Project Summary is up to date at the time when it was prepared. Information relating to the Project that is not materially adverse is subject to change from time to time and may be updated by the Responsible Entity. Where information is updated it can be found at any time on Willmott Forests' website at www.willmottforests.com.au. A paper copy of any updated information will be given to a person without charge on request.

Defined words and expressions used in the PDS are explained in the Glossary of Terms set out in page 67 of the PDS. Unless otherwise specified, photographs used in the PDS and this Project Summary are for illustration only and should not be interpreted to mean that any person shown endorses the Project or Willmott Forests or that Willmott Forests or any other person referred to directly or indirectly in the PDS owns, uses or has any rights in relation to any item shown.

The PDS document is important and should be read in its entirety before a decision is made to apply for Forestry Interests. If you are uncertain or have any doubts about applying for Forestry Interests, you should consult your financial advisor, solicitor or accountant.

Forestry Interests will be issued only on receipt of a completed Application Form which is attached to or accompanies the PDS. No Forestry Interests will be issued on the basis of the PDS after the Offer Period closes, unless the relevant application was received prior to the Offer Period closing.



Quality
Endorsed
Company
ISO 9001:2008
SAS 4001



Willmott Forests