



ABN: 36 091 232 209 AFSL: 238701

# woodlotproject09

NOW OPEN!



## Introducing Gunns Plantations Ltd Woodlot Project 2009

Gunns Plantations Limited (GPL) is proud to announce that the new Gunns Plantations Limited Woodlot Project 2009 (the Project) is now open! Growers will have the choice of investing in

short rotation Eucalypt plantations grown for sale as pulp wood (Option 1), Radiata Pine plantations grown for sale as pulp wood and saw logs (Option 3), or a blend of four Woodlots of Eucalypt and Radiata Pine plantations grown for sale as pulpwood, saw logs and veneer logs (Blended Option).

### Costs to Growers per Woodlot (one hectare)

Note: Option 2 will initially only be available in the Blended Option.

	Option 1	Option 3	Blended Option
Term	13 years	25 years	25 years
Application Fee	\$7,480 (incl. GST)	\$7,480 (incl. GST)	\$28,424 (incl. GST) for four (4) Woodlots, which is a 5% discount on the single unit price
Pruning Fees	N/A	N/A	Year 4 (approx.) \$810* Year 6 (approx.) \$867* Year 7 (approx.) \$924*
Rent, maintenance and sales commission	16.5% of any wood sale proceeds (inc GST)	16.5% of any wood sale proceeds (inc GST)	16.5% of any wood sale proceeds (inc GST)

\* Indexed annually to CPI and inclusive of GST. These are baseline costs only.

## Planting Options

An investor may choose from the following options available.

	Option 1	Option 3	Blended Option
Term	13 years	25 years	25 years
Species	Eucalyptus nitens or Eucalyptus globulus	Pinus radiata (Radiata Pine)	Eucalyptus nitens or Eucalyptus Globulus & Pinus Radiata (Radiata Pine)
Nature of Investment	Pulpwood	High Quality Sawlog & Pulpwood	High Quality Sawlog, Pulpwood & Veneer
Location	Tasmania	Tasmania and the Southern Highlands region of New South Wales.	Tasmania and the Southern Highlands region of New South Wales.
Harvest Times (approx)	Year 9 (thinning) and Year 13 (clearfell)	Years 13 and 18 (thinning) and Year 25 (clearfell)	Years 9, 13 & 18 (thinning) and Years 13,20 & 25 (clearfell)
Guaranteed Stocking Level	90% of the average initial planting density for the first 2 years	90% of the average initial planting density for the first 2 years	90% of the average initial planting density for the first 2 years
Insurance	Available upon request at Growers' expense	Available upon request at Growers' expense	Available upon request at Growers' expense
Off-take agreement	Yes. With Gunns Limited.	With Gunns Limited for all wood grown in Tasmania, Other off-takes being negotiated for wood grown in NSW	With Gunns Limited for all wood grown in Tasmania, Other off-takes being negotiated for wood grown in NSW

## Finance Available

- 12 month Interest Free loans
  - Principal and Interest loans for 3, 5, 10 and 15^ years
- ^ The 15 year principal and interest loan is not available for Option 1 of the Project.

## Taxation

The application fee to acquire an interest in the Project and any interest and insurance costs should be 100% tax deductible in the year in which they are paid. Please refer to the relevant product rulings for each option of the Project for full details in this regard. A copy of the product rulings can be obtained from our website, [www.gunns.com.au/plantations](http://www.gunns.com.au/plantations) or by visiting the website of the Australian Taxation Office (ATO), [www.ato.gov.au](http://www.ato.gov.au).

## Is this an environmentally safe investment?

Growing trees is environmentally friendly as they sequester greenhouse gases, which helps to combat the "greenhouse effect". Greenhouse gases are measured in 'carbon dioxide equivalents' (CO<sub>2</sub>e). Approximate CO<sub>2</sub>e levels sequestered by each of Option 1 and Option 3 is indicated in the table below.

These amounts of CO<sub>2</sub>e can be equated into the following energy use equivalents:



	Project Lifetime	CO <sub>2</sub> e sequestered per woodlot over project lifetime	Running a car for	Running a household for	An Australian living for
Option 1	13 Years	400 t/ha	100 years	29 yrs	14 yrs
Option 3	25 Years	690 t/ha	172 years	49 yrs	25 yrs

Note: It is not known whether there will be any potential financial value arising from carbon sequestered by a Growers Woodlot during the life of the Project

\*DISCLAIMER: Gunns Plantations Limited ACN 091 232 209 (GPL) has issued a product disclosure statement (PDS) offering investors the opportunity to subscribe for interests in the Gunns Plantations Ltd Woodlot Project 2009 ARSN 135 490 292 (the Project). A copy of the PDS may be obtained from GPL by phoning FREECALL 1800 015 023 or via our website: [www.gunns.com.au/plantations](http://www.gunns.com.au/plantations). The information contained in this document is general in nature and does not take into account the individual investment objectives, financial situation or particular needs of any potential investor. All prospective investors should read the PDS and any supplementary PDS in full prior to making a decision regarding an investment in the Project. Allocations of Woodlots will only be made to successful applicants that have properly completed an Application and Power of Attorney Form attached to a current PDS. We recommend you obtain personal financial and legal advice before making a decision to invest. The Australian Taxation Office (ATO) has issued product rulings for the Project (Product Rulings) which will apply to investors accepted into the Project on or before 30 June 2009 and which confirm the tax deductibility for the initial application fee and other costs which may be incurred by investors as referred to in the Product Rulings. The Product Rulings are only binding on the ATO insofar as the Project is carried out in the specific manner identified in the Product Rulings. The Product Rulings are only a ruling on the application of taxation law and are in no way expressly or impliedly a guarantee or endorsement of the commercial viability of the Project, the soundness or otherwise of the Project as an investment or the reasonableness or commerciality of any fees charged in connection with the Project. A copy of the Product Rulings are available free of charge by contacting GPL on FREECALL 1800 015 023 or downloading it