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NO COVERAGE FOR MOBILE PHONE.



LA-BJ PARKE

RMB 192

MUIR HIGHWAY

MANTIMUP

WA 6258

19-8-02.

SENETE. SUBMISSION. INTO PLANTATION FORESTS

DEAR SIR

ON THE 1-3-1991 WE LEASED 460 HECTARES OF OUR 497 HECTARE FARM NEAR MANTIMUP WA. TO BUNNINGS TREE FARMS (NOW WA PLANTATION RESOURCES, OWNED BY MARUBENI CORPORATION) ON AN 18 YEAR CONTRACT TO GROW BLUE GUMS FOR 2 CROPS.

THE FIRST CROP WAS HARVESTED IN 2001, BECAUSE THE CROP YIELDED ONLY 110 TONNES PER HCT. AT \$18 PER TONNE. THE COMPANY PULLED OUT OF THE CONTRACT LEAVING 1200 STUMPS PER HCT ON 300 MM. HIGH MOUNDS. THE COMPANY WOULD NOT REMOVE THE STUMPS EVAN THOUGH THE CONTRACT SAID THEY WOULD (PARAGRAPH 9 CLAUSE 8(1)) IF THE CONTRACT WAS TERMINATED.

A PACKAGE OF COMPENSATION WAS OFFERED EQUAL TO \$217 PER HCT. CONSISTING OF FERTILIZER, FENCING, SEED ETC. WHICH WE TOOK BUT DIVERTED THE REST OF THE MONEY TO CLEARING 80 HECTARES.

PULLING STUMPS \$330 PER HCT, RAKING INTO WINDROWS \$200, BURNING AND CLEANING UP WINDROWS \$250 MAKES A TOTAL OF \$780 PER HCT, MUCH MORE THAN THEIR COMPENSATION PACKAGE.

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THE REMAINING STUMPED AREA WAS SEEDED WITH CLOVER AND GRASSES, WITH A COMPLETE FERTILIZER OF PHOSPHORUS, POTASH AND TRACE ELEMENTS WAS SOWN BETWEEN THE ROWS OF STUMPS (260 KG PER HA). PASTURE GROWTH WAS VERY POOR DISPIE GOOD RAINS.

A SOIL SCIENTIST (DR MATHEW TODD, 08-97718283) TESTED THE SOIL AND HIS REPORT SAID THE SOIL WAS COMPLETELY DEPLETED OF MAJOR FERTILIZER REQUIREMENTS AND WOULD REQUIRE MASSIVE AMOUNTS OF FERTILIZER TO BRING IT BACK TO A PRODUCTIVE STATE.

THE CLEARED AREA WAS PLANTED UNDER SWEET LUPINS, AFTER PLOUGHING AND HEAVY APPLICATION OF FERTILIZER AND WE EXPECT TO HARVEST A GOOD CROP.

THIS SITUATION HAS SPREAD THROUGH OUR DISTRICT AS HARVESTING CONTINUES, THIS IS ENVIRONMENTAL DAMAGE EQUIVILENT TO STRIP MINING AS THE COMPANIES FIND IT EASPER TO MOVE ON AND NOT PUT THE LAND BACK LIKE IT WAS

LEGALLY ITS NOT PRACTICAL FOR US TO TAKE MARUBENI CORPORATION TO COURT, WE DON'T HAVE THE RESOURCES, KNOWLEDGE OR ABILITY.

FOR US THE RETURN FROM RENTING OUT OUR LAND WILL DISAPPEAR IN RETURNING IT TO A PRODUCTIVE STATE AND CONSIDER IT A BAD MOVE, BUT AT THE TIME, DUE TO ILL HEALTH IT WAS A GOOD IDEAR.

THANKING YOU

L Y Parke (LES PARKE)

THIS A COPY OF THE COMPANY
TERMINATING THE CONTRACT.



WA PLANTATION RESOURCES

La Parke

6 April 2001

Mr & Mrs LA & BJ Parke
PO Box 166
MT BARKER WA 6324

Dear Les and Bev

NELSON LOCATION 12861

The above land was leased to Bunnings Tree Plantations Ltd (Lease dated 13 September 1991) and this lease was assigned to WA Chip & Pulp Co Pty Ltd (WACAP) on 24 September 1992.

Unfortunately, the yield has been very low and the environmental conditions relating to soil quality and depth have proved unsuitable for plantations. WA Chip & Pulp Co Pty Ltd are therefore, giving notice pursuant to Clause 13 (a) (iii) of the Licence Agreement dated 4 June 1990, that after full consideration of all elements required to be considered to assess the commercial feasibility of a plantation, (amongst which are, the yield experienced from the first rotation; the potential improvement that might be possible for a second rotation; and the likely future trend in wood prices) the company has determined that it is no longer commercially viable to operate a plantation on the land subject to the Licence.

As discussed and agreed, the removal of stumps is not considered appropriate. On this basis, WA Chip & Pulp Co Pty Ltd offers the following package in lieu of stump removal.

- Yearly rent already paid to 1 March 2002.
- Fertiliser as specified (maximum value of \$43,000)
- Clover seed as specified (maximum value \$4,500)
- Spraying of all coppice regrowth as specified by yourself (maximum value \$30,000)
- Burning debris over entire property (maximum value \$5,000)
- Fencing construction assistance (maximum value \$8,000)
- Graveling of farm roads (maximum value \$5,000)
- Grading of roads, catchment (maximum value \$3,000)
- House painting materials (maximum value \$500)
- Garden sleepers (maximum value \$500)
- Garden mulch (maximum value \$500)

Total Value

\$100,000

WA Chip & Pulp Co Pty Ltd ABN 70 008 720 518

Manjimup Regional Office
57 Ross St, Manjimup.
PO Box 444
Manjimup WA 6250
Tel. (08) 9771 7400
Fax. (08) 9771 8834

Perth Office
Level 20, Adelaide Square
77 St Georges Tce, Perth.
GPO Box 212dB
Perth WA 6001
Tel. (08) 9420 0300
Fax. (08) 9325 7839

Burbury Port
South Inner Harbour, Burbury.
PO Box 550
Burbury WA 6330
Tel. (08) 9721 7411
Fax. (08) 9721 3213

Diamond Mill
Enabourne Rd, Manjimup.
PO Box 444
Manjimup WA 6258
Tel. (08) 9771 1011
Fax. (08) 9777 1159

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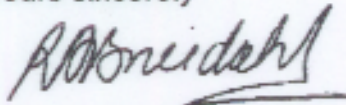
You are free to commence renovating any harvested area following clearance from Russell Walter, Regional Forester, Manjimup. The plantation will however remain a "harvesting site" until completion of harvesting and as such will remain under the direction and control of WA Plantation Resources until cessation of harvesting.

Russell Walter, will be responsible for coordinating harvesting on your property and also for the provision of the compensation package outlined above. Please feel free to contact Russell on 9771 7400 or 0417 939 510 to discuss programming of this package.

An additional copy of this letter is enclosed and we ask that you sign and return it to us to acknowledge receipt.

We regret that this venture has not been more successful for both parties and thank you for the relationship we have had over the years.

Yours sincerely

A handwritten signature in black ink, appearing to read "R BreidaHL", with a horizontal line underneath the name.

RICHARD BREIDAHL
General Manager, Treefarms Operations