

## TEMPLEGATE - JEREMY 1

BUDGET, 12 MONTHS1 JULY 2010 TO 30 JUNE 2011

<u>3 Months Ending</u>	<u>Sept</u> <u>2010</u>	<u>Dec</u> <u>2010</u>	<u>March</u> <u>2011</u>	<u>June</u> <u>2011</u>	<u>Total</u>
<b>Cash Inwards</b>					
Trust Monies	119,014	-	-	-	119,014
Harvest Proceeds	-	-	-	-	-
<b>Cash In</b>	<b>119,014</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>119,014</b>
<b>Cash Outwards</b>					
Operating Expenses	-	15,000	-	-	15,000
R.E. & Other Costs	75,000	10,000	5,000	-	105,000
<b>Cash Out</b>	<b>75,000</b>	<b>25,000</b>	<b>5,000</b>	<b>15,000</b>	<b>120,000</b>
<b>Net Cash</b>	<b>44,014</b>	<b>(25,000)</b>	<b>(5,000)</b>	<b>(15,000)</b>	<b>(986)</b>
<b>Cash Balance</b>	<b>44,014</b>	<b>29,014</b>	<b>29,014</b>	<b>14,014</b>	

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### 1. PLANTATION SPECIFICATIONS

	<u>Lot 17</u>	<u>Lots 20,21</u>	<u>TOTAL</u>
Gross Area	86.8 ha	187.2 ha	274 ha
Planted Area	72.9 ha	83.1 ha	156 ha
Years Planted	1978 1979	1978 1979	
Number of Lots			230

#### Thinning - Second

Date	2007	2008	
Area	72.9 ha	25 ha	
Tonnes	5,252 t	1,774 t	
Windrow Damage 2009		173 + tonnes	

#### Clearfell

Proposed Date	2011/2012	2011/2012	
Est. Tonnes	13,000	19,000	32,000

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### 2. SUMMARY OF PROJECTED REVENUE AND EXPENSES

YEAR	10/11	11/12	TOTAL
<b><u>Revenue</u></b>			
Clearfell	-	895,000	<u>895,000</u>
<b><u>Expenses</u></b>			
Roads		10,000	10,000
Maintenance	2,000	2,000	4,000
Supervision		25,000	25,000
Insurance	13,000	13,000	26,000
R.E.	75,000	75,000	150,000
Audit, P.I. & Other	15,000	15,000	30,000
Harvest Royalty		44,000	44,000
Dust Suppression		15,000	15,000
		-	-
		-	-
<b>Proj. Expenses</b>	<u>105,000</u>	<u>199,000</u>	<u>304,000</u>
<b><u>Net Profit/(Loss)</u></b>	<u>(105,000)</u>	<u>696,000</u>	<u>591,000</u>

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### 3. CLEARFELL IN 2011/2012

#### Lot 17

Hectares	72.9 ha
Projected Tonnes/Ha	180 tonnes
Total Tonnes	13,000 tonnes

#### Lots 20,21

Hectares	83.1 ha
Projected Tonnes/Ha	230 tonnes
Total Tonnes	19,000 tonnes

### REVENUE

<u>Quality</u>	<u>Sawlog/Export</u>		<u>Pulp</u>	<u>TOTAL</u>
<b>Lot 17</b>				
Tonnes	10,400		2,600	13,000
%	80%		20%	100%
Av. Royalty	\$ 35.90	(2)	\$ 8.47	\$ 30.38
<b><u>Gross Revenue</u></b>	<b><u>\$ 373,000</u></b>		<b><u>\$ 22,000</u></b>	<b><u>\$ 395,000</u></b>
<b>Lots 20,21</b>				
Tonnes	12,350		6,650	19,000
%	65%		35%	100%
Av. Royalty	\$ 35.90	(2)	\$ 8.47	\$ 26.32
<b><u>Gross Revenue</u></b>	<b><u>\$ 443,000.00</u></b>		<b><u>\$ 57,000.00</u></b>	<b><u>\$ 500,000</u></b>
<b><u>TOTAL REVENUE</u></b>				<b><u>\$ 895,000</u></b>

(2) See Royalty Calculation Schedule attached.

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### 4. RETURNS FROM ENTITLEMENTS, JEREMY 3 AND JEREMY 4

Projected net Revenues available proportionally  
to Lessees in Jeremy 1 and Jeremy 2

Jeremy 3	\$ 210,000
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Jeremy 4	\$ 253,000
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<b>Total Projected</b>	<b>\$ 463,000</b>
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Number of Lots in Jeremy 1 and Jeremy 2	391
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Average Yield per Lot	\$ 1,184
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