

TEMPLEGATE - JEREMY 2

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>
Cash Inwards					
Trust Monies	62,010	-	-	-	62,010
Cash In	62,010	-	-	-	62,010
Cash Outwards					
Operating Expenses	-	10,000	-	-	10,000
R.E. & Other Costs	75,000	10,000	5,000	-	90,000
Cash Out	75,000	20,000	5,000	-	100,000
Net Cash	(12,990)	(20,000)	(5,000)	-	(37,990)
Cash Balance	(12,990)	(22,990)	(22,990)	(37,990)	

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1. PLANTATION SPECIFICATIONS

Gross Area	160.6 ha
Planted Area	113.9 ha
Years Planted	1978, 1979 & 1980
Number of Lots	161
<u>Thinning</u>	None
<u>Clearfell</u>	
Proposed Date	2011/2012
Est. Tonnes	22,000

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2. SUMMARY OF PROJECTED REVENUE AND EXPENSES

YEAR	10/11	11/12	TOTAL
<u>Revenue</u>			
Clearfell		385,000	385,000
<u>Expenses</u>			
Roads - note 1		40,000	40,000
Supervision		20,000	20,000
Insurance	8,000	8,000	16,000
R.E.	75,000	75,000	150,000
Audit, P.I. & Other	15,000	15,000	30,000
Harvest Royalty	-	19,000	19,000
Maintenance	2,000	2,000	4,000
Dust Suppression	-	4,000	4,000
ROW @ 50c / tonne		11,000	11,000
Proj. Expenses	\$ 100,000	\$ 194,000	\$ 294,000
Net Profit/(Loss)	(100,000)	\$ 191,000	\$ 91,000

Note 1. Some recovery of road costs possible from J3 and J4

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3. CLEARFELL IN 2011/2012

Hectares	113.9	ha
Projected Tonnes/Ha	200	tonnes
Total Tonnes	22,000	tonnes

REVENUE

<u>Quality</u>	<u>Sawlog</u>	<u>Export</u>	<u>Pulp</u>	<u>TOTAL</u>
Lot 17				
Tonnes	3,300	7,700	11,000	22,000
%	15%	35%	50%	
Av. Royalty	\$30.00 (1)	\$25.00 \$	8.47 \$	17.50
<u>Gross Revenue</u>	<u>\$ 99,000</u>	<u>\$ 192,500</u>	<u>\$ 93,500</u>	<u>\$ 385,000</u>

(1) See Royalty Calculation Schedule attached.

