

Media Release

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NORTH EAST COMMUNITY DESERVES SPEEDY WIN-WIN RESOLUTION TO SOFTWOOD SUPPLY NEGOTIATIONS

Timber Communities Australia members throughout Tasmania are hopeful that today's rally will quickly bring about a win-win for softwood log supply negotiations between softwood plantation manager Rayonier and Auspine.

The continued employment at Auspine's two Scottsdale soft wood sawmills require a secure log supply, growers also benefit from knowing they have secure local processors they can supply.

"TCA understands just how vitally important a quick positive outcome of the log supply negotiations between Rayonier and Auspine is to the 310 families directly dependent upon both of Auspine's Scottsdale soft wood sawmills, this importance also flows onto the broader North East community" State Manager of Timber Communities Australia Mr Barry Chipman said this week.

"Important to those negotiations is the fact that the growing and processing of soft wood is a key economic driver for the broader Scottsdale community along with equally important underpinning the strong social capital of the North East which are values too important to lose"

"TCA's North East branch members also hope that a successful outcome can lead to removing the need for soft wood logs to be exported. Members also hope that with a secured range of local processors this can become an incentive for land owners to grow soft woods as an investment crop. Branch members will be meeting this week to discuss the matter."

"TCA members have taken much heart from the recent successful log supply between Rayonier and Branxholm sawmill that has secured the future for the Branxholm community"

"Also positive is last week's announcement that Koppers has also secured its soft wood log supply from Rayonier with no price increase."

"TCA is hoping that the combined good will of both Rayonier and Auspine will now prevail for the benefit of their dependent communities, for the longer these negotiations drag on, the more community uncertainty grows."

"Previous statement by Auspine's Managing Director to the Australian Stock Exchange that he, *remains willing to consider a commercial offer from Rayonier and negotiate on that basis.*" is encouraging."

"Also the public comment by Rayonier's Tasmanian Manager stating he is *confident of reaching an agreement with North East timber company Auspine about future resource supply*" is equally encouraging."

"A quick positive outcome for Scottsdale bringing a secured soft wood supply encouraging new investment by both companies building community growth is TCA's goal from today's rally" Mr Chipman concluded.

Ends

For more information contact Barry Chipman on 6260 4442 OR 0417 013 336