

ANALYSIS OF FINANCIAL RETURNS FROM REPLANTING OF MARTINS. BLOCK 20 HA					
Year	Cash Flows - Base case	Cash Flows - 10% Revenue Growth	Cash Flows - 10% Revenue Reduction	Debt Level (8.5% interest)	Desc.
0	0	0	0	0	Land Preparation
1	-11,325	-11,325	-11,325	-11,325	Planting
2	-12,000	-12,000	-12,000	-23,325	Fertilizing
3	0	0	0	-23,325	
4	0	0	0	-23,325	
5	0	0	0	-23,325	
6	0	0	0	-23,325	
7	0	0	0	-23,325	
8	-13,400	-13,400	-13,400	-36,725	Low Prune/thin to 500spha
9	0	0	0	-36,725	
10	-13,400	-13,400	-13,400	-50,125	Thin to 350spha/med prune
11	0	0	0	-50,125	
12	-9,800	-9,800	-9,800	-59,925	High Prune
13	0	0	0	-59,925	Fertilizer
14	0	0	0	-59,925	
15	0	0	0	-59,925	
16	0	0	0	-59,925	
17	0	0	0	-59,925	
18	0	0	0	-59,925	
19	0	0	0	-59,925	
20	0	0	0	-59,925	
21	0	0	0	-59,925	
22	0	0	0	-59,925	
23	0	0	0	-59,925	
24	0	0	0	-59,925	
25	0	0	0	-59,925	
26	0	0	0	-59,925	
27	0	0	0	-59,925	
28	0	0	0	-59,925	
29	0	0	0	-59,925	
30	707,977	1,064,717	688,907		Harvest
NPV	8.00%	29,856	62,682	28,101	
NPV	9.00%	15,598	40,265	14,279	
NPV	10.00%	5,291	23,877	4,298	
IRR	10.68%	12.47%	10.56%		

<u>Assumptions</u>		20
Discount rates (8%, 9% and 10%)		
Includes full silviculture		
No dividend paid		
Marginal costs only		
No pest control included		
No cost of land rental		
	Harvesting	
	Gross Return	1,146,500
	Log & Load	270,940
	Cartage	88,350
	Comms.	61,563
	Roads/tracks	17,670
	(Internal)	
	Net Return	707,977
	Tonnes	11,780