

News Release Treasurer Jack Snelling

Minister for Workers' Rehabilitation
Minister for Defence Industries
Minister for Veterans' Affairs



Thursday, 18 October, 2012

Forward sale of South-East forest rotations now complete

Treasurer Jack Snelling today announced the Government had reached financial close on the forward sale of the state's Green Triangle forest plantations.

"The successful bidder, a consortium led by The Campbell Group - trading in Australia as OneFortyOne Plantations and backed by a number of investors including Australia's Future Fund - put forward a very impressive offer of **\$670 million**," Mr Snelling said.

"I am extremely confident that with its history as one of the world's largest timber investment managers that the forests of the South-East are in safe hands.

A set of conditions proposed by community and industry leaders has been put in the sale contract to help ensure the long-term future of the industry.

"The Campbell Group has agreed to those conditions and offered a compelling price which shows a strong vote of support for the South-East from a 'blue chip' timber investment manager.

"The community in the South-East should see this to mean that in the long term there is a bright future ahead for the forestry industry."

Mr Snelling said the \$670 million was above the Government's reserve price and the proceeds of the sale would now be invested across the state in key areas such as roads, hospitals, schools and future infrastructure to benefit all South Australians.

OneFortyOne Plantations' Interim Chief Executive Officer Australia Dave Rumker said the Group was confident in the long-term and continued success of the Green Triangle timber industry.

"We look forward to working with the government and Forestry SA and building relationships with customers, unions and the local community. The South-East contains what we consider to be the highest quality softwood plantations in Australia," Mr Rumker said.

Separate to the forward sale process, Mr Snelling said the Government had been in on-going discussions with various sawmillers in the South-East about assistance to provide long-term co-investment to help overcome issues currently facing the timber industry.

"We hope to have an announcement and resolution on those matters in the very near future," he said.

Further information on the conditions put in place on the forward sale, previous media statements and all publicly available documents can be viewed by visiting www.treasury.sa.gov.au

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