



## Bula Vinaka

Over the years we have focussed on improving our operations to be able to grow the best possible Teak tree in Fiji. A major milestone was achieved in July 2010 with the completion of the FFF Nursery. FFF now has the capacity to produce over 200,000 Teak seedlings per annum, germinate from good genetic planting materials and ensure quality.

FFF's main objective remains to plant and grow the best possible trees. Four year old plantations have now reached heights of 15 meters with girth at breast height up to 60 cm.

From 2006 the company has been planting in Ra Province. In 2011, plantations will be expanded to other Provinces in line with the strategy to develop plantations throughout Fiji and mitigate risks.

The FFF planting target for 2010/2011 season is 100,000 Teak trees. Teak has become a well know plantation species in Fiji, mainly due to FFF's success, the Teak's excellent growth, shorter rotation and high timber value. As a result the company has commenced selling seedlings to third parties providing a good revenue stream for the company.

The company continues to attract new private investors, mainly through word of mouth and has 33



Forester Murray Keys with 4 year old plantation Teak

## AGM 2010 Notice 11th December 2010 Suva

shareholders on the registry. New investments remain important to enable the company to expand the plantations.

Raising new capital through a listing on the exchange remains high on the agenda. Due to the economic downturn the listing has been delayed. In the meantime FFF engaged an independent forest valuer in consultation with Ernst & Young to review the companies timber valuation projections for the Prospectus. The independent review focused on establishing whether the FFF projected timber yields and internal rate of returns are realistic. The independent review concluded that FFF can achieve a 15% IRR. The company aims to successfully list in 2011.

There has been a change in the Board of Directors. The Directors elected Mr Kaliopate Tavola (pictured) as Chairman of the Board. Mr Tavola has been a Director since 2007. The board unanimously agreed that Mr Tavola is the most suitable person to represent the company during the period of listing on the Stock Exchange. Outgoing Chair Paul Evers remains an active Director and continues to work for FFF in many capacities.



Vinaka,  
Roderic Evers MD

We have moved office!  
New address on page 2





## Future Forests Fiji at Showcase

Future Forests Fiji was represented at the National Agriculture showcase. The company showcased its Teak plantations and provided information on investing in Teak. Over 300 visitors registered with FFF to receive additional information on investing in Teak.



***New FFF Website  
Coming Soon!***

## ***Teak the "King of Woods"***

Teak (*Tectona Grandis*) has been grown in plantations for over 300 years and is known as the 'king of woods'.

Teak is used in yachts, furniture and construction. Treated or untreated, teak ages beautifully and retains its elegance for many years.

Teak contains unique natural oils that make it extremely durable even when exposed to harsh weather elements and termites.

Teak is a well established hardwood in the international timber markets and is considered one of the highest valued tropical hardwoods. Teak log and sawn timber prices have risen by an average of 5% annually over the past 30 years.

Plantation teak is currently supplying less than 5% of global demand. With the current rate of deforestation and climate change variables plantation timbers are expected to become the sustainable timber source to the global market. (source: International Tropical Timber Organisation ITTO)

## **220,000 Root Trainer Pots**

The latest addition to the nursery arrived in July 2010. Root trainer pots improve root systems and reduce nursery costs up to 60%.



## ***Fiji Fantastic grazing under Teak***

In January 2010 Future Forests Fiji signed an agreement with Ravua Pastoral Company to explore opportunities to graze Fiji's home breed sheep "Fiji Fantastic" under the teak trees. The aim of this partnership is to establish whether the sheep can control grass whilst adding fertilizers to the soils without damaging the young trees. The trial will also establish whether grazing sheep can create additional revenues for the company. Early results show that the sheep keep the grass under control and do not damage the trees. Further control plots will provide additional information on the pastoral/silviculture initiative.



## ***2010/2011 planting season has started***



**We have moved office!**

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