



# FUTURE FORESTS FIJI—NEWS



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## GROWING TREES

Bula Vinaka,

It is always a great pleasure to present an update on Future Forests Fiji. It is easy to talk about something which is intrinsically good, like planting trees, creating jobs or being part of creating a great company.

2009 was another exciting year with major developments. The company achieved a milestone by planting its 100,000<sup>th</sup> Teak tree. A major improvement took place in the nursery increasing the production capacity to 150,000 seedlings per annum.

Our main aim remains to produce high quality trees and maintain them well. (photos below).

I wish to thank our shareholders who believed in the company and enabled the company to reach a new level of professionalism. We continue to invite

new investors whose investments will be channelled into planting more trees and increasing our plantation and timber stock. This timber stock is expected to generate sufficient revenue to enable dividend payments from 2017 onwards.

We owe our achievements of the past year to our management and staff at our operations in Ra Province. Their enthusiasm and tireless efforts to produce good trees makes FFF what it is today. I am grateful to our board of Directors who continue to provide well balanced direction to this rapidly growing company.

I wish you all a prosperous 2010 and hope to welcome you at the Teak plantations in Ra this year.

Roderic Evers MD

### INSIDE THIS ISSUE:

<i>Investments</i>	2
<i>Stock Exchange Listing</i>	2
<i>Carbon Symposium</i>	2
<i>Promotions</i>	2
<i>Meet Lani</i>	2
<i>Murray Keys - Forester</i>	3
<i>Published Stories</i>	3
<i>TEAKNET Workshop India</i>	3
<i>Cyclones Floods Droughts</i>	3
<i>FFF Impressions</i>	3



### The Nursery 2005—2009



2005



2006



2007



2008



2009



**“There is always room for improvement”**



## INVESTMENTS

Future Forests Fiji has 27 shareholders on the share registry. Over the past 12 months new shareholders were welcomed. Shares are currently selling at F\$0.625 a share. With the upcoming listing on the South Pacific Stock Exchange the company's share registry will be transferred to a brokerage firm and shares are expected to be traded electronically.

## STOCK EXCHANGE LISTING 2010

The Company's listing on the South Pacific Stock Exchange is expected mid 2010. The global credit crunch forced a delay in the listing. A Company Prospectus has been drafted and will be available in the second Quarter 2010.

## Carbon Symposium Singapore

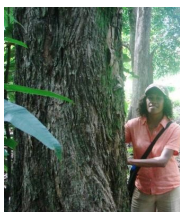
The Asian Development Bank invited Future Forests Fiji to present at a Carbon Credit Symposium in Singapore in November 2008. Chairman Paul Evers presented a paper on Teak plantations, CO2 emission sequestration and Carbon Credits. FFF's Teak plantations store Carbon in the biomass. Selective harvesting cycles ensure FFF will always maintain a substantial volume of carbon storage in the plantations. These Carbons have the potential to be traded on international carbon exchanges. Companies wishing to offset their Carbon emissions can purchase the Carbon Credits from FFF.

## Meet Lani — Admin Officer

To most non-Fijian born people the language unique to the Fijian islands is difficult. When it comes to traditional names many tourists and short stay residents trip over the common phonetic rules. So, when we introduce Alanieta Naucukidi most people pronounce her name completely wrong, which is why you and everyone here know her as Lani.

Lani began working with Paul Evers the previous CEO of the company in late 2006 as a general helping hand in the office and for Paul even more surprisingly in the field. With her winning smile Lani on first meeting would strike most people as a Fijian beauty, more at home at social events fending off hopeful suitors. When in fact if you get her behind the wheel of one of the company's trucks, speeding along the cratered dirt roads to the plantation, or at the working end of a chainsaw then Lani laughs like a kid locked in a toy store.

Lani's first job with the company was to help collect Teak seeds from the mature trees that the company had found on the main island Viti Levu. Going out with Paul during the months of July to September with climbing ropes, machetes, sacks and rakes they travelled all over the main island collecting the tens of thousands of seeds needed for the coming year. In fact it was not until Lani worked for the company did she blurted out one day as they drove through the Tavua region;



"That's it. I've finally done it!" .....

"Done what?"..... "I have finally been all the way around the island!"



## PROMOTIONS

Congratulations to Viliame Kini (left) who was promoted to Plantation Supervisor. Kini has been with Future Forests for over two years working in the plantations and nursery. We wish Kini all the best in his new role as supervisor.

Today Lani's is still an integral part of the Future Forests team. She has been trained in M.Y.O.B, accounting standards, administration, land purchase procedures, government regulations, archiving, payroll, superannuation payments and on top of all of this she still travels all over Fiji with the seed collection team where she has earned the title of being the "Teak Seed Queen".



Yet in her own words Lani says that the best thing she enjoys doing for the company is hurtling along the tortuous dirt roads in the company truck with the stereo on loud.



## ***Murray Keys - Queensland Forester***

Sometimes Lady Luck is on your side. When FFF applied for an Australian Business Volunteer in 2008 we were presented with the application of interest from Murray Keys, retired Queensland Forester. In 2009 Murray spent over 6 months with FFF based in Ra and commenced nursery and plantation trials, produced nursery and silviculture manuals, trained staff in silviculture, chemical tending, fire control. Murray continues to provide advice and is an invaluable sounding board for our Management Team. But most of all Murray has become a good friend who loves to live in Ra.

Murray likes to sail on Viti Levu Bay on the weekends and when given the opportunity he treats FFF staff to a cruise on the Bay. We look forward to welcoming Murray back in Fiji in 2010.



## **Published stories**

### **Fiji Times**

The National Newspaper the Fiji Times published two articles on FFF. The newspaper mainly focussed on the company's impact on creating jobs and skills for rural communities.

### **Fiji TV**

Fiji Televisions "Talk Business" programme aired 4 episodes featuring Future Forests Fiji on national television and Pacific regional tv. The programme featured the nursery and plantation operations as well as the Enterprice Challenge Fund Grant



### **Marama Magazine**

Marama means woman in the Fijian language. The magazine did a feature story on Reshmi Devi, our nursery manager. The story described how a determined Cane farmer's wife with lots of potential made it to FFF nursery manager.

### **Mai Life Magazine**

Fiji's new green revolution was the title of the two page feature with an insight into FFF's vision and operations.

## **International Workshop on Marketing and Production of Teakwood - Kerala State, India**

Future Forests Fiji was invited and sponsored to participate in this workshop attended by growers, traders and researchers specializing in Teak.

Managing Director Roderic Evers said "The workshop allowed FFF to meet Teak stakeholders and learn about other growers from around the world. We have been able to validate our operations against other Teak plantations and international best practices and FFF is right up there with the best high input plantation companies. We have learned a lot and have expanded our network."

After the three day international workshop the Managing Director spent six days meeting Teak researchers, foresters and Teak traders one on one. "What we have learned in India will be implemented in our operations" says Roderic Evers.

The participation in the workshop was sponsored by PIPSO, SPC and TEAKNET/FAO. FFF is grateful for their support to FFF and the development of the Teak industry in Fiji.

## ***Cyclones Floods Droughts***

Cyclones are part of Fiji's climate. Cyclone Gene struck early 2008 and Cyclone Mick late 2009. Fortunately FFF's Teak trees are germinated from seed with a well developed tap root for stability. The two cyclones did some wind damage to the tree canopy, but major damage was avoided.

The newly constructed Greenhouses are built to resist a fair bit of wind and were also spared damages.

In January 2008 Fiji suffered major floods causing hundreds of millions of dollars in damage. The Managing Director got stranded in Ra for a week due to flooded roads and major landslides. The plantations did not suffer any damage.

The current El Niño phenomena has not had an impact on the Teak plantations. Teak favors a distinctive wet and a dry season, even if it is extremely dry. With the humidity levels up in Jan 2010, the trees are growing again.

## **Future Forests Fiji impressions**

*Planting & Resting*



*Necessary Machinery*



*Pruning 2.5 yr trees*



*Visitors in the forest*



*Schools planting*

