

# COAL & ALLIED

*Managed by Rio Tinto Coal Australia*

## **MEDIA RELEASE**

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### **COMMERCIAL FOREST TRIAL MOVES TO NEXT STAGE**

Coal & Allied's commercial forest plantation trial has moved into the next stage, with around 80,000 eucalypts now established near the Hunter Valley Operations mine.

Forests NSW has completed a three year programme to plant and monitor the trees, which will now be maintained by Coal & Allied.

General Manager Health, Safety and Environment, Rory Gordon said the 80 hectare plantation is generally in good health and condition.

"Overall, these are very promising results which highlight the potential for our mines to contribute to the establishment of a forestry industry in the Upper Hunter Valley," said Mr Gordon.

"Surveys by Forestry NSW in May 2009 show the overall plantation survival rates are 92 per cent in the Spotted Gum planted in November 2007 and 65 per cent for those planted in May 2008.

"The first 40,000 trees, which were planted in 2007, have done particularly well and some are now almost six metres tall.

"These trees continue to show high survival rates, with only one dying within the monitoring plots since November 2008.

"The performance of a second planting in 2008 has been more variable, due mainly to below average rainfall during the critical establishment phase and browsing damage by hares.

"However, the average stocking in this group is still estimated to be in excess of the targeted minimum of 650 trees per hectare.

"We'll continue to monitor the growth of these trees in coming years and assess the plantation's commercial viability."

"The trial is the only one of its scale in the Upper Hunter Valley and has been designed as an opportunity to assess the viability of forestry further west than would traditionally be undertaken in the area.

"This plantation is specifically aimed at determining whether a commercial size forest is viable in the Hunter Valley, where low rainfall of 600 to 700 millimetres a year and relatively poor soils mean tree growth rates are less than those on the coast and coastal range." said Mr Gordon.

"The plantation will provide ecosystem diversity on what was previously grazing land.

"It will also provide carbon offset potential as the forest is expected to sequester around 20,000 tonnes of carbon dioxide."

**Media Enquiries:** Matthew Klar 07 3029 1168 / 0457 525 578