



Managed by Rio Tinto Coal Australia

MEDIA RELEASE

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COAL & ALLIED TO PLANT NEXT STAGE OF COMMERCIAL FOREST TRIAL

Coal & Allied's commercial forest plantation trial is progressing well, with plans to start the next round of plantings next month.

In November 2007, Coal & Allied launched a trial plantation of tens of thousands of eucalypt seedlings on an 80 hectare plot adjacent to its Hunter Valley Operations site.

The trial, which is being run with Forests NSW, is one of the first large scale trials of its type 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.

General Manager Health, Safety and Environment, Rory Gordon, said the first planting of 40,000 seedlings was doing well.

"Forests NSW has conducted survival counts on the trial plot areas within the overall plantation and found survival rates to be 92% in the *Corymbia maculata* (Spotted Gum) and 98% in the *Eucalyptus longirostrata* (Grey Gum)," Mr Gordon said.

"Over the next few weeks, the soil will be prepared ahead of planting the rest of the seedlings, and a weed-control programme will be conducted on the first section which was planted out last year."

Mr Gordon said the remaining 40,000 seedlings will then be planted in early April.

"This will take the trial plot up to almost 80,000 seedlings, which will give us a good sample size to work with and monitor growth rates," Mr Gordon said.

"This is our largest plantation to date and 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.

"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."

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