

ANALYSIS OF FINANCIAL RETURNS  
FROM REPLANTING OF RESERVOIR RIDGE  
BLOCK 33 HA

Year	Cash Flows - Base case	Cash Flows - 10% Revenue Growth	Cash Flows - 10% Revenue Reduction	Debt Level (8.5% interest)	Desc.
0	0	0	0	0	Land Preparation
1	-18,439	-18,439	-18,439	-18,439	Planting
2	-12,375	-12,375	-12,375	-30,814	Fertilizing
3	0	0	0	-30,814	
4	0	0	0	-30,814	
5	0	0	0	-30,814	
6	0	0	0	-30,814	
7	0	0	0	-30,814	
8	-22,110	-22,110	-22,110	-52,924	Low Prune/thin to 500spha
9	0	0	0	-52,924	
10	-22,110	-22,110	-22,110	-75,034	Thin to 350spha/med prune
11	0	0	0	-75,034	
12	-16,170	-16,170	-16,170	-91,204	High Prune
13	-13,200	-13,200	-13,200	-104,404	Fertilizer
14	0	0	0	-104,404	
15	0	0	0	-104,404	
16	0	0	0	-104,404	
17	0	0	0	-104,404	
18	0	0	0	-104,404	
19	0	0	0	-104,404	
20	0	0	0	-104,404	
21	0	0	0	-104,404	
22	0	0	0	-104,404	
23	0	0	0	-104,404	
24	0	0	0	-104,404	
25	0	0	0	-104,404	
26	0	0	0	-104,404	
27	0	0	0	-104,404	
28	0	0	0	-104,404	
29	0	0	0	-104,404	
30	1,125,263	1,492,388	941,701		Harvest
<b>NPV</b>	<b>8.00%</b>	<b>46,927</b>	<b>80,709</b>	<b>30,037</b>	
<b>NPV</b>	<b>9.00%</b>	<b>24,761</b>	<b>50,147</b>	<b>12,068</b>	
<b>NPV</b>	<b>10.00%</b>	<b>8,803</b>	<b>27,929</b>	<b>-761</b>	
<b>IRR</b>	<b>10.74%</b>	<b>12.02%</b>	<b>9.93%</b>		

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**Assumptions**

Discount rates (8%, 9% and 10%)

Includes full silviculture

No dividend paid

Marginal costs only

No pest control included

No cost of land rental

**Harvesting**

Gross Return 1,835,625

Log &amp; Load 443,850

Cartage 133,155

Comms. 97,849

Roads/tracks 35,508

( Internal)

Net Return 1,125,263

Tonnes 17,754