

Quintis – General Update August 2018



1.1 RECORD HARVEST RESULTS



July 2018. Pictured above on the left; Maily and Christine in front of some of the wood stacked in the storage sheds from this year's harvest. On the right; Jonas pictured with a batch of harvested logs in our Primary Processing Centre in Kununurra.

It is at this time each year that we harvest the matured trees from our plantations in the tropical north of Australia. This year we have been harvesting 15-year-old trees (planted in 2003) from Quintis and institutional investor owned plantations in Kununurra, Western Australia. To date, a total of 7,988 sandalwood trees have been harvested.

The interim yield results indicate record levels of heartwood from a Quintis managed plantation. The average heartwood per tree across the 7,988 trees is 13.4kg – this is 38% above the previous high of 9.7kg achieved from the 2016 harvest and double the average heartwood achieved in last year's harvest. These preliminary results will be confirmed when the trees are processed, and the bark and sapwood is removed.



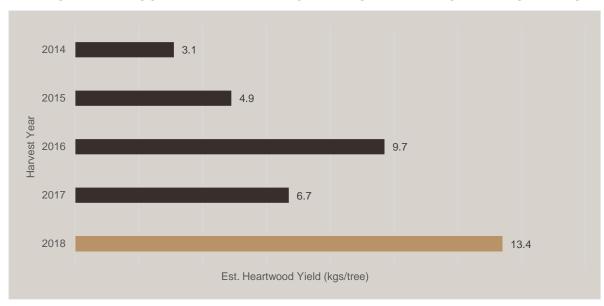
Heartwood is found at the core of the sandalwood tree. It is yellow brown to red in colour (clearly visible in the photos above) and it contains the sandalwood oil, which gives the product its value either as timber or as oil.

Each harvest provides Quintis' research and development team additional information and data on the performance of sandalwood plantations. This information is used to better understand how the trees and plantations perform and this knowledge is implemented in the forestry practices deployed across the rest of the 13,000 hectares managed by the Quintis Forestry team.

2018 HARVEST – INTERIM RESULTS		
TREES	7,988 TREES HARVESTED	
WOOD	13.4 kg EST. HEARTWOOD PER TREE (AVG)	38% ABOVE PREVIOUS HARVEST RECORD



AVERAGE HEARTWOOD YIELD PER TREE ACHIEVED OVER THE PAST HARVEST YEARS



1.2 HARVESTING THE CROP

The heartwood is located within the primary stem, larger branches and central root system of the Sandalwood tree. Due to a significant portion of the heartwood being found below ground level in trees aged 14 to 16, the central root system is removed in the harvest process. The harvest is conducted using customised harvest machines designed to fell the trees and remove the central root system with minimal losses of heartwood.

STATISTICS FROM THE HARVEST		
TREES	100 TREES PER HOUR REMOVED	
WOOD	20-30 Tonnes OF TREES REMOVED PER DAY	
SAFETY	NIL INJURIES INCURRED	

The harvested wood is transferred from the harvest site to the Primary Processing Centre (PPC) in Kununurra for grading, sorting and storage prior to processing and sale.



1.3 HARVESTING PHOTOS



 ${\it July~2018.~Feller-buncher~harvesting~Sandal wood.}$



August 2018. Corer – removes the sandalwood stumps after we have cut the sandalwood trees down at the base. It can remove 120 stumps (cores) per hour. Each stump can contain up to 30% of the total oil in the tree.



July 2018. Sandalwood logs for oil being picked up in field





July 2018. Manufacturing logs being collected in field



July 2018. Quintis wood being unloaded at the PPC





July 2018. Manufacturing logs being stored at the PPC. The ends of the logs are sealed to slow down the drying process to optimise the quality of the wood.



1.4 YOU SHOULD HAVE SEEN THE SIZE OF THE ONE THAT GOT AWAY





July 2018. Pictured above; At Taylors Park boat ramp on morning of capture, Quintis workers helped the rangers pull in the saltie from the trap. Photo credit: NT Parks and Wildlife.

In our tropical north, we share the beautiful land and climate with some well-known local residents.

In July, a male saltwater crocodile measuring 4.71 metres long, the length of the average family car, was trapped by rangers on the fringe of our Katherine plantation in the Northern Territory. Rangers said the 600 kilogram croc, who might be over 60 years old, was not as difficult to trap as one would think. "When they are this big we temporarily sedate them, so there is no chance of us getting chomped," said the local Ranger.

Having seen the animal's slide tracks on the sandbank near the boat ramp 3 months earlier, Quintis workers gladly assisted rangers in transferring the croc from the trap onto the trailer for relocation away from the plantation and the town.