

28/02/2022

Kingswood Forest Partnership
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Kingswood Harvest Activities, February 2022:

- Total gross revenue for February is **\$286,058.06**
- Total costs for February are **\$308,050.49**
- Net income for February is **-\$21,992.42**
- Tonnes harvested for February is **2,077.86**
- Total area cleared for February is **3** hectares
- Recovered volume per hectare for February is **692.6** tonnes

- Total gross revenue to date is **\$1,493,379.02**
- Total costs to date are **\$1,643,995.60**
- Net income to date is **-\$150,616.60**
- Tonnes harvested to date is **11,553.15**
- Total area cleared to date is **17.60** hectares
- Recovered volume per hectare to date is **656.4** tonnes

(NB: Measured harvest areas are estimated monthly and reconciled with satellite imagery prior to valuations, they are subject to change and should be used as a guide only.)

February has been an unexpected very wet month with the weather causing operational problems.

Expenditure for the month relates to the harvesting and cartage of logs which were salvaged from a small clearfell section of Setting 1 and from roadline Setting 502, Kiwi Road from Landings 35 to 37.

Cartage costs have increased in February due to increased diesel costs.

Other costs include grass seeding, establishment of engineering and harvesting machinery, tracking, landing, pad and loadout bay construction, metal supply, cart and spread, rehabilitation of Landing 1, road construction, formation, repairs and maintenance to road drains, crossroad culverts and flumes and the repair to pavement due to wet conditions.

Kind Regards

FMNZ Harvest Team

Kingswood Forest Harvest Measure Up Map

Forest	Total Ha
Kingswood Forest	3
1	0.9
100	
502	2.1
Grand Total	3

Forest	Total Ha Harvested
Kingswood Forest	17.6
Grand Total	17.6

Legend

- River or Stream
- Formation
- Formed and Metalled
- Harvest Ready
- Measured Cutover Area
- Completed Skid
- Planned Skid
- Property Title
- Roadline
- Cutover
- Settings
- Forest



North Arrow in terms of NZTM
0 125 250 500 m

1:10,000

Map Printed: 7/03/2022

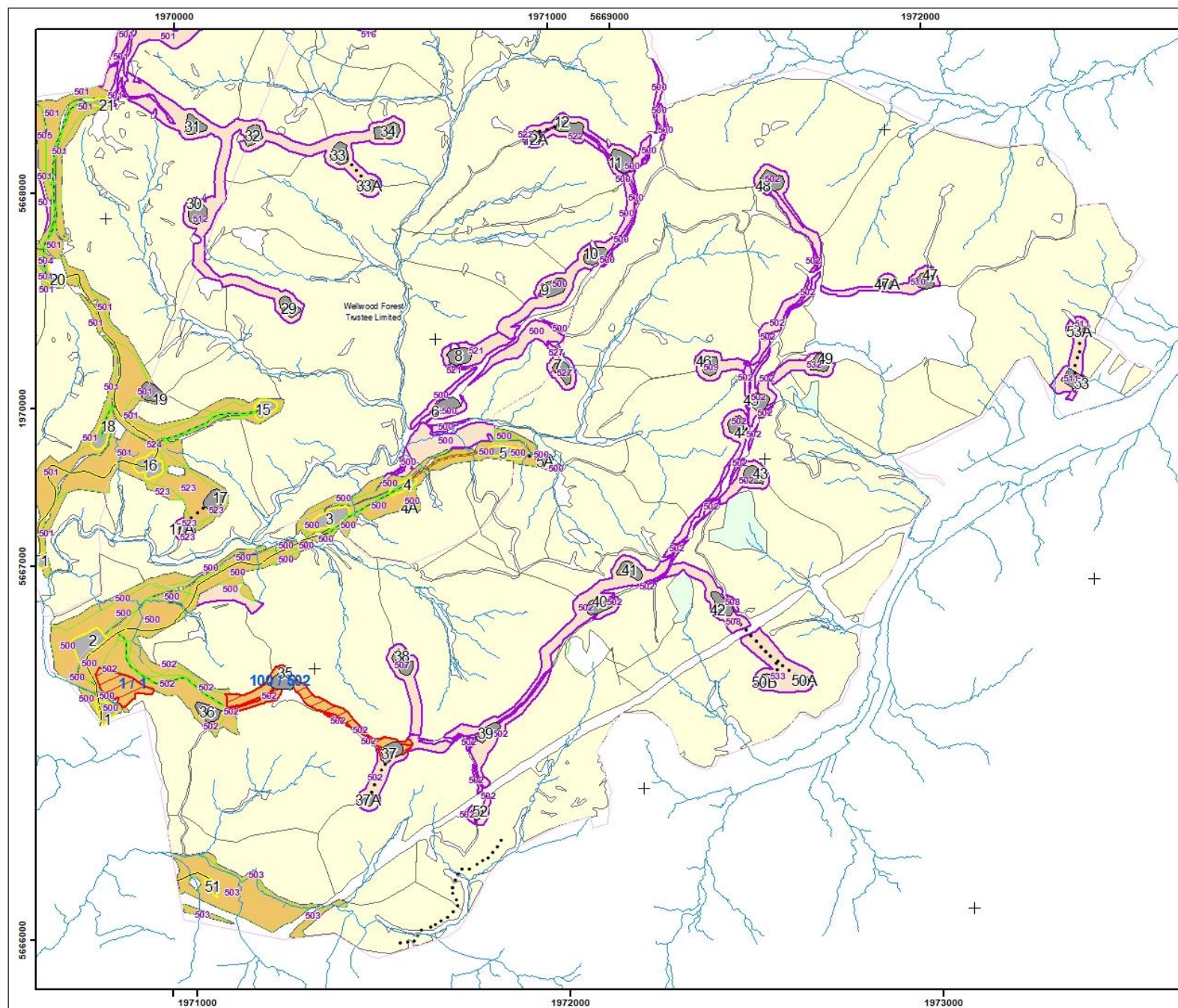




Photo 1: Earthworks underway to form a road to join Landing 36 to Kiwi Road.



Photo 2: Processor and loader sorting log stacks on Landing 1.



Photo 3: Loading up logging truck on Landing 1.



Photo 4: Logs being sorted into stacks on new pad.



Photo 5: Road formation beginning from Landing 35 to 37.

KINGSWOOD CUMULATIVES

Categories	Descriptions	Mar 20 - Feb 21	Mar 21	Apr 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Grand Total
Engineering	Culvert Installation	-\$37,470.06	-\$1,520.00								-\$38,990.06
	Culverts	-\$48,774.08	-\$3,636.34								-\$52,410.42
	Culverts - Freight	-\$4,997.39									-\$4,997.39
	Entranceway - Seal	-\$8,485.68									-\$8,485.68
	Establishment - Engineering	-\$13,852.76	-\$1,725.00						-\$340.00	-\$5,194.50	-\$21,112.26
	Fluming	-\$10,398.82	-\$505.74	-\$1,586.00							-\$12,490.56
	Grass Seeding	-\$7,997.41								-\$342.00	-\$8,339.41
	Landings	-\$79,567.20							-\$23,243.00	-\$41,771.50	-\$144,581.70
	Loader Hire	-\$3,055.36									-\$3,055.36
	Metal Lime	-\$99,724.19									-\$99,724.19
	Metal Rock	-\$4,689.39								-\$21,641.40	-\$26,330.79
	Pads	-\$19.03									-\$19.03
	Pavement	-\$13,937.51								-\$2,038.00	-\$15,975.51
	Polycom	-\$624.80									-\$624.80
	R&M	-\$169.44							-\$24.38	-\$530.00	-\$723.82
	R&M - Road Maintenance	-\$521.88								-\$612.50	-\$1,134.38
	Rehab	-\$1,754.60								-\$682.50	-\$2,437.10
	Rehab - Drainage	-\$739.20									-\$739.20
	Rehab - Environmental	-\$942.00									-\$942.00
	Rehab - Skids/Pads	-\$913.79									-\$913.79
	Road Formation	-\$135,100.00	-\$34,155.00						-\$1,826.00	-\$49,628.00	-\$220,709.00
	Sediment Control	-\$776.07									-\$776.07
	Spread from stockpile	-\$15,133.92	-\$1,800.00							-\$3,575.00	-\$20,508.92
	Stockpile Works	-\$17,799.45	-\$450.00							-\$453.00	-\$18,702.45
	Temp Landings	-\$8,705.14									-\$8,705.14
	Trucks - Cart & Dump	-\$59,377.33								-\$16,129.84	-\$75,507.17
	Loadout Bay Construction									-\$1,065.00	-\$1,065.00
	Trucks - Cart & Spread									-\$1,280.00	-\$1,280.00
Engineering Total		-\$575,526.47	-\$43,792.08	-\$1,586.00					-\$25,433.38	-\$144,943.24	-\$791,281.17
Fees	FGC levy	-\$2,542.41								-\$684.98	-\$3,227.39
	Management	-\$48,292.84								-\$11,442.32	-\$59,735.16
Fees Total		-\$50,835.25								-\$12,127.30	-\$62,962.55
Harvesting	Cartage - Trans Shipping	-\$85.20									-\$85.20
	Cartage - Truck	-\$225,015.96								-\$62,191.52	-\$287,207.47
	Establishment - harvesting	-\$11,554.53								-\$8,600.00	-\$20,154.53
	Logging	-\$329,026.84								-\$78,958.68	-\$407,985.52
	Tracking	-\$36,696.98								-\$380.00	-\$37,076.98
	Trailer Lifting	-\$156.20								-\$12.00	-\$168.20
	Weighbridge	-\$2,549.16								-\$799.55	-\$3,348.71
Harvesting Total		-\$605,084.86								-\$150,941.75	-\$756,026.61
Income	Log Sales	\$1,207,320.95								\$286,058.06	\$1,493,379.02
Income Total		\$1,207,320.95								\$286,058.06	\$1,493,379.02
Miscellaneous	Consumables	-\$898.82								-\$38.20	-\$937.02
	Environmental Monitoring	-\$669.75	-\$511.26		-\$1,995.00	-\$143.50	-\$56.00				-\$3,375.51
	Other	-\$8,385.88	-\$620.00								-\$9,005.88
	Power Lines	-\$2,993.20									-\$2,993.20
	Security	-\$4,444.88				-\$88.62					-\$4,533.50
	Traffic Management	-\$12,442.00						-\$28.33			-\$12,470.33
	Consultancy Fees		-\$409.84								-\$409.84
Miscellaneous Total		-\$29,834.53	-\$1,541.10		-\$1,995.00	-\$232.12	-\$56.00	-\$28.33		-\$38.20	-\$33,725.28
Grand Total		-\$53,960.17	-\$45,333.18	-\$1,586.00	-\$1,995.00	-\$232.12	-\$56.00	-\$28.33	-\$25,433.38	-\$21,992.42	-\$150,616.60

April 2022 Update

LOG MARKET UPDATE

Global markets during March have been driven by the war in Ukraine with all major commodities trading higher. Demand in China has been strong, however the recent lockdowns in Shenzhen and Shanghai have seen daily Chinese port offtakes drop down to around 43,000 tonnes per day – around half the normal amount.

China is still pursuing a zero-Covid strategy, and these lockdowns mean most factories, business activities and cargo movements have been affected. Log inventories on the Chinese ports are currently at normal levels, and any reduction in processing capacity is thought to be offset by reduced supply on the back of the Ukraine conflict.

Shipping has been affected by the increase in crude oil, which has undone all recent shipping rate decreases. As European countries ban exports of commodities, we are hearing that more of the bulk shipping fleet is moving into the Pacific, this could flow through to freight rate reductions in the medium term. In New Zealand, Covid has affected port loading capacity as most major ports struggle to keep a complete labour force. Log supply on the East Coast has been hampered by the recent weather events, this has helped to stop port inventories building with the other processing constraints.

Domestically, demand remains strong. The housing market has reached a turning point, however there is a huge backlog for timber to complete the existing consented builds. Consents were the highest on record for the first part of this year.

Log prices are expected to lift slightly in April/May, however external pressures around freight, the Ukraine crisis and covid shutdowns may affect this.

FOREST ACTIVITY UPDATE

Roadline harvest is continuing with a crew shared between Kingswood and Wellwood.

DAMAGE UPDATE FROM MARCH 2022 RAIN EVENT

The forest managers have been on the ground in the forest, and commented, that despite the significant amount of rain that came down during the rain event last month, the forest has escaped relatively unscathed.