

28/02/2022

Millbrook Forest Partnership
C/- Roger Dickie (N.Z.) Ltd
P O Box 43
Waverley 4544

Millbrook Harvest Activities, February 2022:

- Total gross revenue for February is **\$501,158.70**
- Total costs for February are **\$412,098.35**
- Net income for February is **\$89,060.35**
- Tonnes harvested for February is **3,614.18**
- Total area cleared for February is **5.90** hectares
- Recovered volume per hectare for February is **612.6** tonnes

- Total gross revenue to date is **\$5,506,317.51**
- Total costs to date are **\$4,967,045.67**
- Net income to date is **\$539,271.84**
- Tonnes harvested to date is **36,470.27**
- Total area cleared to date is **60.50** hectares
- Recovered volume per hectare to date is **602.8** 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 from roadline Setting 500, Murray Road from Landings 22 to 23 and Setting 505 around Temporary Landing T2.

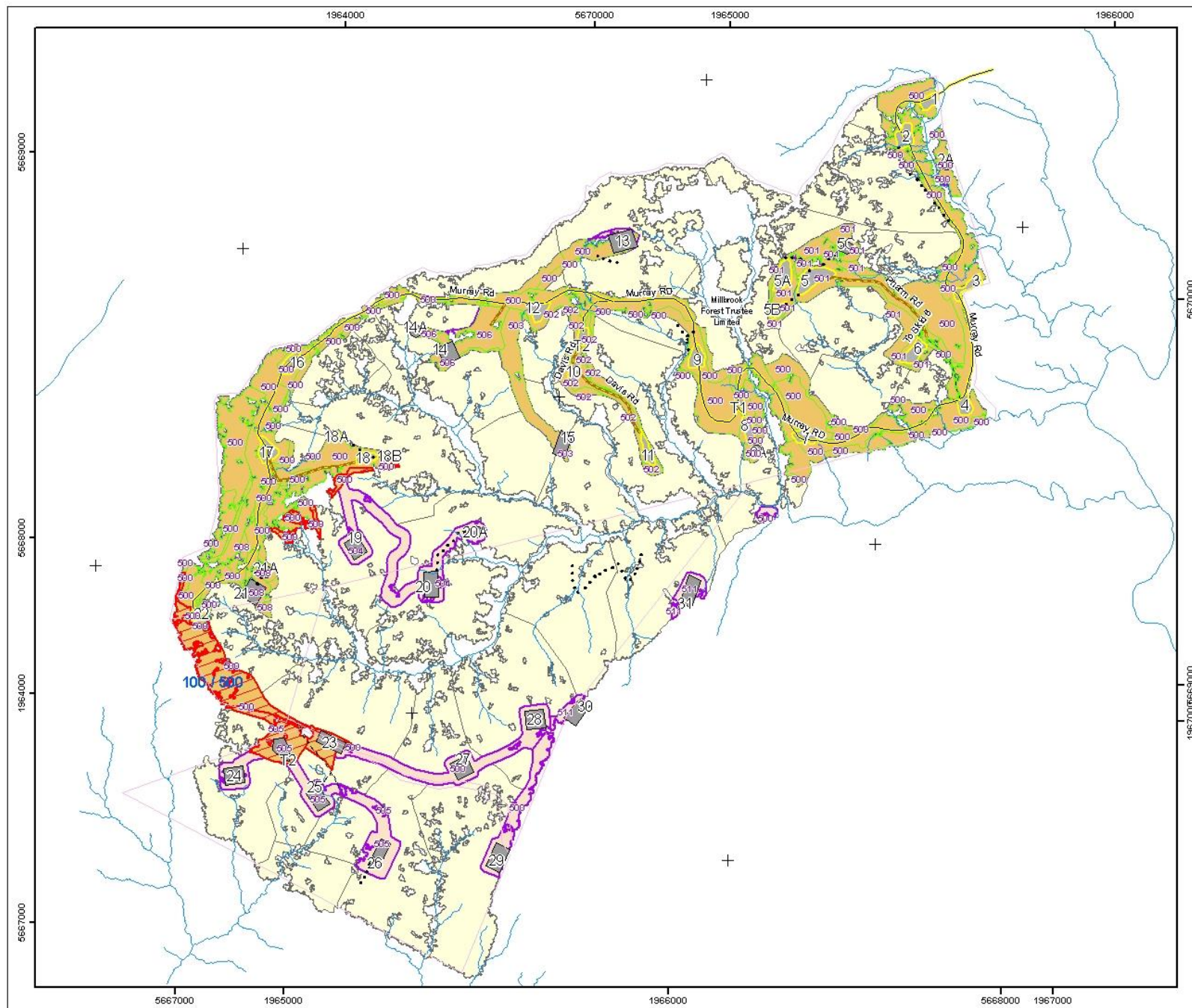
Cartage costs have increased in February due to increased diesel costs.

Other costs include grass seeding, establishment of engineering machinery, tracking, landing and pad construction, metal supply, cart and spread, culverts and fluming, road construction and formation, repairs and maintenance to the road pavement, road drains and crossroad culverts and flumes.

Also included are the proportional costs of operating the forest digital radio network.

Kind Regards

FMNZ Harvest Team



Millbrook Forest Harvest Measure Up Map

Forest	Total Ha
Millbrook Forest	5.9
100	
500	4.8
505	1.1
Grand Total	5.9

Forest	Total Ha Harvested
Millbrook Forest	60.5
Grand Total Ha	60.5

Legend

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



North Arrow in terms of NZTM

0 125 250 500 m

1:10,000

Map Printed: 22/03/2022





Photo 1: Roadlining Murry Road from Landing 22 to 23.



Photo 2: Earthworks crew de-stumping the two-stage track on the edge of Landing 18.



Photo 3: Roadline Setting 500, looking down the corridor to where Landing 23 will be constructed.



Photo 4: Roadline Setting 505, clearing the area for where Temporary Landing 2 will go.



Photo 5: Roadline Setting 505, photo evidence for a site specific plan to ensure no damage occurs to the pond.



Photo 6: Roadline Setting 500, undertaking remedial works on a section of road that keeps failing.



Photo 7: Roadlining area for Landing 23.



Photo 8: Setting 500 nearing completion of roadline for Landing 23 and Temporary Landing T2 construction.



Photo 9: Roadline Setting 505, loading out logs from Landing 22.

MILLBROOK CUMULATIVES

Categories		Descriptions	Mar 18 -Feb 19	Mar 19 -Feb 20	Mar 20 -Feb 21	Mar 21	Apr 21	May 21	June 21	July 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	NET Income
Engineering	Borrow Pit		-\$10,275.00														-\$10,275.00
	Bridge Construction		-\$614.08														-\$614.08
	Culvert Installation		-\$33,772.50	-\$7,025.00	-\$2,587.50	-\$1,010.50	-\$125.00	-\$650.00	-\$207.00					-\$800.00	-\$300.00	-\$905.00	-\$47,382.50
	Culverts		-\$67,366.43		-\$11,385.36	-\$5,692.68		-\$11,385.36								\$6,322.35	-\$89,507.48
	Culverts - Freight		-\$7,843.70	-\$10,972.72	-\$595.00			-\$775.00									-\$20,186.42
	Entranceway - Seal		-\$685.61														-\$685.61
	Establishment - Engineering		-\$11,200.80	-\$8,255.95	-\$22,138.00				-\$1,975.00	-\$1,302.00			-\$480.00	-\$5,610.00	-\$1,280.00	-\$240.00	-\$52,481.75
	Fluming		-\$5,425.15	-\$158.60	-\$3,507.27		-\$3,172.00	-\$3,172.00						-\$146.26		-\$219.40	-\$15,800.68
	Geotextiles		-\$2,279.80				-\$966.00	-\$1,887.95								-\$250.00	-\$5,383.75
	Grass Seeding		-\$181.29	-\$560.00	-\$802.75	-\$285.00	-\$387.25		-\$237.50						-\$85.50	-\$998.50	-\$3,537.79
	Landings		-\$33,010.00	-\$6,605.00	-\$66,530.00	-\$27,040.50	-\$21,841.50	-\$38,725.50	-\$4,815.50						-\$7,689.00	-\$7,966.00	-\$214,223.00
	Loadout Bay Construction				-\$621.00			-\$207.00									-\$828.00
	Loadout Bay Metal				-\$1,242.00												-\$1,242.00
	Metal - Stripping		-\$5,608.80														-\$5,608.80
	Metal Lime				-\$3,114.40	-\$1,243.22	-\$15,552.30	-\$27,643.44	-\$17,204.69	-\$3,120.69					-\$4,347.03		-\$72,225.77
	Metal Rock		-\$96,838.13		-\$50,688.20	-\$26,408.25	-\$13,097.44								-\$9,649.92	-\$23,967.66	-\$220,649.59
	Other		-\$100.00				-\$170.00	-\$1,528.00						-\$35.00			-\$1,833.00
	Pads				-\$15,390.00											-\$6,713.50	-\$22,103.50
	Pavement		-\$24,497.50		-\$3,168.50	-\$1,374.00	-\$6,605.00	-\$3,067.00									-\$38,712.00
	Polycom		-\$21,377.45														-\$21,377.45
	R&M		-\$92.11		-\$1,700.00	-\$3,555.50			-\$680.00		-\$2,951.00				-\$324.37	-\$1,706.50	-\$11,009.48
	R&M - Event Cleanup				-\$3,855.00	-\$5,259.50		-\$3,660.00	-\$8,845.00								-\$21,619.50
	R&M - Road Maintenance				-\$6,350.00	-\$5,875.50	-\$2,101.00	-\$27,071.50	-\$8,154.50	-\$13,949.00			-\$770.00	-\$31,146.50		-\$4,524.50	-\$99,942.50
	Rehab		-\$1,825.00		-\$13,704.50	-\$931.50	-\$1,185.00		-\$414.00					-\$11,384.00			-\$29,444.00
	Rehab - Skids/Pads				-\$2,587.50			-\$3,630.00		-\$9,010.00							-\$15,227.50
	Road Formation		-\$256,362.10	-\$28,899.50	-\$164,108.59	-\$45,114.50	-\$88,558.00	-\$13,433.50	-\$34,587.50					-\$19,314.00	-\$46,109.00	-\$62,633.00	-\$759,119.69
	Sediment Control				-\$396.64			-\$683.59									-\$1,080.23
	Spread from stockpile		-\$52,960.00		-\$4,685.00	-\$4,475.00	-\$12,265.00	-\$5,485.00	-\$1,650.00						-\$10,670.00	-\$7,095.00	-\$99,285.00
	Stockpile Works				-\$10,484.50	-\$3,145.00	-\$6,120.00	-\$3,950.00	-\$2,350.50					-\$1,484.00	-\$1,176.00	-\$1,584.00	-\$30,294.00
	Temp Landings				-\$8,754.50												-\$8,754.50
	Trucks - Cart & Dump		-\$77,094.84		-\$54,469.23	-\$39,043.91	-\$17,422.69	-\$24,911.03	-\$16,724.75						-\$19,635.58	-\$11,590.53	-\$260,892.54
	Trucks - Cart & Spread		-\$1,615.00		-\$6,280.00												-\$7,895.00
	R&M - Culverts Maintenance					-\$990.00		-\$5,057.00						-\$175.00	-\$250.00		-\$6,472.00
	Rehab - Environmental					-\$2,680.00	-\$2,275.00										-\$4,955.00
	Corduroy							-\$414.00									-\$414.00
Engineering Total			-\$711,025.29	-\$62,476.77	-\$459,145.44	-\$174,124.56	-\$191,843.18	-\$177,336.86	-\$97,845.94	-\$27,381.69	-\$2,951.00		-\$1,250.00	-\$70,094.76	-\$101,516.40	-\$124,071.23	-\$2,201,063.11
Fees	FGC levy		-\$1,916.32		-\$3,765.64	-\$1,198.83	-\$918.29	-\$1,020.25	-\$634.86	-\$234.87					-\$649.11	-\$1,168.78	-\$11,506.95
	Management		-\$41,836.68		-\$69,715.27	-\$22,193.04	-\$17,894.79	-\$20,545.15	-\$13,312.62	-\$4,562.85					-\$10,145.95	-\$20,046.35	-\$220,252.70
Fees Total			-\$43,753.00		-\$73,480.91	-\$23,391.87	-\$18,813.09	-\$21,565.39	-\$13,947.48	-\$4,797.72					-\$10,795.06	-\$21,215.13	-\$231,759.64
Harvesting	Cartage - Rail				-\$2,403.36												-\$2,403.36
	Cartage - Trans Shipping				-\$340.00					-\$1,700.00							-\$2,040.00
	Cartage - Truck		-\$201,293.59		-\$322,005.52	-\$99,265.58	-\$77,186.88	-\$88,114.56	-\$56,251.07	-\$22,920.05					-\$64,661.55	-\$117,981.35	-\$1,049,680.15
	Establishment - harvesting		-\$4,450.00									-\$2,850.00			-\$3,280.00		-\$10,580.00
	Logging		-\$280,610.21		-\$456,015.07	-\$135,156.33	-\$105,869.27	-\$120,193.71	-\$76,037.13	-\$28,558.53					-\$77,372.88	-\$138,679.48	-\$1,418,492.61
	Tracking		-\$10,120.00		-\$931.50	-\$4,250.50			-\$3,001.50							-\$8,676.50	-\$26,980.00
	Trailer Lifting				-\$6.00	-\$24.00	-\$12.00		-\$18.00	-\$18.00			-\$18.00				-\$96.00
	Weighbridge		-\$2,585.62		-\$3,758.54	-\$1,086.63	-\$887.32	-\$1,074.20	-\$687.78	-\$270.94					-\$740.44	-\$1,333.18	-\$12,424.64
Harvesting Total			-\$499,059.42		-\$785,459.98	-\$239,783.04	-\$183,955.47	-\$209,382.46	-\$135,995.49	-\$53,467.52			-\$18.00	-\$2,850.00	-\$146,054.87	-\$266,670.51	-\$2,522,696.77
Income	Log Sales		\$1,045,917.03		\$1,742,881.70	\$554,826.00	\$447,369.82	\$513,628.63	\$332,815.56	\$114,071.37					\$253,648.71	\$501,158.70	\$5,506,317.51
Income Total			\$1,045,917.03		\$1,742,881.70	\$554,826.00	\$447,369.82	\$513,628.63	\$332,815.56	\$114,071.37					\$253,648.71	\$501,158.70	\$5,506,317.51
Miscellaneous	Consultancy Fees		-\$236.77														-\$236.77
	Consumables		-\$506.29		-\$729.97	-\$46.43	-\$78.28	-\$41.86	-\$76.87	-\$12.98				-\$6.73	-\$33.76	-\$65.48	-\$1,598.65
	Other		-\$1,517.19	-\$555.10				-\$95.00	-\$95.00						-\$76.00	-\$76.00	-\$2,414.29
	Security		-\$1,479.00	-\$1,613.01	-\$304.07												-\$3,396.08
	Traffic Management		-\$621.02														-\$809.35
	Environmental Monitoring					-\$579.00	-\$790.00				-\$490.00	-\$547.00	-\$105.00	-\$28.33	-\$560.00		-\$3,071.00
Miscellaneous Total			-\$4,360.27	-\$2,168.11	-\$1,034.04	-\$625.43	-\$1,028.28	-\$136.86	-\$171.87	-\$12.98	-\$490.00	-\$547.00	-\$105.00	-\$35.06	-\$669.76	-\$141.48	-\$11,526.15
NET Income			-\$212,280.95	-\$64,644.88	\$423,761.33	\$116,901.10	\$51,729.81	\$105,207.05	\$84,854.78	\$28,411.46	-\$3,441.00	-\$547.00	-\$1,373.00	-\$72,979.82	-\$5,387.38	\$89,060.35	\$539,271.84

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

As previously advised the Road Lining Harvest crew has left for the winter. The intention is to have a crew back in the forest in summer.

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.

There were slips on the new earthworks on Murray Road but the crossing held up with no slips. The slips were able to be cleared by equipment already on site.