



TIMBERCORP OLIVES

FACT SHEET 2006

THE POPULARITY OF OLIVE OIL

The demand for olive oil has grown significantly in recent years, aided by the popularity of Mediterranean-style cuisine, in which olive oil is an important ingredient, and an increasing awareness of the health benefits of olive oil.

Olive oil is an important part of a healthy diet. It contains a variety of valuable anti-oxidants that protect against cancers and its consumption can help reduce the level of total blood cholesterol. Olive oil is also beneficial for the stomach, hepato-biliary system, pancreas and intestines. It has anti-ageing properties and helps with osteoporosis, cognitive function and skin damage.

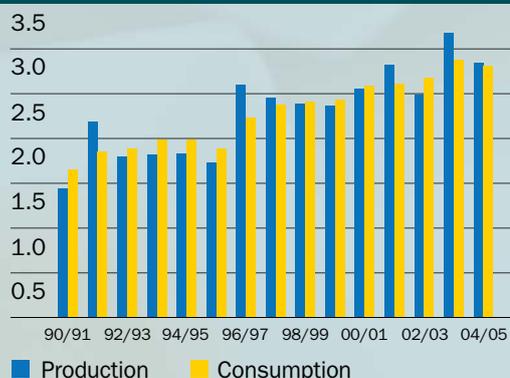
Although it is mainly used in cooking, it is also consumed as a dip and as a salad dressing. Olive oil is also used in the manufacture of cosmetics. Careful marketing over recent times have raised the awareness of the health benefits of olive oil and dispelled a few mis-conceptions. For instance, the term 'extra-light' olive oil does not refer to the fat content of the oil, merely the taste and colour.

THE GLOBAL MARKET FOR OLIVE OIL

World consumption of olive oil has grown by almost 1 million tonnes over the last 12 years reaching almost 2.9 million tonnes in 2004/2005. World production increase has closely aligned to an increase in consumption.

World olive oil production and consumption from 1990/91 to 2004/05

Volume (million tonnes)

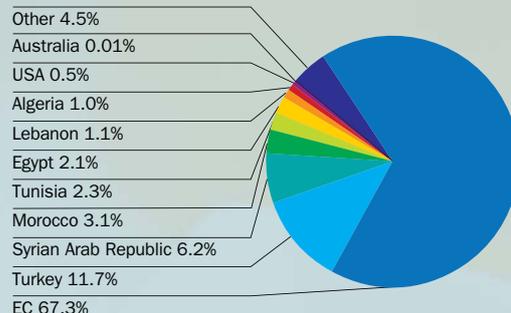


Source: Australian Agribusiness Group, Market Overview - The Australian Olive Industry

The International Olive Oil Council (IOOC) forecasts for the 2005/06 season indicate consumption being higher than production, which will result in a lowering of world stocks.

The European Union (EU) is by far the largest producer and consumer of olive oil in the world. The EU contributes over 75% of the world production, principally through its Mediterranean member countries Spain, Italy and Greece, and also accounts for 70% of all consumption.

Major olive producing countries by proportion of production during 2004



Source: Australian Agribusiness Group, Market Overview - The Australian Olive Industry

World trade in olive oil has increased by 122% over the past decade. The USA is the largest consumer of imported olive oil, absorbing 35% of all olive oil exports. Despite being the world's largest producer, the EU is the second largest importer of olive oil, representing 33% of the global market. Japan, Australia, Canada and Brazil are also notable markets due to recent increases in consumer demand and potential for future growth.



THE AUSTRALIAN OLIVE OIL INDUSTRY

Australia is currently a net importer of olive oil. Consumption in 2005/06 is likely to be around 35,500 tonnes of olive oil, of which 31,000 tonnes will be imported, representing 6% of total world imports. In the past decade, Australian consumption has increased by 48%, and domestic demand for Australian-grown olive oil is growing rapidly through increasing consumer acceptance of locally produced oils.

It is estimated that by 2010 that Australian olive oil production will reach 30,000 tonnes, enough to satisfy domestic demand. This also means that development of export markets is vitally important to the future of the Australian Olive Oil industry.

Export demand for Australian olive oil is increasing with 270 tonnes exported last year to countries such as New Zealand, Italy, USA, Singapore and the United Kingdom. Important developing export markets for Australian olive products include Israel, Japan and USA who have increased imports over the past decade by 100%, 86% and 50% respectively.

The Project will be established by Timbercorp Securities Limited (TSL) ACN 092 311 469 (AFS Licence No 235653). When it is established, TSL will issue a Product Disclosure Document (PDS) in relation to the Project. Interests in the Project will only be issued on receipt of an application form attached to, or accompanying the PDS. When it is available, a PDS may be obtained from Timbercorp by calling 1800 628 188, downloading from www.timbercorp.com.au or from financial advisers and accountants.