

5 April 2011

Mr D Iles
D M & S J Iles



Dear Dennis

Variation to Base Quota

Further to our notice to Contractors on 1 April 2011, as a result of a major down turn in business activity due to circumstances beyond the company's control, we hereby advise of a reduction of your base quota to zero effective 1 May 2011.

We request that all harvesting and cartage operations are to cease on Friday 8 April 2011. All restoration works must be completed in accordance with the Forest Practices Plan requirements for your operations. Prior to shifting any equipment please contact your company forester to arrange coupe clearances.

We will use best endeavours to increase base quota as soon as possible once we understand the impacts of future market demand.

Should you wish to discuss this matter further then please contact me

Yours sincerely

Darren Davis
MANAGER
Gunns Forest Products - Triabunna