



Media Statement

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Paulownia Timber: *Global Supply and Demand*

The global demand for quality timber continues to grow strongly, with a trend in trade shifting from unprocessed timber to composite, value added timber products. This increasing demand, combined with global trends to restrict the logging of natural rain forests and old growth forests, is likely to result in a world shortage of quality timber.

In Australia, there is significant public and political intervention to reduce the availability of old growth forests for logging and to encourage the establishment, growth and development of cultivated plantations. The volume of timber sourced from plantations is expected to increase significantly over the next decade with the supply of plantation timber increasing from 414 million cubic meters per year to an estimated 600 million cubic meters per year in 2010.

In 1999, plantation timber accounted for only 3% of the world's forests, whilst 80% or more of the new plantations established in Australia between 1995 to 2000, are short rotation eucalyptus plantations designed for woodchipping, pulping for paper, and particle board. To date, plantations of high quality timber, suitable for higher end uses such as furniture, has not been a priority in the Australian timber industry.

Paulownia is a quality timber that is fast growing, dries easily without warping, and has an attractive straight grain. Paulownia timber is traditionally used for furniture making, fine cabinetwork, mouldings and paneling, pallets, crates, Venetian blinds, plywoods, veneer finishes, and items of cultural and religious significance. Due to the lightweight nature of Paulownia timber, has modern applications in transport construction industries including marine, aircraft, trains, trucks, busses, and vehicle interiors. The major markets for Paulownia timber are in the North-East Asian Regions, however the Australian Paulownia market is increasing with the timber currently being imported to fulfill domestic demand.

Investors interested in participating in a quality Paulownia timber project, operated as a Managed Investment Scheme and with an ATO Product Ruling (PR 2004/ 95), should contact Syd Chesson on 08 9322 4322; or e-mail: admin@kiripark.com.au

The EFF Group

The EFF Group of Companies is one of Australia's leading Paulownia organisations with experience in the establishment, plantation management, research and propagation of Paulownia trees. The Group own and operate several Paulownia plantations in Western Australia, including four Managed Investment Projects, and three private plantations.