

AQUILARIA UPDATE AUSTRALIA

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WESCORP
AGARWOOD



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Aquilaria DNA Library

Wescorp will be commencing the establishment of the first DNA library for Aquilaria trees in the world in the next 6 months.

www.wescorp.com.au

RESIN Formation in Trees at 30 Months Old

On a recent inspection of one of the plantations we discovered a tree that had been knocked over by a tractor slashing some 6 months ago. It had part broken the main stem about 50cms from the ground. Our staff decided to cut the broken part off completely so the tree could shoot again from the secured base of the tree.



Photo 1: Resin formation

After cutting the stem through they noticed the resin formation on part of the damaged stem. The stem was only 40mm in diameter at the cut and it was probably 50% affected.

Please see photo 1.



Photo 2: Resin formation

What was very exciting for Wescorp, was the formation of the resin wall developing across the stem protecting the undamaged part of the stem.

Please look closely at photo 2.

Story Continues on Page 2



Boulders July 2012

Growers Manual

This manual is nearly ready to deliver to our existing growers for feed-back and refinement. Those existing growers will help finalise the manual and it will be available for Grower Agreement Members next year. This has taken 4 years of hard work and trials that have been carried out on a large scale. Site selection, site preparation, and management of the plantations in Far North Queensland have all been addressed. This will be a “LIVE” document that the members will continue to improve with Wescorp co-ordinating the findings.

We have noticed some growers are still over-pruning. This is a problem and please refer to the Autumn issue for comments on this.

“Pruning from the ground up which results in no less than one third of the tree’s foliage towards the top of the tree is the general rule of thumb for pruning”. Issue 2, Autumn 2012, Aquilaria Update Australia.

(Continued)

The impact of this discovery is very significant. All of our previous studies had told us that the tree would be affected in Australia, but we didn’t have actual proof. Now we can confirm that the Aquilaria trees being planted in the Wescorp Agarwood plantations will be affected by the fungi attack and the yield predictions we have predicted.

During this wet, Wescorp will induce a small number of immature trees with the CAKit to demonstrate this further. We may be able to report this further in the Autumn issue.

JCU Trials at Garradunga

Preliminary results from the most recent field trial in Garradunga indicate that plant growth and performance can be improved by the inclusion of bactivate and higher rates of fertiliser in the growing media during the nursery phase. The greatest effect on field growth comes from the combination of these two factors, and these results enable us to further optimise nursery protocols for agarwood to ensure uniform, robust and vigorous seedlings can be planted in the field.

Visit to Laos

Recently two members of the Wescorp team visited Laos to observe the harvesting of Aquilaria trees and further inducement of trees. It was a very good trip which continues to confirm that the methods, research and conditions of the Queensland plantations are up to world's best practise.

With the careful selection of soil and site locations, our Aquilaria will out-perform many of the SE Asian plantations. More importantly it offers security of the trees in Australia. It remains a serious problem in other parts of the world. Caterpillars and security seem to be the biggest problems in Asian plantations

We visited many oil extraction operations and Danny (our research scientist) has collected many more oil samples. Wescorp already has one of the largest sandalwood oil libraries in the world and we intend to have the same for agarwood.



On visiting many retail outlets, the prices still seem very strong and vary depending on the quality. The oil ranges from US\$3,000 to US\$15,000 per kg. The chip still seems to be retailing at around US\$2 to US\$5 per gram depending on the quality. Spent charge (after the oil is extracted) is selling for about US\$1,000 per tonne.

Chen - Xiang

While travelling through Lao we met a trader that had this chunk of natural agarwood for sale. We were not able to see it, due to time constraints.



He gave us photos and said he could provide a CITES approval with the piece if we wanted to buy it. It weighs 11 kilograms and sinks in water.

His asking price was US\$40,000 per kilogram.

Introducing Fleur Coakley



Unfortunately Grant Pronk has left Wescorp Agarwood to establish his own forestry company. It was tremendous having Grant for the year, particularly to assist in the Grower Manual and many other discoveries. We wish him all the very best and will be consulting Grant on many plantation issues in the future. Garradunga plantation is performing very well.

Tim's daughter, Fleur Coakley has joined the Wescorp team as Assistant Manager for Wescorp Agarwood. Fleur has been associated with the group for many years and now that her two children are giving her a little more time, she has re-joined the team.

Please copy Fleur into all of your correspondence to Tim as many of the issues Fleur will be able to attend to on Tim's behalf.

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Planting 2012/13

Wescorp have not imported any seed this year to Australia. We believe there will be good seed set on the Australian trees this year and collection will provide us with enough to plant 50,000 to 100,000 trees in 2013/14.

The Wescorp team is currently identifying the high performance trees in the existing plantations and seeds will be collected from these and taken to the nursery for germination and later sales to those growers that are part of the Grower Agreement. Those interested in being involved really need to make commitments very soon and start selecting your sites (with Wescorp's help) as we have very strong interest from overseas investors wanting to become farmers with Wescorp.

For the 2012/13 season we only have about 7,000 trees available to sell. These trees 18 months old and have been re-potted into larger pots. To purchase these you will need to confirm your orders very soon. The price of these larger seedlings will be \$5 each plus GST.

Finally after 4 years of trials, we are confident that we will have an excellent nursery protocol to deliver high performing seedlings. Planting in 2013/14 will be very exciting. With the careful selection of seeds from the best performing trees, we are expecting far more even plantation trees with increased management ease. The seedlings will be high enough to reduce the spraying cost in the first 6 months.