



30 August 2006

Executive Commissioner
Resource Planning and Development Commission
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Dear Sir/Madam,

Bell Bay Pulp Mill Draft IIS

As Chief Executive of Serve-Ag Pty Ltd I write in support of the Gunns Ltd Pulp Mill project. Serve-Ag is a Tasmanian based agribusiness company in its 30th year of operation providing goods and services to primary producers in Tasmania and nationally.

Serve-Ag is a supplier to Gunns forest and vineyard operations. At this point in time, Serve-Ag would not anticipate having any commercial interest or involvement in the Pulp Mill project. Serve-Ag does, however, have the technical knowledge and experience to comment on Gunns' competence in managing its forestry operations. Based on Serve-Ag's first hand experience, Gunns is managing its forestry operations in a highly professional and technically sound manner. The Gunns forestry staff have a high degree of competence and commitment to best practice in both forest management and adherence to the Forest Practices Code.

Tasmanian forests grown under the Forest Practices Code are a renewable resource that both minimise environment impact and consume greenhouse gases. There are significant tracts of land in Tasmania that are only suited to sustainable forestry operations many of which are owned or managed by Gunns. Plantation forestry is both an established and sustainable industry that is important for the overall Tasmanian economy. For Tasmania to produce wood chips that are exported to be value added elsewhere does not reflect sound economic management of the state's resources. On the contrary, value adding of forest products is considered a strategic imperative for Tasmania.

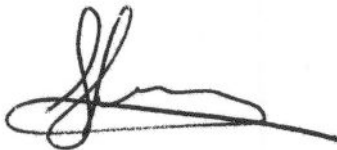
In Serve-Ag's view, Tasmania is extremely fortunate to have a company such as Gunns founded and based in the state who is committed to value adding of forest products. Any other state of Australia and indeed many countries around the world would invest heavily in attracting such a company, willing to invest in value adding of a locally available and sustainable resource. The combination of the strategic fit with the state's resources and capabilities and the ongoing economic benefit to the state are such that the project is too important not to proceed.

The scrutiny applied to this project should necessarily be rigorous, however, it should be balanced with and not disproportionate to that applied to any other project whether existing or proposed. The detail and depth of information contained in the Draft IIS documentation, in Serve-Ag's view, provides confidence that where any adverse impact may occur it is manageable. The commitment of the proponent from the Chairman of the Board to the staff on the ground leaves little doubt that the best interests of Tasmania are of high importance to the company in putting forward this project.

Serve-Ag strongly supports this project for the significant economic benefit it will provide to Tasmania. In our experience, Gunns is a good corporate citizen, conducting business in a professional and responsible manner. Gunns is to be commended for its vision and commitment to not only consider this project but to have the corporate courage to proceed with it. Serve-Ag congratulates and applauds the initiative by Gunns to undertake this Pulp Mill project.

As Serve-Ag fully supports the thrust of the Draft IIS I do not feel it is necessary to make a presentation at the panel hearings.

Yours faithfully
SERVE-AG PTY LTD

A handwritten signature in black ink, appearing to read 'Buze Green', with a long horizontal flourish extending to the right.

BUZ GREEN
CHIEF EXECUTIVE