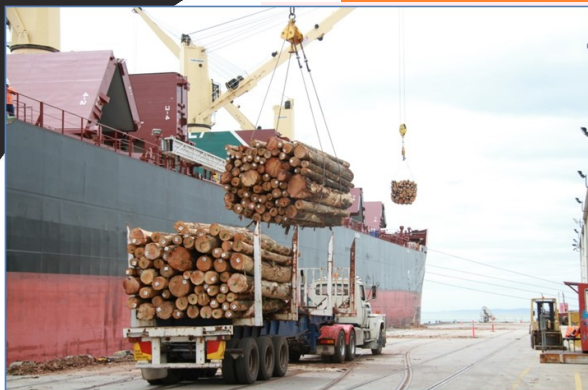




AKD Logs Set Sail



Trucks transport the logs to wharf-side



Excavators in the hold stack logs for maximum storage

AKD began exporting logs in its own right in May 2013 from the Port of Geelong. The main driver for this decision was the poor market price for woodchip therefore AKD in conjunction with Hancock Victorian Plantations (as joint venture partners in SPE), developed a strategy to divert pulp logs away from the chip market and into the Chinese log export market.

The TPT Group, acting as export and marketing agents, is a New Zealand based company that markets log into Asia and is one of the largest exporters in the Pacific Rim. AKD and HVP engaged with TPT to undertake the marketing of exports from Geelong. This relationship then developed further with log exports from the Port of Portland beginning in September 2013, (in partnership with HVP and Green Triangle Forest Products).

Since July last year, AKD has supplied logs for 14 vessels with the frequency now averaging 2 vessels per month between Geelong and Portland.

The buoyant international log export market has allowed forest growers to significantly add value to lower grade fibre and has increased the quality of saw log that is supplied to the AKD sawmills. It has also allowed growers to continue to thin plantations, which is a vital step in the long term production of high quality saw logs.

In summary, AKD is only exporting the logs not suitable for us to mill. By being able to export these logs, we are doing a better job of looking after our plantations.

Neil Harris—Resources Manager

AKD's Apprenticeship and Scholarship Program 2014

AKD Softwoods is pleased to announce that it has appointed five new apprentices under its apprenticeship and scholarship program for 2014.

Apprentices and trainees are vital to the ongoing success of our business by contributing to, and enhancing the skills and knowledge of our workforce. Additionally it provides a well defined career path and opportunity for our employees to grow within our business.

Special pride is taken when giving apprenticeship or traineeship opportunities to candidates who are current employees. Both Matthew Barrie from our dry mill, and Shane McKenzie our greaser, have commenced their trade training in Certificate III in Engineering.

AKD is also lucky to welcome three new employees to our team in an apprentice capacity. Zac Shaw has joined our maintenance team as an apprentice diesel mechanic with James Wood taking on a sawdoctoring apprenticeship. We are also happy with the expansion of the electrical team, with the addition of a new electrical apprentice Craig Cooper.

These employees have taken on a great challenge, which requires dedication and commitment to at least four years of schooling and training, and we hope this will lead to a long successful relationship with AKD Softwoods.

We wish them all the best throughout this time and encourage everyone to support them in their new roles. **Congratulations guys!**
Clark Rodger—Human Resources Coordinator



James Wood, Zac Shaw, Shane McKenzie, Matthew Barrie and Craig Cooper



The change to LED lighting

LEDified Lighting has been engaged by AKD Softwoods to change all lights across the business to LED lights. LEDified Lighting is Australia's largest LED lighting specialist. Lighting accounts for 18% to 40% of electricity consumption in commercial premises including AKD, this LED lighting can save up to 89% of lighting costs. Industry experts expect LED lighting to represent the majority of lighting solutions within the next 5 years.

Large corporations in Australia have already started to make the switch to LED Lighting and AKD have joined the increasing numbers switching to not only a cost saving measure, but also one which reduces our carbon footprint.

The Australian Government phase-out of inefficient lighting is expected to save around 28 million tonnes of greenhouse gas emissions between 2008 and 2020. (To put this into perspective, this is equivalent to permanently decommissioning a small coal-fired power station or taking more than 500,000 cars off the road).

According to the LED supplier, AKD will reduce its lighting bill by over 60% per annum and the lights will last 10 times longer. Another significant benefit of LED lighting is the reduction of fire risk as the LED lights operate at much lower temperatures, especially in areas with high levels of dust and dry material.

Graeme Hall—Project Manager



Old mercury vapour lights installed throughout the site.



New LED lights installed in Paul Docker area.



Introducing Richard Harrison: Continuous Improvement Program Trainer

CONTINUOUS IMPROVEMENT PROGRAM

Hi all, I am Richard Harrison from Skillup Australia. I have been engaged as the onsite trainer for AKD Softwood's Continuous Improvement Program. I am based in Melbourne but work onsite in Colac on Tuesdays, Wednesdays and Thursdays each week.

Currently we are training over 100 students in cert III and cert IV in Competitive Systems and Practices, which is a nationally recognised certificate. By AKD investing in such training, they provide a formal competency based system to learn together and work in alignment with the needs of the business and improve communication and participation

within the workforce.

The main focus of our training is to get everyone involved, regardless of age or gender, and build on our skilled workforce. The training focuses on such key areas as communication, leadership, production efficiencies and wastes. It gives AKD employees tools to help them in their everyday role, as well as contribute to the overall success of the business. One point to remember regarding this training is this is not going back to school!! You are assessed based on your knowledge and involvement in projects and classes, as well as changes that are happening across the site as a group. The training consists mostly of attending one 2-3 hour session per month in a small group. I'm sure all those that have attended thus far, will agree, that it's not so bad.

I'm sure by now most of you will have seen me wandering around the site trying to work out how your manufacturing processes run. Even though I have an engineering trade background and over 30 years of experience in a variety of manufacturing environments, I am still learning and studying. I ask a lot of questions and appreciate your feedback and leanings. Over the last 5 years I have been a full time workplace trainer which requires me to study and update my skills and knowledge in process improvement and reducing waste within the manufacturing process. In saying this, a good proportion of improvement ideas come from production staff, such as you.

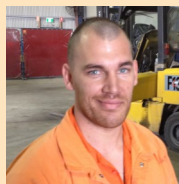
My role is to assist and help facilitate change. It can take time to get projects and ideas up and running but AKD has been, and continues to go through, progressive and managed change. This is necessary to stay competitive in the current climate. If you would like to know anymore regarding the training on site etc please just ask. For those not currently undertaking this training, it is likely this will be rolled out across your area of the business over the next 12 months. Management at AKD realises the importance of having motivated trained staff and are willing to invest time and money to make this happen, please take advantage of the opportunity when it arises.

Please don't hesitate to say hello, or ask for help at any stage.

Richard Harrison—Workplace trainer, process improvement consultant

New Employees

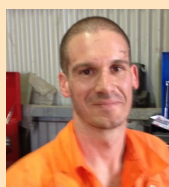
AKD welcomed these new employees in February/ March this year, and encourages everyone to make them feel welcome and work together to keep them safe.



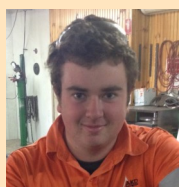
Deejay Mclean
Mechanic



David Te Kiri-Tuwairua
Dry Mill



Steve Teplyj
Mechanic



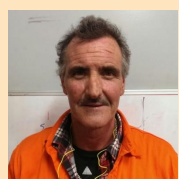
James Wood
Apprentice Sawdoctor



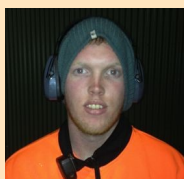
Brenton Bishop
Green Mill Colac



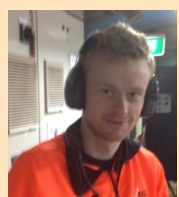
Craig Cooper
Apprentice Electrician



Allan Morris
Dry Mill



Jakob Ryan
Green Mill Irrewarra



Tom O'Connor
Green Mill Irrewarra



Scott Trinca
EWP

Also welcoming Micahel Wisbey, who was lucky enough to avoid a photo shoot, to our EWP department.

Q: What do you get if you pour boiling water down a rabbit hole?

A: A Hot Cross Bunny



James Kruss

IT Technician

AKD welcomes James Kruss to our IT team to work alongside Stephen Pefanis and Brady Wicks. James will cover all aspects of IT from general computer enquiries through to production efficiencies and improvements. James joins our company with a Bachelor of Engineering in Software Systems and a solid background in Project Management. James' experience in database design and web development will add great value to our busi-



Jesse Van Wollingen

Business Performance Analyst

Commencing in early April, Jesse has joined AKD Softwoods in the capacity of Business Analyst. Jesse comes to AKD with a broad depth of experience in investment and asset analysis, primarily in the areas of timberland and commercial property development. Jesse's primary role at AKD is to use his analysis skills and pull apart the large amounts of information AKD captures on a daily basis, identify trends and areas on which we can, as a collective organisation, put into practice world-class decision making to help the company grow.

Farewell T



After almost two years as Procurement Manager, Tunohoa 'T' Waitoa will be leaving our team at AKD Softwoods.

T has chosen to return to his home town of Rotorua—New Zealand with his family. As sad as we will be to say good-bye to T, we wish him all the best in his new role.

T has been instrumental in the establishment of our new store and has worked tirelessly on this project.

T's vibrant personality and easy going attitude has made him a pleasure to work with and a great contribution to the social element of our company.

ALL THE BEST T!





Thousands of Australians have been brave and shaved or coloured their hair over the month of March 2014 to raise vital funds and awareness for the Leukaemia Foundations 'World's Greatest Shave' fundraiser.

Five courageous AKD Softwoods team members were among those who put their heads together to help raise money for people diagnosed with these terrible life changing diseases.

Our very own Gillian Finnigan, John O'Crehan, Mandy Black, David McGuinness and Luke McCarthy selflessly donated their hair, along with Connie Tzortzatos and Donna Connelly who donated their efforts and their time.

Connie rocked her hairdressing skills by branding the back of Luke's head with the company logo.

David had the office in stitches after making a bold new beauty statement, strikingly similar to the popular 'Drew Carey Show' actress—Mimi Bobeck.

Mandy is still searching for the pot of gold at the end of her rainbow style hairdo.

John revealed the baby face beneath by trading his 'trucker moustache' for a fierce Mohawk.

Gillian proved that bald is beautiful by shedding her luscious locks for the cause.

After seeing a flyer on one of the AKD notice boards about 'Shave for a Cure', Gillian decided to shave her head completely.

"I decided then and there that I would get my head shaved, as the funds raised go directly into the research for a cure.

"I was unperturbed about what I would look like bald, my main concern was I hope I don't have any dandruff".



Leukaemia F
WORLDS GREATEST SHA

Head shave a trib

by Alex Baird

A Colac business has rallied in memory of a former colleague for the Leukaemia Foundation's World's Greatest Shave.

AKD Softwood employees coloured their hair and shaved heads and facial hair to collect close to \$1000 for the charity.

The day was in honour of former employee Donna Russek, who died from Leukaemia earlier this year.

AKD Softwoods employee David McGuinness said five workers took part in the event to show their support for the cause.

"It was something close to everyone here and it was a good way we can help raise funds towards that cause," he said.

"It was close to home but also a good exercise for us to help the community as best we can.

"People are still collecting, but we would expect we would get somewhere around the \$1000 mark."



HAIRY EXPERIENCE: AKD employee Luke McCarthy took part in the event to remember former colleague Donna Russek.





Gillian went on to thank both Donna and Connie for doing such a great job. "I think, as it was a group effort, we inspired each other as participants in the event".



Gillian assures us that she intends on keeping her hair short and cropped as it is "very easy to take care of".

The light hearted approach adopted by our volunteers didn't subtract from their main aim to help increase awareness of these illnesses.

All together AKD Softwoods raised \$1,134.60 towards the \$158 million raised this year so far.

More then 11,500 Australians will be diagnosed with a blood disease in 2014 alone.

The World's Greatest Shave raises about half the money the Leukaemia Foundation needs to fund its important work – providing support to people with blood cancer, as well as millions in research.

This foundation is one that AKD employees hold close to their hearts after losing a respected colleague, and treasured friend, Donna Russek, to the disease earlier this year.

Our volunteers flaunted their new do's in an article printed in the local Colac Herald newspaper pictured.

Whether you yourself have been personally effected or you have heard the stories of those who were, this is a cause that everyone can relate to in one way or another.

AKD Softwoods would like to thank our volunteers for their enthusiasm and brav-

ery as well as those who donated. We are hoping to make this an annual event and top our total next year.



AKD Softwood employees Connie Tzortzatos, John O'Crehan took part in the Leukaemia Foundation's World's Greatest Shave colleague Donna Russek, who died from the disease.





Health

PEDESTRIAN ACCESS TO COLAC GREEN MILL

As many of you would be aware, we have now placed a designated access path for all pedestrians to the Colac Green Mill. Over the last few years, there have been many near misses & collisions around the Green Mill stacker outfeed/kilns corner involving pedestrians, forklifts and other mobile plant. Please take care with these changed conditions. This is now the **only** designated entry/exit point to the Green Mill for pedestrians.



Please also note that this is a trial route and may change.

As a general rule of thumb see below:

- Mobile plant has Right of Way
- Stick to the designated walkways
- Make eye contact with mobile plant operators
- No vehicles are to enter the area beside the stacker/kiln hobs unless verbal permission is given from fork operators

7	9					3		
				6	9			
8				3			7	6
					5			2
		5	4	1	8	7		
4			7					
6	1			9				8
		2	3					
		9					5	4

Sudoku

The objective of Sudoku is to enter a digit from 1 through 9 in each cell, in such a way that:

- Each horizontal **row** contains each digit exactly **once**
- Each vertical **column** contains each digit exactly **once**
- Each sub grid or **region** contains each digit exactly **once**

Solutions in next edition of 'The Splinter'

HANDY TIP:

Tell your kids you hid an Easter egg in the garden with a \$50 note but you can't remember where, and enjoy a quiet day indoors.



March 02-12							
			1st	2nd			
			3rd	4th X2			
			5th	6th			
			7th X3	8th			
9th	10th	11th	12th	13th	14th	15th	16th
17th	18th	19th	20th	21st	22nd	23rd	24th
			25th	26th			
			27th	28th			
			29th	30th			
			31st				

fax: + 61 3 5231 1921

Milestones

Congratulations to the following staff on reaching a milestone this April – May 2014

5 Years— Darren Newling (06/05/2009) Stephen Pefanis (11/05/2009)
David Ryan PPP (25/05/2009)

20 Years— Leslie Rowarth (02/05/1994) Craig Conway (30/05/1994)
Christopher Bridgeman PPP (25/05/1994)

25 Years— Craig Walton (10/04/1989)

Thank-You!



AND THAT'S HOW EASTER EGGS ARE MADE



HAPPY EASTER EVERYONE

AKD Softwoods would like to wish everybody a very happy and safe Easter break. In timing with this we would also like to announce that we have purchased all AKD Employees the **'Colac Herald Discount Card'**.

The suggestion came from one of our Continuous Improvement Program group projects. It was identified as means to reward our employees, as well as promote and support local business in the Colac area.

The cards will be enclosed in your payslip.

For all those travelling over the Easter break, please take care and a big thank you to those employees working over the shut period.

If you have any queries regarding your Easter breaks, please contact your supervisor



CEO'S CORNER

It is great to see another edition of 'The Splinter' come out! I believe this is the fourth edition so far, making our bi-monthly newsletter an important and permanent part of AKD Softwoods' communication. As such, it requires contribution from everyone. If you would like to see something added, either from yours or the companies perspective, then please contact Bree in the front office.

It has now reached the end of Summer, and it has been very busy for AKD. We have moved record volumes of timber and the market has been a lot more robust when compared to the previous two Summers. I would just like to say "well done" to our entire team, as we continue to set new production and sales records. This is making our business stronger and enabling us to compete directly with our Domestic Competition, which then allows AKD to be able to take on international competition. AKD's brand, in the market place, continues to grow and improve as we look to produce quality products backed up with quality service. But the job is not done (it never will be). We have a big Winter in front of us. As we prepare for the next Spring/Summer season, we need to ensure that as a business we are constantly looking at how we can improve tomorrows activities from what we did yesterday.

We are all responsible for **quality**, and we are all responsible for **housekeeping**. It is not someone else's job, it is yours. We can only ever achieve a sustainable business if we all take care of it. We must grade our products properly, look after our buildings (and equipment) and keep it clean. Therefore taking pride in what we have. Unfortunately whilst we have made massive improvements in our safety record, we still have too many people being hurt in our workplace. Let's be more careful, let's not take risks. If you have a hazard in your area and you have asked for it to be improved and it hasn't been, then please feel free to contact me directly. If you are operating a piece of plant and haven't been trained, or you believe there are policies that you are not aware of, then please make contact with a supervisor right away.

Finally, i would like to acknowledge 'T' and Warren for their efforts in New Zealand recently. Warren was away for an entire month working on a special project for AKD acquiring machinery, and we would like to thank him and his family. I would also like to thank 'T' for all his efforts with this project and over the past 2 years with the new stores as well as the work he has put into establishing our refreshed uniform back in 2012. These are two lasting legacies. All the best in NZ "Tumeke Bro".

Have a Fantastic Easter Everyone!

Shane Vicary—CEO