

**MEDIA RELEASE**  
**16 July 2008****Carbon Pollution Reduction Scheme to cover forestry**  
**Australian Federal Government's Green Paper confirms inclusion of carbon forest sinks**  
**as a covered sector in Carbon Pollution Reduction Scheme (CPRS) design.**

The Australian Government's Green Paper has provided confirmation that forestry will be an important contributor of additional carbon reduction permits into the CPRS. The inclusion of forestry is beneficial for companies establishing carbon forest sink projects such as the Carbon Conscious - Carbon Capture Program™. The Carbon Capture Program™ will generate carbon reduction permits through the establishment and management of plantations of mallee eucalypts in the Australian wheatbelt.

Climate Change Minister Penny Wong has released the Australian Government's long awaited Green Paper outlining the preferred approach for design of a CPRS due by 2010. The CPRS is designed to reduce pollution released into the atmosphere that is widely regarded as the major cause of global warming and climate change.

Today's announcement by the government stated that "The inclusion of forestry on an opt-in basis will provide an incentive for forest landholders, including indigenous land managers, to establish additional forests, or carbon sinks (forests planted for the purpose of permanently storing carbon).

With the release of the CPRS Green Paper, major greenhouse gas emitters have now also been provided with a catalyst to make investment decisions in forest carbon sink projects. Forest sinks are likely to form part of the solution adopted by companies emitting large volumes of greenhouse gases that will be regulated to mitigate emissions under the mandatory CPRS.

The Green Paper adds to the Federal's Governments recent legislative changes allowing for 100% tax deductibility for investment in qualifying forest carbon sink projects. "These important developments should provide further incentive to companies with carbon liabilities under the CPRS to invest in forest projects as an effective carbon hedge strategy" said Mr Balsarini – Executive Director of Carbon Conscious.

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