



THE ADMINISTRATION OF NORFOLK ISLAND

MEDIA RELEASE

Timber treatment charges to increase

The price of CCA timber treatment through the tanalith plant will increase by 10% effective from Monday 1st June 2006.

This change has been brought about by an increase in the cost of the treatment solution Copper Chrome Arsenate (CCA), which is in turn related to price increases of the component commodities, copper and arsenic, and the cumulative effects of freight and fuel costs.

The 10% increase announced does not represent the full cost increase of tanalith solution to the Administration over the last 5 years. The Administration has made significant reductions in operating costs of the tanalith plant in that time and will continue to do so wherever possible.

In limiting the increase to 10%, the Administration is conscious of the need to maintain the viability of the local timber industry and mindful of the important role the tanalith plant has to play in this.

Steve Mathews
Acting Chief Executive Officer

26th May 2006