

**Timbercorp Limited ABN 87 055 185 067
ASX Announcement**

CEO - Contract

31 March 2009

Timbercorp Limited (ASX:TIM)

Timbercorp Limited announces that it has formalised terms of employment with Sol Rabinowicz, Chief Executive Officer, with effect from 1 July 2008. A summary of the key terms of the agreement with Mr Rabinowicz is attached.

ENDS

For further information visit timbercorp.com.au or call:

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About Timbercorp Limited (ASX:TIM):

Timbercorp creates wealth through high quality agricultural projects developed on a world scale to meet global demand. With fully integrated operations, Timbercorp actively manages the entire agricultural project cycle on behalf of its grower investors. This encompasses the establishment, financing and marketing of projects through to harvesting, processing and end-sales.

Since establishment in 1992, Timbercorp has raised more than \$1.7 billion in funds for investment in agribusiness. The company's portfolio of managed agribusiness assets (including established and committed plantings) consists of more than 96,000 hectares of eucalypt plantations, 6,622 hectares of olive groves, 11,862 hectares of almond orchards, 1,345 hectares of citrus orchards, 412 hectares of table grape vineyards, 816 hectares of mango orchards, 1,207 hectares of avocado orchards and 8.2 hectares of glasshouse tomatoes. With net assets of \$595 million, Timbercorp generates a mix of strong recurrent revenue streams.

**SUMMARY OF THE KEY TERMS OF EMPLOYMENT
MR SOL RABINOWICZ**

CHIEF EXECUTIVE OFFICER – TIMBERCORP LIMITED

1. Role

Chief Executive Officer

2. Commencement Date

Mr Rabinowicz's employment agreement is effective from 1 July 2008.

3. Remuneration

The total remuneration package of \$585,809 comprises base salary; superannuation required by statute together with any additional salary sacrifice amount (if any); and any other salary packaged benefits and any associated fringe benefits tax. The Company will also reimburse all reasonable business expenses incurred by the CEO in the course of employment.

In addition, the CEO may be invited to participate in the Company's Performance Incentive Plan. The terms of the CEO's participation in the Company's short-term and long-term incentive plans will be governed by the terms of those plans (as amended from time to time) and will be disclosed in the Company's Remuneration Report. Shareholders approved the terms of the 2009 grant of performance rights to Mr Rabinowicz at the 2009 Annual General Meeting on 27 February 2009.

4. Termination

The Company may terminate the agreement immediately if the CEO:

- commits a serious breach of the terms of the agreement;
- is guilty of any gross misconduct or wilful neglect in the performance of his duties;
- is charged with any criminal offence which in the reasonable opinion of the Company brings or is likely to bring the Company into serious disrepute; or
- is incapacitated by illness or injury from performing the duties under the agreement for a period of, or periods making up a total of, three months in any twelve-month period.

Either party may terminate at any time by giving the other party not less than 12 months' prior notice.

Entitlements in the event of termination with notice:

Where the agreement is terminated by the Company:

- The Company may elect to provide the CEO with payment instead of all or part of the notice.
- The CEO, within 3 months of a material reduction in his duties, status, responsibilities or authority, may elect to be provided with payment instead of serving out the notice period.

In both instances, payment instead of notice is to be calculated on the CEO's total remuneration package for the notice period.

Entitlements in the event of termination by the Company for cause:

The agreement may be terminated by the Company without notice and without any obligation to pay the CEO any compensation. The Company will pay any entitlements required to be paid by law up to date of termination.

5. Restrictions

The agreement contains certain restrictions on the CEO for a period of 12 months after cessation of employment in relation to post employment activities in Australia including prohibitions from, either directly or indirectly:

- accepting employment, engagement or otherwise undertaking work for reward, for or in conjunction with any person who provided;
- supplying to any of the Company's customers for reward, or assisting another person to do so; or
- obtaining from any of the Company's Strategic Alliance Partners or any of the Company's suppliers for reward, or assisting another person to do so,

the financial and investment products or the services that the Company provided during the last 12 months of the CEO's employment with the Company;