



**Wescorp**

**“exporting sandalwood to the world”**

**Presentation to Australian Sandalwood  
Network Spring Field Day, 26<sup>th</sup> September  
2006 Koorda**

September 2006

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Avon Sandalwood Network



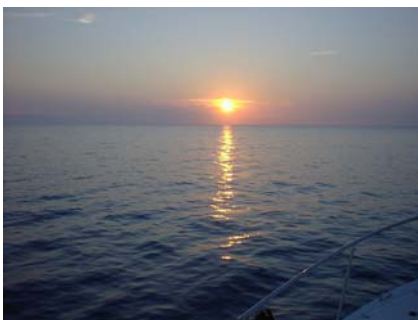
**Our thanks to Avon  
Sandalwood Network and the  
executives for allowing  
Wescorp to give this brief  
presentation.**

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**Topic: Size of the Prize**



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**WESCORP HOLDINGS PTY LTD**

**NEW MOUNTAIN  
SANDALWOOD  
PTY LTD**

**WESCORP PACIFIC  
SANDALWOOD  
PTY LTD**

**WESCORP  
SANDALWOOD  
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## Topic: Size of the Prize

**There are 7 commercially harvested species of Santalum in the world and we will be discussing only these today.**

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## Topic: Sandalwood Markets

Wescorp estimates there the following quantities are legally and illegally being harvested per annum:

- WESTERN AUSTRALIA 2200 TONNES
- QUEENSLAND 600 TONNES
- PACIFIC 370 TONNES
- INDONESIA/TIMOR/NEW GUINEA 150-250 TONNES
- INDIA 1500-1800 TONNES

**TOTAL HARVESTED 4820-5220 TONNES**

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## Topic: Sandalwood Markets

Due to trade restrictions in some countries we believe the following quantities of Santalum are being traded legally and illegally per annum:

- WESTERN AUSTRALIA 2200 TONNES
- QUEENSLAND 600 TONNES
- PACIFIC 343 TONNES
- INDONESIA/TIMOR/NEW GUINEA 250 TONNES
- INDIA 600 TONNES

**TOTAL TRADED 3993 TONNES**

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## Topic: Sandalwood Markets

**Santalum spicatum is therefore responsible for the supply of over 50% of Santalum to the trading world.**

**Forest Products Commission being the largest supplier in the world.**

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## Topic: Sandalwood Markets

**Wood that is used in the Argabatti industry from India to the West Pacific will be around 80,000 to 100,000 tonnes of which of which Santalum makes up only about 5%.**

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## Topic: Sandalwood Markets

Santalum values are determined by:

- Size of raw material
- Carving ability
- Oil content
- Santalol levels
- Colour
- Aroma at burning
- Supply

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## Topic: Sandalwood Markets



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## Topic: Sandalwood Markets

The international value of the commercial species are from the top as follows:

- S. album
- S. yasi
- S.austrocaledonicum
- S.macgregorii
- S.spicatum
- S.lanceolatum
- S.acuminatum (Quandong)

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## Topic: Sandalwood Markets

- Approximately 150 tonnes of Santalum perfume is produced per annum worldwide.
- Uses for the end product are:
  - Chewing tobacco
  - Perfume and cosmetics
  - Aromatherapy
  - Medicine and pharmaceuticals

*This has halved in the last 10 years.*

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## Topic: Sandalwood Markets

Worldwide government attitudes of sandalwood producing nations:

- *Value adding at place of origin*
  - Employment
  - More Earnings
  - Branding
- *Sustainability*
  - Replanting
  - Quotas
  - Plantations
  - Utilisation of the whole resource

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## Topic: Sandalwood Markets



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## Topic: Sandalwood Markets

Spicatum / FPC:

- Consistently 2000 tonnes per annum
- Sustainable
- Over 50% of world's Santalum supply
- Structured marketing system
- Excellent product
- Stable pricing
- Long track record as well as history and relationships

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## Topic: Sandalwood Nuts



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## Topic: Sandalwood Markets

The future:

- Pricing
- Supply of wildwood
- Mix of products
- Plantations
- Substitution

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