



New Forests Announces Launch of Forest Carbon Partners: Investment fund to supply Californian carbon market

San Francisco, USA (15 February 2012) – New Forests Inc. (“New Forests”) is pleased to announce the launch of Forest Carbon Partners, L.P. – an investment vehicle for California-compliant forest carbon offset projects – and the close of the fund’s first two transactions. Forest Carbon Partners offers forest carbon offset project finance and development services to private forest landowners nationwide. The fund manages all aspects of project evaluation, development, registration, and credit sales. Through its portfolio of projects, Forest Carbon Partners will deliver carbon market revenue to landowners and a reliable supply of high-quality offsets to California compliance buyers.

In its first two transactions, Forest Carbon Partners has partnered with a family forest owner and a Native American tribe to develop forest carbon offset projects on over 11,000 acres of forest land in the western United States. These projects will lead to the sequestration of significant volumes of carbon, ensure sustainable management of diverse natural working forests, improve wildlife habitat, and deliver a new stream of income to the landowners. New Forests expects to finance offset projects on over 100,000 acres of forest land through its Forest Carbon Partners fund vehicle.

“New Forests is proud to build on our record as a leading forest carbon investment manager with the launch of Forest Carbon Partners and the fund’s first projects,” remarked David Brand, Managing Director. “As the California carbon market comes online, New Forests believes that forest carbon projects will become a critical source of offset supply. Forest Carbon Partners brings together a sophisticated understanding of both forestry and carbon markets to meet the demand for high-quality carbon credits that ensure important co-benefits for family forest landowners and the environment.”

New Forests expanded to the United States in 2007 in response to the growing demand for specialist investment management services for land-based environmental markets, including wetland mitigation banking, species mitigation banking, and forest carbon. The California carbon market – part of the state’s efforts to meet its legislated greenhouse gas emissions reduction targets – is expected to become the second largest carbon market in the world by value.

“New Forests and Forest Carbon Partners are uniquely positioned to enable landowners and investors to access the value of natural capital in working forests,” commented Brian Shillinglaw, Manager of Carbon Investments and Policy for New Forests Inc. in San Francisco. “Our end-to-end investment and project development process will deliver a large pipeline of offset supply to the California market, while focusing on projects with family forest owners that deliver significant land conservation and environmental benefits.”

About New Forests Inc.

New Forests Inc. is a wholly-owned subsidiary of New Forests Pty Limited of Sydney, Australia. The New Forests group (www.newforests.com.au) manages investments in sustainable forestry and associated environmental markets, such as carbon, biodiversity, and water, for institutional and other qualified wholesale investors. New Forests executes three investment strategies that provide clients with diversity and choice around risk-adjusted returns, geography, and market exposure: sustainable timberland investment in Australia and New Zealand; forestry investment in high-growth markets of the Asia Pacific region; and conservation real estate and environmental markets investment in the United States. The company is headquartered in Sydney with offices in Singapore and San Francisco.

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