

New Forests Announces Launch of Timberlink Australia:

Bell Bay and Tarpeena softwood sawmills purchased from Receiver, KordaMentha

SYDNEY (31 January 2013) – New Forests announced today the completion of the purchase of the assets of Gunns Timber Products from the Receiver, KordaMentha. The transaction includes the softwood sawmills in Bell Bay, Tasmania and Tarpeena, South Australia and sales and distribution facilities in Victoria, South Australia and Western Australia. The acquisition will be made by the New Forests Australia New Zealand Forest Fund (ANZFF).

The business will be rebranded as Timberlink Australia, with Ian Tyson appointed as Chief Executive Officer. Ian brings over 35 years of experience in timber processing, wood products marketing, and timber sales in Australia. Operations will continue on a business as usual basis, with 380 employees transitioning to Timberlink Australia.

Mr Tyson said, “The launch of Timberlink Australia is an exciting time for our employees and our customers. Together, we look forward to growing the business as a leading supplier of Australian-grown plantation pine timber products.”

Mark Korda said, “This is an outstanding result for all stakeholders. The suppliers, customers, and importantly employees have continued to work with the business throughout the receivership, and we are proud to hand over a thriving business to New Forests. The future of the mills and the local communities is now linked to a group with a long-term interest in the Australian timber industry.”

New Forests manages approximately 375,000 hectares of plantations and timberland across Australia, including the softwood timber plantations in Tasmania and the Green Triangle of Victoria and South Australia, which provide the core wood supply to each mill. The establishment of Timberlink Australia creates a unique opportunity to integrate management of timberland, mills, and sales and distribution functions into a fully aligned customer focused business. The new business offers financial stability and opportunities for targeted capital investment to improve efficiency, product quality, and customer service while supplying sustainable, domestic products.

Korda said this sale of the sawmills business is another significant step in continuing to successfully execute the three-point plan set out at the beginning of the Receivership.

New Forests’ Managing Director, David Brand, said “As a regionally-focused timberland investment manager, New Forests believes that a competitive, domestic wood processing industry is critical to ensuring a sustainable future for Australia’s forest sector. Timberlink Australia will strengthen local supply chains by connecting Australian-grown plantation timber with domestic customers seeking high-quality and environmentally responsible building materials.”

**About New Forests**

New Forests Pty Limited (www.newforests.com.au) manages investments in sustainable forestry and associated environmental markets 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 has offices in Sydney, Singapore, and San Francisco and currently manages more than AU\$1.25 billion in assets and over 400,000 hectares of land in Australasia, the United States, and Asia.

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About KordaMentha

KordaMentha (www.kordamentha.com) is an advisory firm specialising in Corporate Recovery, Turnaround and Restructuring, Real Estate advisory and Forensic services. KordaMentha has worked on some of Australia's most high profile corporate recovery projects.

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