

New Forests and Timberlink Announce Major Upgrade to Tarpeena Sawmill in South Australia \$16 million to be invested to increase log intake from 460,000 m³ to 575,000 m³

SYDNEY and MELBOURNE (15 July 2013) – Timberlink Australia Pty Ltd (“Timberlink”) and New Forests Pty Ltd (“New Forests”) announced today a \$16 million upgrade to the Tarpeena Sawmill in South Australia supported in part by a \$7.8 million grant to Timberlink by the South Australian Government. The grant is financed by the South East Forest Partnership Program, a South Australia State Government program designed to encourage a viable and competitive timber sawmilling industry. Timberlink will invest a further \$8.2 million in addition to the grant in a strategic upgrade of the company’s Tarpeena sawmill. The new investment is expected to increase sawlog processing volume from 460,000 to 575,000 cubic metres annually, improve productivity, and lower manufacturing costs.

“The Tarpeena sawmill has been a key part of the regional softwood timber industry for over 50 years,” said Timberlink CEO, Ian Tyson. “This investment program will increase our international competitiveness, protect Australian jobs in manufacturing, and position us for a recovery in the Australian housing market.”

The Tarpeena sawmill upgrade includes environmental benefits such as improving timber recovery and energy efficiency and will result in improved business competitiveness through a reduction in manufacturing costs. The new investment will increase capacity and implement a range of new technologies in the greenmill, drying kilns, and drymill.

Timberlink is owned by investment funds managed by New Forests, a Sydney-based institutional investment manager specialising in sustainable forestry. “This new capital investment into the Timberlink business is an important step in supporting the Green Triangle’s softwood plantation industry and underpinning local employment,” noted James Davies, Head of Funds Management for New Forests and Chairman of Timberlink. “We have a world class softwood plantation estate in the Green Triangle and an integrated supply chain from the forest to the mill and the ultimate customer. This project will increase both the quality and quantity of timber we can deliver to the market.”

South Australian Manufacturing, Innovation and Trade Minister, Tom Kenyon said the grant was being offered under the \$27 million South East Forestry Partnerships Program. The program was launched in November last year to help secure the forestry industry’s future by encouraging further investment in new and existing businesses. The program targets strategic capital investment opportunities in the South East’s forest and forest products sector. The program’s evaluation criteria for investments include strategic importance for the region, positive and sustainable economic impact, employment, and innovation.

About Timberlink

Timberlink (www.timberlinkaustralia.com.au) is a leading national timber products manufacturing business. The business has two sawmills at Bell Bay (Tasmania) and Tarpeena (South Australia) that manufacture Australian grown plantation pine, national sales and distribution teams based in Perth, Adelaide, Sydney, and Melbourne, and a sales team based at the Bell Bay mill. Timberlink produces fit-for-purpose indoor and outdoor structural timber for Australian new homes and renovation projects. Aligning the Timberlink business with the forest resources enables the company to have a long-term committed approach to its business and customers.

About New Forests

New Forests (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 forestry and environmental markets investment in the United States. The company has offices in Sydney, Singapore, and San Francisco and currently manages AU\$1.8 billion in funds and assets and over 415,000 hectares of land in Australia, the United States, and Asia.

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