



New Forests Acquires Pine Creek Timberlands in Coastal California from Soper Company

Transaction Targets Climate Action through Sustainable Forestry Investment

SAN FRANCISCO, 5 September 2018 – Investment manager New Forests has announced its latest acquisition under the firm’s growing US timberland investment program, with the purchase of 10,400 acres of Humboldt County timberlands from Soper Company. The estate is known as the Pine Creek Timberlands and completes the placement of an investment fund focused on high carbon value forests in California.

“New Forests is pleased to acquire these high-quality Northern California timberlands,” said Jon Loevner, Manager of US Investments for New Forests. “The Pine Creek Timberlands are an excellent fit with New Forests’ investment strategy in the US, whereby we manage forests to optimize revenues from a combination of timber harvest and carbon offset sales. This strategy enables us to lengthen harvest rotations to create higher value, larger logs while at the same time delivering a measurable, verifiable climate benefit through California Carbon Offsets.”

New Forests is one of the world’s largest forestry investment managers and has solidified a leading position as a developer of forest offset projects for California’s cap-and-trade market. Earlier this year, New Forests was awarded the 2017 Project Developer of the Year award by the Climate Action Reserve. New Forests currently has 23 US carbon projects in development and operation.

“The world’s forests are a critical resource for climate change mitigation, with forests and land use offering up to 30% of mitigation potential through 2030,” said Brian Shillinglaw, Executive Director of New Forests Inc. “New Forests’ US timberland investment program responds to this challenge by applying New Forests’ deep forestry and carbon asset investment expertise to the US timberland market, delivering market-rate climate impact investment solutions to institutional investors.”

Shillinglaw continued, “New Forests’ in-house geospatial analytics and carbon valuation skills, combined with a track record of responsible forestry investment, drive investment value while at the same time securing carbon storage and capturing the climate benefit of ongoing carbon sequestration in sustainably managed forests. This differentiated approach to investing in the US timberland market presents a unique opportunity for institutional capital to make a meaningful contribution to climate mitigation while also meeting investors’ portfolio needs for higher risk-adjusted returns in real assets.”

The Pine Creek Timberlands include Douglas fir, mixed hardwoods, and redwood stands. The property has historically been managed for high value Douglas fir timber. The estate complements the recent acquisition of a predominantly redwood and Douglas fir forest with parcels located near Eureka on behalf of the same fund. New Forests also announced the acquisition of approximately

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170,000 acres of mixed conifer forests in Northern California in early 2018, now operating as Shasta Cascade Timberlands LLC. The settlement on Pine Creek Timberlands brings New Forests' US timberland assets under management to 186,000 acres.

The company also manages more than 500,000 acres of forest carbon offset projects throughout the continental United States and Alaska. Globally, New Forests manages around 2.3 million acres (915,000 hectares) of forests and conservation investments with assets under management of approximately USD 3.7 billion.

About New Forests

As global demand for resources grows, there is a need to increase productivity while ensuring the conservation of the world's remaining natural forests. New Forests seeks to create investment strategies that provide lasting solutions to this challenge. Through responsible management of forests and other real assets, we create shared benefit for investors and local communities alike. We believe that meeting the needs of a broad range of stakeholders will provide better returns over the long term.

New Forests has international reach, with offices and assets in Australia, New Zealand, Southeast Asia, and the US. This gives us a global perspective combined with local expertise that allows us to understand and manage our assets more effectively. Wherever we operate in the world, our strength lies in our people and their drive to make investments that create the best possible outcomes. By investing with integrity and transparency we aim to generate strong returns while helping tackle some of the world's great sustainability challenges. To learn more, visit www.newforests.com.au.

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