



New Forests to Purchase Tasmanian Plantations from Norske Skog

SYDNEY – 7 February 2020 – Australia-based international forestry investor New Forests has agreed to purchase the Tasmanian plantations of a local subsidiary of Norwegian pulp and paper company Norske Skog. The purchase includes a net plantation area of more than 18,000 hectares of radiata pine in the south of Tasmania and an agreement for timber sales to the Boyer Mill, which continues to be operated by Norske Skog.

The purchase is made on behalf of the New Forests Australia New Zealand Forest Fund 3 (ANZFF3), a closed-end comingled forestry fund focused on sustainable timber plantations in Australia and New Zealand. Mark Rogers, New Forests' Managing Director for Australia and New Zealand noted, "This acquisition is a good outcome for New Forests' ANZFF3 and its investors, who are seeking a diversified exposure to the mature, professionally managed timberland markets of Australia and New Zealand. The purchase brings added geographic and market diversity to the fund, which will also benefit from a secure, long-term offtake agreement to the local mill."

The plantations have traditionally serviced around two-thirds of the Boyer Mill supply. Through a long-term pulpwood supply agreement, ANZFF3 will supply 360,000 tonnes annually to the mill, commencing at completion of the transaction. Existing contracts related to the plantation estate, including forest harvesting and haulage, will transfer with the sale.

New Forests' Matt Crapp is Director of Operations for ANZFF3 and will oversee the transition of the plantation management upon settlement, expected in mid-2020. Crapp explained, "New Forests has strong ties throughout the Tasmanian plantation industry and will appoint a reputable and experienced property manager to oversee day-to-day operations. We anticipate opportunities for current Norske Skog forest management staff to gain employment under the new property management arrangement."

Crapp continued, "We also look forward to bringing the estate into the broader New Forests' portfolio, where we emphasise long-term management strategies that seek to align financial value with improving productivity, promoting forest health and resilience, and ensuring that forest management contributes to local economic, environmental, and social objectives."

About New Forests

New Forests is a sustainable real assets manager offering leading-edge strategies in responsible forestry with more than AUD 5.4 billion in AUM across a global portfolio of nearly 1 million hectares of forestry and conservation investments. 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. 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. To learn more, visit www.newforests.com.au.

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