



New Forests' Australia New Zealand Forest Fund to acquire softwood plantation estate in Tasmania

Sydney, Australia (9 December 2011) – The Australia New Zealand Forest Fund (“ANZFF”), a forestry investment fund managed by Sydney-based New Forests Pty Limited (“New Forests”), has agreed to acquire a 46,000 hectare (114,000 acre) softwood plantation forestry estate located in the north of Tasmania. The forestry estate will be acquired from a joint venture between Forestry Tasmania and a global timber investment manager for a total purchase price of \$156 million. New Forests has lodged an application with the Foreign Investment Review Board, and the transaction is scheduled to complete in January 2012.

New Forests’ Managing Director, David Brand, commented, “New Forests is pleased to acquire this attractive forestry estate, which is an important component of the sustainable plantation timber industry in Tasmania. These plantations are on generally flat to rolling terrain, with good rainfall and a history of good management. The estate makes for a high-quality, long-term investment opportunity.” New Forests currently manages over 275,000 hectares of timberland properties across Australia on behalf of its institutional investment clients.

The transaction is based on acquiring the plantations via a Forestry Right on Crown Land, which provides for ongoing operations through 2069. The forest currently produces over 550,000 cubic metres of softwood timber per annum, largely under contract to local processing facilities. With a diversified age class structure across the estate there will be a steady and growing cash yield over time.

The forestry estate is certified to the Australian Forestry Standard, and ongoing operational activities will continue to provide local employment opportunities to local businesses. New Forests will manage the forestry estate in accordance with the company’s social and environmental management system, ensuring long-term sustainability with replanting programs and environmental restoration using native plantings in sensitive areas, such as riparian zones.

Mr. Brand remarked, “With institutional investors seeking long-term, stable assets to counter the current volatile economic conditions, these softwood plantations make a strong addition to our investment portfolio.”

About New Forests

New Forests (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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