

Update to shareholders October 2017

Dear Forestlands shareholder,

First, Forestlands ("**we**") apologise for the delay in communicating with you. We accept that this has been frustrating, and note that some of the reasons for the delays have been out of our control.

A number of you have been asking how to update shareholder details, and we want to assure you that there is a process in place for that. Please email any updates to info@forestlands.co.nz, and shareholder details will be updated prior to distribution. Going forward, all shareholder updates will be posted on this website.

The director of the Forestlands companies has engaged third party experts with a view towards advising on distributions to shareholders of the Forestlands companies. There have been delays in progressing these instructions, however the director has now instructed his solicitors to proceed post-haste.

The director confirms that \$18m is held on trust by his solicitors, on interest bearing terms. The funds will not be distributed without the permission of the FMA, or order of Court. This may necessitate a delay in ultimate distribution to shareholders, pending FMA approval. The director also confirms that the third party experts engaged on this matter are not being paid out of the \$18m held on trust.

Finally, we are aware of press coverage regarding the address details provided in the annual returns that have just been filed for the Forestland companies. We confirm this was an oversight and the Companies Office is being notified of the updated address for the companies.

We will update you further (in consultation with the director's solicitors) as further information comes to hand. Thank you for your patience.

Regards

Forestlands