



Glenview - Tangoio Shareholder Meetings 2018

Topics

- ▶ Harvest Progress
- ▶ National Environmental Standard for Plantation Forestry
- ▶ FMNZ Harvesting and Wood Supply update
- ▶ Market Report

Tangoio Forest Harvest Progress

► 85.3 ha Harvested to Date

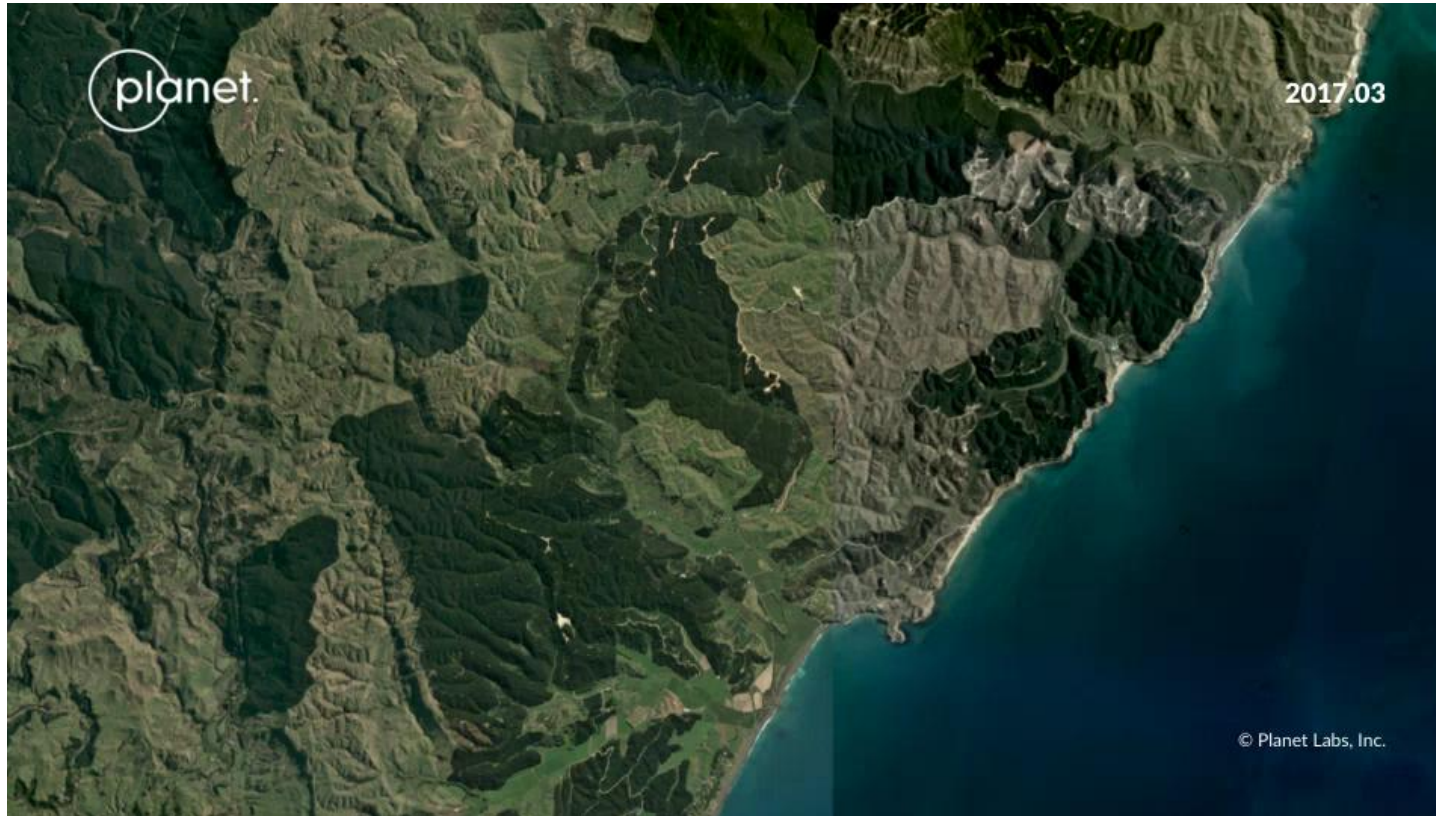


Glenview Forest Harvest Progress

► 45.9 ha Harvested to Date



Tangoio - Glenview Forest Satellite Time Lapse March 2017 - March 2018



National Environmental Standard Plantation Forestry NESPF - Update

- ▶ Covers eight core plantation forestry activities
- ▶ Afforestation, Pruning and Thinning to Waste, Earthworks, River Crossings, Forest Quarrying, Harvesting, Mechanical Land Preparation, Replanting
- ▶ Does not cover, Plantation forestry activities outside the forest boundary e.g. effect of logging trucks on public roads,
- ▶ Three tools available to help determine when consents are required:
 - ▶ Erosion Susceptibility Classification
 - ▶ Wilding Tree Risk Calculator
 - ▶ Fish Spawning Indicator
- ▶ Marks a significant change in the way forestry activities are managed
- ▶ Comes into effect 1 May 2018

National Environmental Standard Plantation Forestry NESPF - Update

- ▶ Eskdale storm event - 300mm in 12 hour period
- ▶ Localised storm events becoming common
- ▶ Important to manage catchment during harvest
- ▶ Need to ensure debris and slash management procedures are in place
- ▶ Binwood sales help reduce slash on landings

Map with ESC Layer

Layer List



ESC (July 2017): Very High

ESC 2017 class	Very High
Erosion Terrain code	7.3.1
Erosion Terrain description	Hilly steepplands developed on weak to very weak Tertiary-aged mudstone
Hectares	347.91
NZLRI Legend	07
Land Use Capability unit	7e 3
NZLRI Legend and Land Use Capability unit	077e 3
ESC 2015 class	High
ESC 2011 class	Very High
ESC 2007 class	Very High

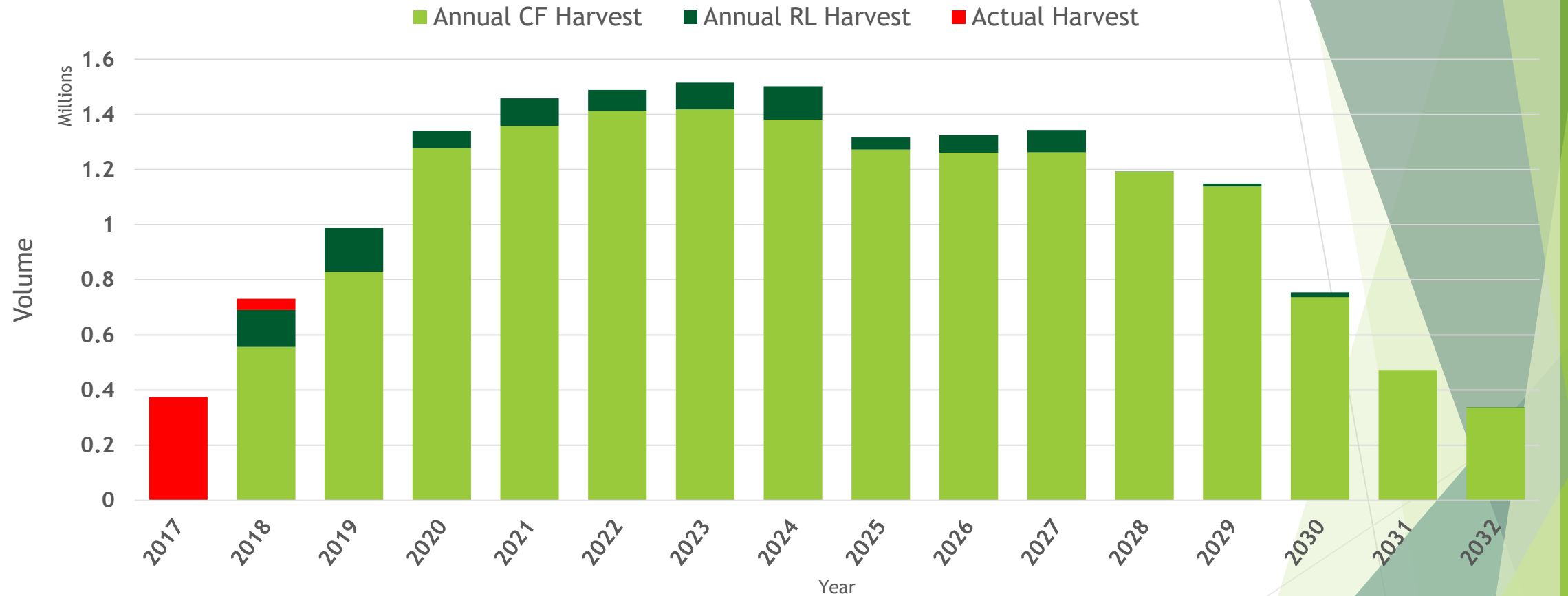
[Zoom to](#)



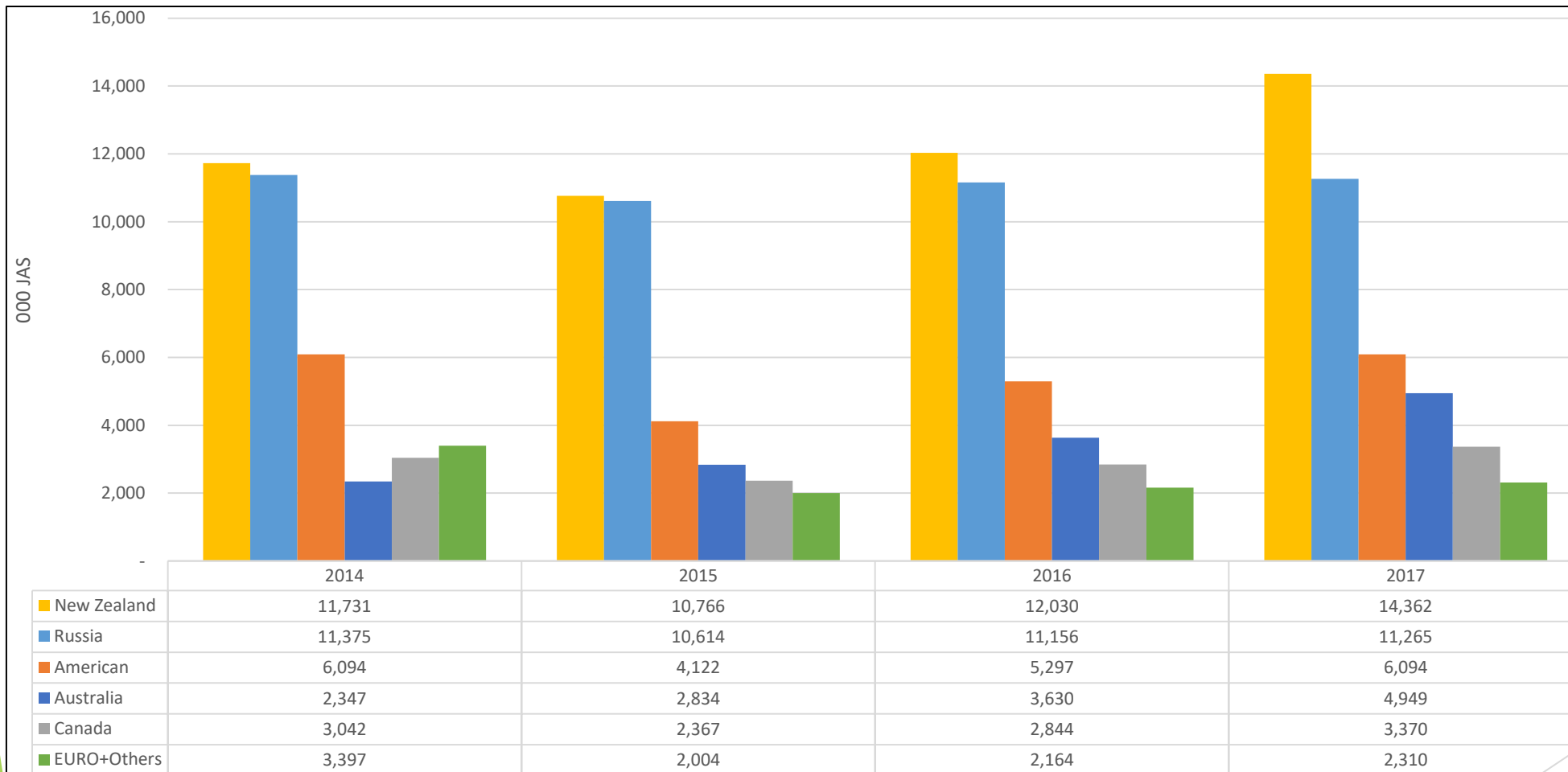
FMNZ Harvesting

- ▶ 385,000 T Harvested March 2017 - Feb 2018
- ▶ Forecast to Harvest 690,000 T this financial year
- ▶ Seven Harvesting Contractors Eleven Harvest Crews
- ▶ AWG sales to Gisborne, Napier and New Plymouth
- ▶ Domestic Sales Pruned, Pulp and Binwood - Pan Pac, Napier Pine, East Coast Lumber, Taranaki Pine.

Harvest Volume by Method



China Log Imports 2014-2017



Export

- ▶ China demand is steady -
- ▶ Korean and Indian supply is steady
- ▶ Pricing influenced by exchange rate and ocean freight rates

HISTORIC TRENDS	CURRENT	1 WK	1 MTH	3 MTH	1 YR
SHIPPING					
BUNKER INDEX	398.5	▲	▲	+31	▲
CRUDE OIL	68.91	▲	▲	+6.86	▲
BHSI	628	▲	▲	+1	▲
CURRENCY					
NZD / USD	0.7148	▼	▼	-0.0068	▲
CHINA					
PORT STOCKS	5.1 mil m3		NA	▲	▼
OUT GOING	96.400m³/day		▲	+40.4k	▼
CFR (USD)	Flat		NA	▲	▲

Historical Price Chart

10 Year Combined Log Indicator

Combination of pruned, unpruned and pulp indicies for New Zealand

