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NEW ZEALAND

28th April 2017

Hello

Well another year has passed and we are fortunate at Waikare that log prices have stayed firm and returns are ahead of our original estimate.

Our harvest managers (Steve Bell and his team) estimate the harvest will be completed towards the end of next summer.

We are now coming to the period where we need to discuss the future of the forest, do we sell after we have replanted or do we go for another 25 years and leave an inheritance for our children and grand children.

The pre funded idea (i.e. pay all the funds in advance and lodge in interest bearing account) which we discussed at the meeting last year is one that seems to be favoured by many. We have operated our Woodleigh and Granity forests (both similar size to Waikare) for more than 20 years by this pre funded method and it has worked out well.

I cannot be at the meeting on May 12th but we will have budgets there for discussion with those present. Following my return from overseas in May I intend to follow up personally with you to discuss our options.

You are reminded that as a pre 1990 forest we have to replant Waikare, this was begun in winter 2016 and will finish in winter 2018.

Regards

Roger Dickie