



ONEFORTYONE ANNOUNCES INTENTION TO ACQUIRE JUBILEE HIGHWAY SAWMILL

29 August 2017

OneFortyOne Plantations (OFO) has today announced it is in advanced discussions to acquire the Jubilee Highway sawmill in Mount Gambier and the Woodchip operations at Portland from Carter Holt Harvey.

OFO Chief Executive Officer, Linda Sewell described the intended acquisition as further evidence of the company's strong commitment to the Green Triangle.

"Our company's purpose is to build a dynamic industry in and around our forest. Today's announcement represents a landmark investment, combining OFO's world class forest with a significant regional mill. This is a great business and it is an excellent opportunity to provide security to the local forestry sector, creating benefits for everyone," Ms Sewell said.

OFO holds a 105-year lease over its Green Triangle forest estate, and its ongoing success relies on there being a vibrant regional industry. Today's announcement signals a vote of confidence in the local sector and demonstrates the resilience of the economy in the South East.

"We are the only forest grower in the Green Triangle that supplies logs to all local timber processors. Since assuming custodianship of the forests five years ago, we have increased supply to domestic customers by 45%. We are committed to retaining a diverse and enduring customer base. This is unchanged as a result of today's announcement.

"Going forward we have no plans to expand the mill. We will continue to manage the forest estate on a sustainable basis and meet our obligations to the State for an average age of clearfall of 32 years or greater," said Ms Sewell.

OFO is pleased to confirm there will be no job losses as a result of the change of ownership of the Jubilee Highway mill.

OFO also confirms that it continues to evaluate the feasibility of its proposed greenfield particle board mill and expects to have more news on this project in the next six months following successful completion of the Jubilee Highway acquisition.

The completion of the acquisition is subject to certain conditions including review and approval by the Australian Competition and Consumer Commission (ACCC).

About OneFortyOne Plantations

OFO is a leader in the Australian forestry industry. It holds long-term harvesting rights to a softwood plantation estate in the Green Triangle region comprising over 80,000 hectares.

Operating across the Green Triangle region, OFO directly employs 65 staff members along with more than 500 silvicultural, transport and harvest contractors from local communities.

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OFO currently supplies all local Green Triangle processors with product, ensuring a dynamic and competitive market for log processing. Our diversified customer base sees over half of our plantation fibre being formed into structural timber, with the balance comprising of packing timber and resultant pulpwood.

About Jubilee Highway Mill and Woodchip facility

Jubilee Highway is a large sawmill in Mount Gambier, South Australia. Jubilee Highway processes softwood sawlogs into structural timber products (i.e. structural framing timber which is used in residential and commercial construction of wall frames and roof trusses). The sawmill also produces some non-structural timber products (including packaging and decking). The sawmill's products are sold to wholesalers, frame and truss manufacturers and retail merchants.

The Woodchip operations at the Port of Portland handles the woodchip from the Jubilee Highway sawmill and other third party sawmills in the Green Triangle region.

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