

KI Plantation Timbers Ltd (ASX:KPT)

General Meeting

10 am CDT
Friday, 24 February 2017

Grant Thornton House
170 Frome Street
Adelaide SA 5000

Your board

MD: John Sergeant

Professional manager,
biological sciences &
marketing background,
GAICD

**Company Sec & CFO:
Vicky Allinson**

Adelaide-based investment,
resources & materials sector
background, ex Deloitte

Ind. NED: Shauna Black

KI-based finance journalist,
businessperson & industry
super fund trustee

Ind. NED: Graham Holdaway

former KPMG partner,
international infrastructure,
resources & logistics
background, tree grower

Ind. NED: Greg Boulton AM

Adelaide-based, logistics,
timber, investment, mining,
Port Adelaide Football Club,
FAICD

Chair: Paul McKenzie

Professional agribusiness
consultant & company
director, FAICD



Agenda

- Update on Company strategy
- Smith Bay wharf proposal
- Consideration of resolutions
- Questions and discussion

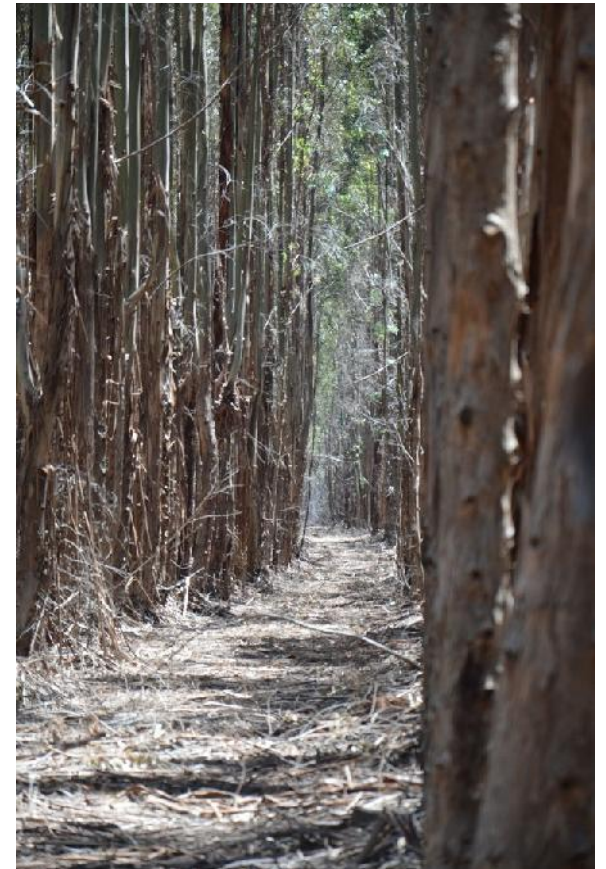


Company strategy

- ▣ Secure finance to complete FIT estate acquisition, subject to shareholder approval
- ▣ Re-value timber inventory
- ▣ Develop a deep water wharf at Smith Bay
 - ▣ Open, and control, a route to market
 - ▣ Monetize the standing timber
 - ▣ Operate timberland and wharf profitably and sustainably
- ▣ Seek opportunities to consolidate ownership of KI timberland
 - ▣ Maximize value uplift
 - ▣ Gain scale efficiencies

Company strategy

- ▣ MoU signed with Mitsui
- ▣ Independent growers' inventory underway
- ▣ Board continues to explore finance options



Wharf update

- Preliminary design completed for deep water berth at Smith Bay, with estimated cost \$25-30m, as previously announced
- Designated a major project by Minister for Planning
- Awaiting reporting requirements from Development Assessment Commission
- EIS and associated studies well underway
- Commitment to protect the environment and the ecological communities and businesses that rely on it

KPT - table of benefits to Kangaroo Island

Benefit	Estimate
Direct expenditure on wharf development	\$25-30m
Direct construction employment	50 FTE
Indirect construction employment	86 FTE
Direct permanent, non-seasonal employment once operational	118 FTE
Indirect permanent, non-seasonal employment once operational	168 FTE
KI Population	+430 people
Value of timber exports (to China and Japan) once operational	\$60m pa
Direct expenditure in South Australia once operational	\$40m pa
Total increase in economic activity in SA once operational	\$109m pa
Benefit to other wharf users of access based on incremental costs	Not quantified

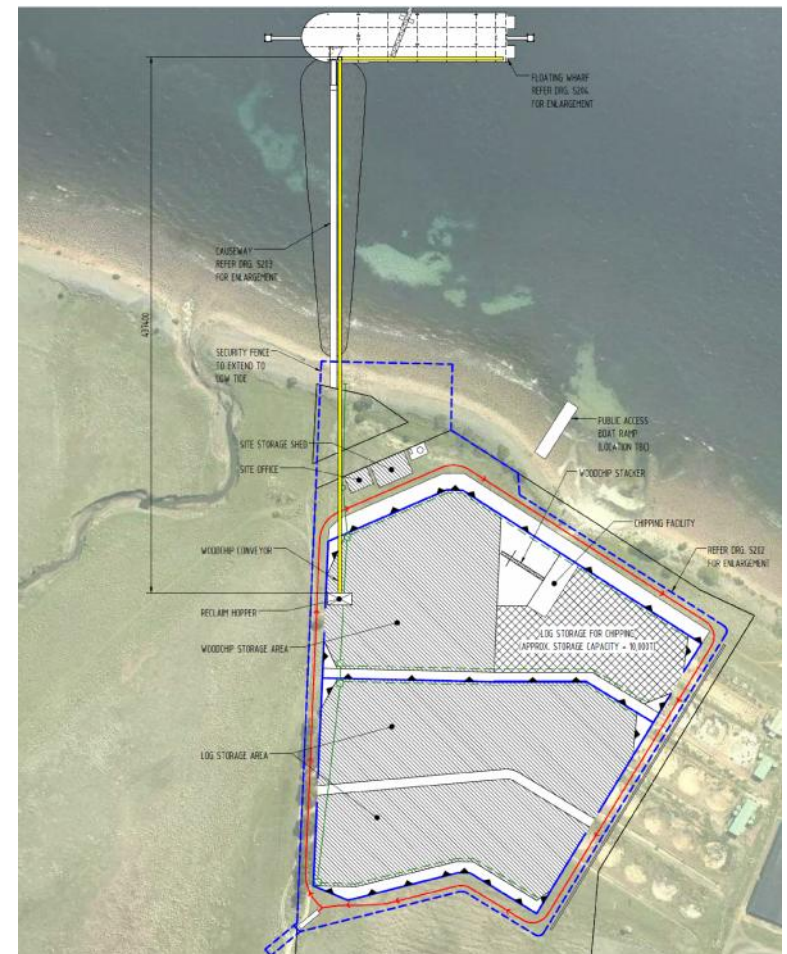
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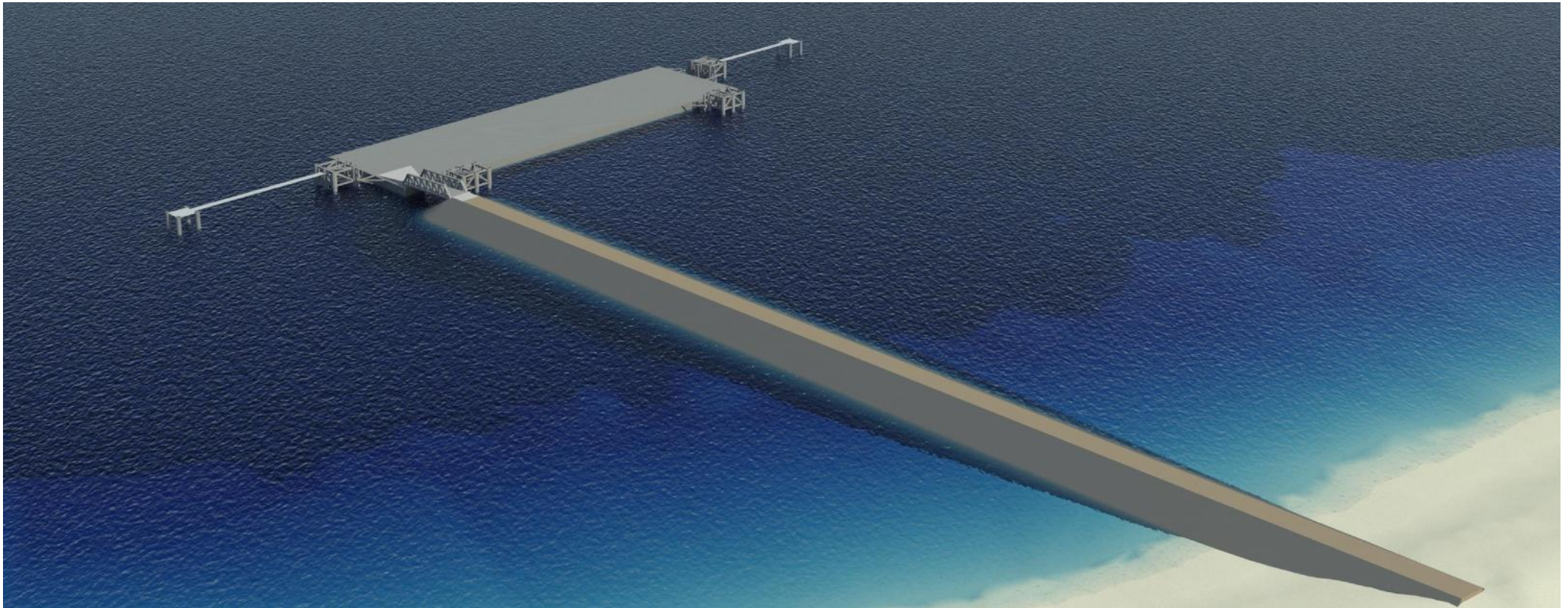


KPT - Smith Bay Wharf Design

- Rock causeway & floating berth, to handle
 - Logs & wood chips
 - Containerized cargo
 - Import & Export
 - Handymax – Super Panamax
 - Cruise liners
- Build cost approx. \$25 - \$30m
- 6-9 month build
- Water quality to be protected



KPT - Smith Bay Wharf Design



KPT - Smith Bay Wharf Design



KPT – Studies completed or in progress



- Geotechnical, geophysical
- Wave, tide and current
- Marine, terrestrial species
- Traffic management study
- Berth harmonics
- Maritime, indigenous heritage



- Economic impact assessment
- Social impact assessment
- Visual impact assessment
- Water quality, coastal processes
- Barge purchase/fabrication feasibility

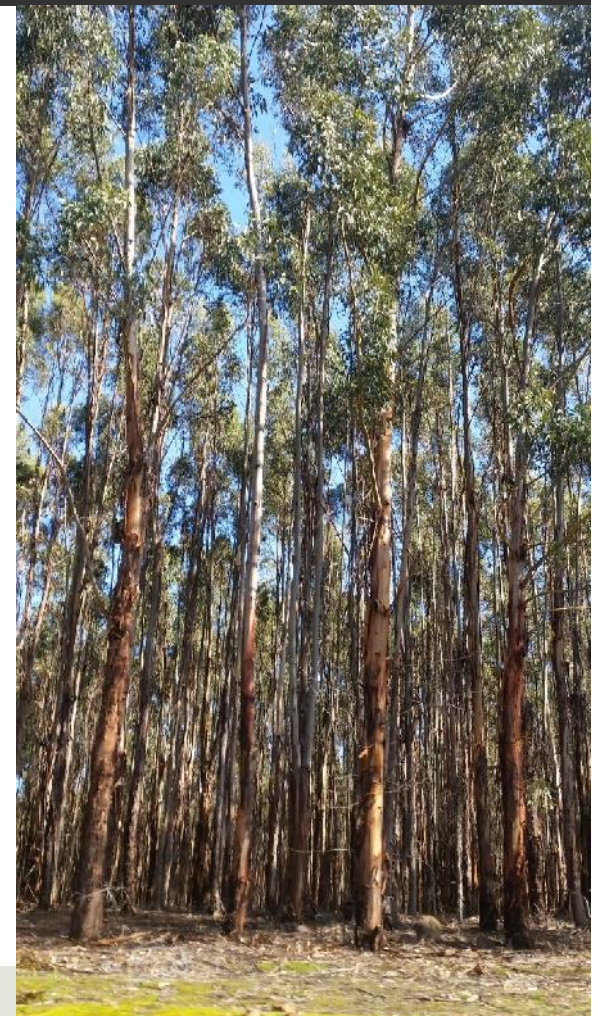
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Consideration of resolutions

1. Approve Forestry Investment Trust KI estate acquisition
2. Approve share split
3. Elect Mr Gregory Boulton AM as NED
4. Approve NEDs' Share Plan
5. Approve issue of Shares to MD under Performance Rights Plan, for rights dated 24th February 2017
6. Approve issue of Shares to each NED under Performance Rights Plan for rights dated 24th February 2017



Proxy Summary

		For		Against		Discretionary		Abstain	
	Resolutions	Votes	%	Votes	%	Votes	%	Votes	%
1.	Acquire FIT KI estate	1,324,984	93.54	43	0.00	91,518	6.46	24	-
2.	Share split	1,275,056	90.01	49,994	3.53	91,518	6.46	4	-
3	Elect Greg Boulton AM	1,324,340	93.49	710	0.05	91,518	6.46	4	-
4.	NED share plan	881,394	90.51	963	0.10	91,518	9.39	34	-
5.	Issue rights to MD	877,089	90.45	1,031	0.11	91,518	9.44	4,271	-
6.	Issue rights to NEDs	877,132	90.46	988	0.10	91,518	9.44	4,271	-

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