



The Manager
Companies Announcements Office
Australian Securities Exchange

2 March 2017

Dear Sir/Madam,

Half Year – revaluation of assets

Kangaroo Island Plantation Timbers Ltd (the Company) will soon release its Interim Report for the period ended 31 December 2016.

The Company refers to its announcement on 28 February 2017 concerning the independent valuation of its timber inventory. The Interim Financial Report being released today shows that the effect of the valuations being adopted delivers a pre-tax profit in excess of \$30 million. The taxation effect of the revaluation will be deferred until the cash from timber sales is realised.

The Company regrets that the release of its Interim Report was delayed by factors outside its control and apologises again for any inconvenience to its shareholders.

The Company will experience a further substantial uplift in stated profit as a consequence of completing the Kangaroo Island Forestry Investment Trust Estate acquisition, first announced in October 2016. The Company expects to finalise this acquisition at the earliest opportunity.

Yours faithfully

A handwritten signature in blue ink, appearing to read "V Allinson", with a horizontal line extending to the right.

Ms Vicky Allinson
Company Secretary

