

8 November 2019

The Manager
Companies Announcements Office
Australian Securities Exchange

Dear Sir/Madam,

MoU with Lucas TCS for landside construction

Kangaroo Island Plantation Timbers (KPT or the Company) is pleased to announce that it has entered into a memorandum of understanding (MoU) with Lucas Total Contract Services Pty Ltd (Lucas TCS), creating a period of cooperation, exclusivity and confidentiality, with a view to entering into a contract for landside civil works and construction at its Smith Bay wharf site.

The MoU with Lucas TCS for landside works is intended to complement the existing arrangements with Maritime Constructions Pty Ltd, which cover marine works at Smith Bay. Both companies are longstanding and substantial South Australian family-owned businesses with experience of working on Kangaroo Island, and of working together.

Lucas TCS is a respected provider of civil construction services for infrastructure and developments. It has built and maintained long-standing relationships with clients, consultants, suppliers and subcontractors both locally and nationally. This has assisted Lucas TCS to complete hundreds of varied civil construction, earthmoving and mining projects throughout Australia over the last four decades.

Speaking on behalf of Lucas TCS, Director David Lucas has said "The Lucas Family looks forward to this Project and it reaffirms its attachment and support to Kangaroo Island, where it has maintained a presence and operations for over 35 years".

This latest MoU is consistent with KPT's commitment to use South Australian suppliers wherever possible. Further announcements will be made if and when final contract arrangements are in place.

Yours sincerely,



Ms Vicky Allinson
Company Secretary