

23 March 2020

The Manager
Companies Announcements Office
Australian Securities Exchange

EIS Response Document lodged

Shares in Kangaroo Island Plantation Timbers Ltd (the Company) remain suspended from trading on the Australian Securities Exchange (ASX), at the request of the Company, in accordance with Listing Rule 17.2.

The Company is pleased to announce that the final stage in its development application for the Kangaroo Island Seaport has been completed. The Company has today lodged its formal Response Document. The document addresses in detail every individual issue raised by government agencies and the community, in either the first or second round of public consultation conducted by the Department of Planning Transport and Infrastructure (the Department).

Many of the comments received in the initial eight-week public consultation were addressed by the change in marine design announced in September 2019, which was subsequently the subject of a further six-week public consultation period finishing on 20 December 2019. More broadly, wherever possible, the Company has sought to listen to the community and to respond positively and constructively to every comment, so that the project delivers the greatest possible benefits to the community with the least possible environmental effects. The Company thanks all those who took the trouble to make a submission, whether supportive or otherwise. It believes that the end result is a better project and one of which the community can be justly proud.

The Company is particularly gratified that the change in marine design, announced in September 2019, in response to the recommendation of the neighbouring aquaculture facility, has assuaged its greatest concerns about potential marine impacts, and that the Response Document addresses all other remaining issues.

The Response Document is, effectively, the final part of the Environmental Impact Statement, upon which the Department will base the planning assessment report for approval by the Minister for Planning and, separately, the federal Minister for the Environment.

The Minister for Planning will determine when to make the Response Document public. There is no provision in the process for further public submissions or for appeals against the Minister's decision.

The recent summer presented considerable challenges for the Company, its staff and contractors, due to the time and resources required for fire suppression and recovery from the bushfires on Kangaroo Island. Nevertheless, during this period work on the Response Document continued and the Company is pleased to have reached this point in what has been a very rigorous and thorough development assessment process. The Board wishes to thank its Approvals Manager Mr Peter Lockett, the professional team at Environmental



Projects Pty Ltd, and the many independent experts who have helped guide the Company throughout the journey.

The Company is now working through its options for the fire affected resource on behalf of its shareholders as well as the community of independent growers, to commence once the Seaport is constructed. The Kangaroo Island Seaport remains essential to the Company and to the future prosperity of Kangaroo Island. It will allow the employment benefits of forestry to flow and will assist in the Island's recovery from the bushfires as the Company implements its post-fire harvest work.

KPT Managing Director Keith Lamb said the Island now faced a second significant challenge with the global impact of the COVID-19 pandemic.

“As the Island faces this new challenge and its severe impacts on tourism and hospitality, the commencement of construction and forestry operations will provide a significant boost for the local economy and more specifically for workers seeking new opportunities.

“The Company has already recruited seven new employees as part of the recovery plan following the bushfires. Once approval is obtained for the construction of the KI Seaport, the Company and its partners will be able to make further announcements on the significant employment growth created through the construction, and subsequent start-up phase of harvesting and replanting.”

“The infrastructure created by the Kangaroo Island Seaport development will also provide alternative access for freight to and from the Island. This could assist in times of crisis, such as the recent bushfires, when there was an urgent need to import fodder for grazing animals and defence force equipment and materiel. Similarly, there will be international containerised freight opportunities that do not currently exist. The Company anticipates that the infrastructure could have other customers from the agriculture and tourism sectors in future, although future non-forestry uses will be subject to regulatory approval,” Mr Lamb said.

The Company will now seek to establish the conditions under which its shares can resume trading on the Australian Securities Exchange. This will be the subject of separate announcements.

By authority of the Board,

A handwritten signature in blue ink, appearing to read "Victoria Allinson", is written over a horizontal line.

Victoria Allinson
Company Secretary