

## Foresta Signs Long-Term Offtake Purchase Contract with AV Pound & Co Limited

We are pleased to announce that **Foresta NZ Limited**, a wholly owned subsidiary of **Foresta Group Holdings Limited** (ASX: FGH, "FORESTA"), has today signed a long-term sale and purchase agreement with **AV Pound & Co Limited** ("AV POUND") in the relation the supply of 2,000 tonnes per annum of natural wood rosin, a premium food grade wood rosin and 2,000 tonnes per annum of natural wood terpene.

The initial term of this offtake agreement is for a period of five (5) years, with a right of renewal for an additional five (5) years commencing at the commissioning of the proposed integrated manufacturing facility at Kawerau, New Zealand.

AV POUND was established in the United Kingdom in 1929 and acquired by **Hobart Enterprises Limited** in 2010. AV POUND is a leading supplier of forest chemicals, including: gum rosin, rosin resins, turpentine, turpentine derivatives, terpenes and associated products, to a global customer base.

In 2011, Hobart Enterprises Limited incorporated its two trading businesses, **Hobart Trading** and **Tradebase**, into the newly acquired AV POUND, which broadened the traditional portfolio to include raw materials into polymers, adhesives & coatings, agrochemicals, personal care, food ingredients and animal feed.

Over the years, AV POUND has expanded to become a substantial importer and distributor of chemical raw materials with applications in the adhesive, coatings, food, paper, plastics, agrochemicals, animal feed and rubber industries. The AV POUND group has offices and warehousing facilities in South Africa, Kenya, United Kingdom, Ireland and Australia, representing several major multinational chemical companies on an exclusive basis.

FORESTA's Managing Director Ray Mountfort and Gordon Pound from AV POUND have a long-standing relationship. We look forward to the two companies working strategically together towards a sustainable biobased future.

Foresta Group Holdings Limited

**Ray Mountfort**

*Managing Director*

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### AUTHORISATION STATEMENT

This release has been authorised to be given to the ASX by the Board of Foresta Group Holdings Limited.

### ABOUT FORESTA GROUP HOLDINGS

Foresta is positioning itself to become a leading global supplier of natural and renewable pine chemicals and biomass pellets. It has developed a proprietary process to naturally extract pine chemicals by employing the tree's own solvent chemicals to extract rosin and terpenes. These products are commonly used in industrial manufacturing and are a key input to everyday end products. These products include adhesives, gum, inks, paint, car tyres and perfume.