

ASX Release

16 February 2015

Appointment of Michael Kay as Non-Executive Director

The Board of TFS Corporation Ltd ("TFS") (ASX:TFC) is pleased to announce the appointment of Michael Kay as an independent Non-Executive Director.

Mr Kay possesses significant commercial experience, most recently as Managing Director and Chief Executive Officer of McMillan Shakespeare Ltd, Australia's largest provider of salary packaging and novated leasing services.

Prior to his six years running McMillan Shakespeare, Mr Kay held numerous positions, including Chief Operating Officer and then Chief Executive Officer, at AAMI, during a 14 year career with the leading Australian insurer.

Mr Kay also serves on the board of RAC Insurance (WA).

TFS Corporation Chairman Dalton Gooding said Mr Kay's financial expertise and experience in growing companies and their returns to shareholders would be valuable to TFS.

"During Michael's employment at McMillan Shakespeare the company's market capitalisation grew from \$160 million to a peak of \$1.3 billion, while net profit grew at a compound rate of almost 30 per cent per annum," Mr Gooding said.

"Importantly, Michael was able to mature a very innovative and entrepreneurial company while retaining its growth trajectory. Those skills are directly relevant to TFS and Michael will be an active and highly respected contributor to the Board."

Mr Gooding said Mr Kay's appointment and expertise would complement the skill base on the TFS board.

"The TFS Board comprises directors who are commercially astute, with expertise relevant to the TFS business. It is a high calibre Board which is focussed on delivering returns to our shareholders," he said.

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ABOUT TFS

TFS Corporation Ltd ("TFS", ASX: TFC) is an owner and manager of Indian sandalwood plantations in northern Australia. As part of its vision to be a vertically integrated producer of sandalwood products, TFS owns a significant proportion of the plantations in its own right. TFS also operates sandalwood processing and oil distribution facilities from Albany, Western Australia.

TFS was originally founded to exploit the success of government trials into the plantation growth of Indian sandalwood in the Ord River Irrigation Area (ORIA) of north-east Western Australia.

TFS now manages the largest area of Indian sandalwood plantations in the world, with approximately 9,000 hectares planted of which TFS owns directly and indirectly nearly 3,200 hectares. TFS plantations are managed on behalf of both institutional, high net worth and MIS investors.

In 2014, TFS completed its first commercial harvest of its Indian sandalwood plantations and, via its 50% subsidiary Santalis Pharmaceuticals Inc., entered into a supply agreement for pharmaceutical grade oil with Galderma, a leading global dermatology company.

The company listed on the Australian Stock Exchange in December 2004. Since March 2014, TFS has been an ASX300 company.

TFS is committed to adopting and maintaining the highest environmental and ethical standards in all aspects of its business.

ABOUT INDIAN SANDALWOOD

Indian sandalwood has a history as a tradeable commodity spanning thousands of years, but is now endangered due to the illegal harvest of wild trees throughout the world. As a result, Indian sandalwood is the world's most expensive tropical hardwood and continues to increase in price each year.

Indian sandalwood oil is a globally important ingredient in fine fragrances, cosmetics and toiletries, Indian consumer products and for medicinal purposes (Ayurvedic and Chinese medicine) and the wood is used for high quality carvings and artefacts and religious worship in the Hindu and Buddhist faiths. The efficacy of Indian sandalwood is being tested by US dermatology companies and the global pharmaceutical market has the potential to be a significant consumer of Indian sandalwood oil.