



## **ASX Release**

4 August 2015

### **Completion of acquisition of ViroXis Corporation and Santalis Pharmaceuticals**

TFS Corporation Limited ("TFS", ASX: TFC), the world's largest owner and manager of commercial Indian sandalwood plantations, today advised that the acquisition of its pharmaceutical development partners, ViroXis Corporation and Santalis Pharmaceuticals, announced to ASX on 18 June 2015, has successfully completed.

The transaction consideration includes a minimum consideration of US\$23.4 million consisting of US\$1.5 million in cash and US\$21.9 million in TFS shares (comprising 15.38 million shares at an issue price of AU\$1.85 per share).

The initial 12.68 million of these shares will be issued today, with the remaining 2.7 million shares to be issued between 10 September 2015 and 31 July 2016. Of the 12.68 million shares issued today, 9.5 million will be subject to escrow provisions, ranging from 6 months to 30 months from date of issue.

TFS Chief Executive Officer Frank Wilson said: "We are delighted to welcome the founders and staff of ViroXis and Santalis to TFS and look forward to working closely with them in developing and commercialising additional dermatological products containing our pharmaceutical grade Indian sandalwood oil."

**END**

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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 over 10,500 hectares planted of which TFS owns directly and indirectly around 3,500 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 entered into a supply agreement for pharmaceutical grade oil with Nestle-owned 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.