



1 September 2015

## **ASX Release**

### **UK institution makes further investment in new sandalwood plantations**

TFS Corporation Limited (“TFS”, ASX: TFC), the world’s largest owner and manager of commercial Indian sandalwood plantations, today announced that a significant UK based institution, the Church Commissioners for England (the “Commissioners”), has signed an agreement to invest in 208 hectares of new Indian sandalwood plantations in the Northern Territory.

This represents the fourth investment to be made by the Commissioners in TFS’s plantations.

“We are very pleased that the Commissioners have shown the confidence both in TFS and the sandalwood market to make another significant investment in our new plantations in the Territory,” said Frank Wilson, TFS Chief Executive Officer.

“This sale gives us a very solid start to the financial year for our institutional plantation sales program and demonstrates the strong demand pipeline for our plantations.”

The sale is conditional on completion of due diligence and Foreign Investment Review Board approval prior settlement, as was the case with the Commissioners’ previous investments.

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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 commercial Indian sandalwood plantations in the world, with over 10,500 hectares planted of which TFS owns directly and indirectly nearly 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, via its subsidiary Santalis Pharmaceuticals Inc., entered into a supply agreement for pharmaceutical grade oil with Galderma, a leading global dermatology company wholly owned by Nestle.

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 which 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 for a range of skin conditions and the global pharmaceutical market has the potential to be a significant consumer of Indian sandalwood oil.