

The Manager  
Companies Announcements Office  
Australian Securities Exchange

25 October, 2016

Dear Sir/Madam,

### **Executive Appointments**

The Board is pleased to announce two part-time executive appointments, designed to assist the Company in transitioning from the timber growth phase to the timber harvesting and export sales phase.

#### Business and Marketing Executive

The Company has appointed **Mr John Ipsen**, its former CEO, to oversee the marketing and sale of its greatly-expanded timber resource to customers in Asia. Mr Ipsen is an experienced timber marketer and has excellent contacts with most of the major trading houses and end users of timber in the region.

The Company plans to conclude offtake agreements, covering at least part of its timber, as soon as practicable, to secure its future cash flow and thereby provide increased certainty to lenders and investors. Mr Ipsen's appointment is critical in achieving this outcome.

Mr Ipsen has worked in the forestry industry in South Australia and Western Australia and, most recently, has been engaged in developing the successful export timber operations in Albany and Esperance: similar situations to Kangaroo Island, with a significant stranded timber resource and a requirement to develop or adapt wharf infrastructure to deliver the timber to customers.

Mr Ipsen will also provide high-level advice on developing logistical solutions for efficient ship-loading at KPT's proposed deep-water wharf at Smith Bay, Kangaroo Island.

#### Project Manager

The Company has also appointed **Mr Peter Lockett** as a Project Manager to assist the Managing Director and Board in advancing the process of wharf approval and construction. Mr Lockett is an experienced consultant to business and government, based in Adelaide. He has worked on the strategy and documentation for a number of significant development projects within and outside South Australia.

Prior to his current role, Mr Lockett's career has included several years working in the SA Department of Premier and Cabinet and a period as a local government chief executive. He has a background in economics and law.

Mr Lockett will help to prepare and coordinate the documentation needed to secure timely development consent for the Company's Smith Bay Wharf project, working, on the Company's behalf, with a team of South Australian engineering, planning, environmental and construction firms.

Comment

Commenting on the two appointments, the Managing Director, **Mr John Sergeant**, has said:

"Kangaroo Island Plantation Timbers has had three key milestones in order to transform the business into a sustainable, stable and profitable operation. The first was to secure ownership of the bulk of the four million tonnes of timber on Kangaroo Island. The recent agreement to acquire the FIT Estate was a major step towards completing that task."

"The second and third milestones are closely linked. They are to conclude offtake agreements for the timber resource and to secure consent for the deep water wharf that enables the resource to be delivered to customers. Put simply, the wharf needs the customers and the customers need the wharf. Mr Ipsen's work with potential customers and Mr Lockett's expertise in achieving timely and reasonable development consent are therefore integral to the Company's plans. I look forward to working with them closely."

"It is estimated that the mobilisation of a long-term forestry industry on Kangaroo Island, which is one of the most productive regions in Australia for timber-growing, will create significant direct and indirect employment and will boost both the level of economic activity and the population of Kangaroo Island" Mr Sergeant said.

Yours faithfully



Ms Vicky Allinson  
Company Secretary