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**From:** Forest Enterprises <admin@forestenterprises.co.nz>  
**Sent:** Tuesday, December 8, 2020 2:53 PM  
**To:** admin  
**Subject:** SUMMARY: Portview, Portview North & Clearview Forest Investments Update

**Client Name:** [ContactName]

Dear [Greeting],

## **Portview, Portview North & Clearview Forest Investments Status of your Proposed Harvest Joint Venture**

Portview, Portview North and Clearview Forest Investments are proposed to become part of a Harvest Joint Venture (JV), referred to as the **Portview Group**.

There has been no harvesting in your forests since your Combined Harvest Visit & Meeting in early 2017, until recently. A small amount of roadline harvesting is underway to set up the road infrastructure required for future harvest operations.

### **Joint venture proposal**

We have been working on the necessary components of our collective harvest proposals, including for the Portview Group, to reflect the latest available forest inventory data, harvesting costs and log prices, plus regional and estate-wide woodflow volumes, all of which influence timing, stumpage and cashflow projections. The harvest infrastructure constraints in Gisborne are largely unchanged since the 2017 meeting, other than a Gisborne sawmill resuming operations in 2020 which provides a local supply option.

The investments' forest auditor and land valuer have also been involved for additional independent review of aspects of the proposal. We are currently finalising the updated harvest cashflow projection and expect to be able to send that to the forest auditor before Christmas for review.

### **Investor vote in the new year**

Voting will occur in the new year for each participating forest investment. We remain confident that a JV is in the investors' interest, and will present you with all documentation necessary to enable you to fully participate in the decision-making.

### **Reporting and distributions in the context of a joint venture**

Until the JV proposal vote has concluded, harvest activity (including reports and distributions) will be accounted for within the forest in which harvesting is physically occurring. Once a JV is formally implemented, adjustments will be then made to achieve a fair allocation of net proceeds for each participating investment within the JV.

If you have any queries about this update, feel free to contact me.

Kind regards,

**Sean Roberts**  
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