

«AddressBlock»

20 March 2024

Dear «Greeting»,

«InvestmentList» Forest Enterprises' Harvest Management Services and Fee

Forest Enterprises' Capability

Forest Enterprises has over 35,000 hectares of forest land under management and manages the harvest for over 1 million tonnes of logs annually. Forest Enterprises is one of the largest forestry businesses in Gisborne and the Wairarapa. The harvesting team is led by CEO & Forestry Director Bert Hughes, Gisborne Regional Manager Dan Fraser and Southern North Island Regional Manager Malte Coulmann. Together, they have over 65 years of harvesting experience.

Our Harvest Fees

This vote formalises the requirements of the Deed of Scheme Management to set the fee payable for managing the upcoming harvest of your investment. Forest Enterprises' Harvest Management Fee has remained unchanged for many years, with a provisional figure included in each year's annual update of projected stumpage.

Forest Enterprises' Harvest Management Fee for our Managed Investment Schemes is \$3 per tonne of logs harvested, plus 2.5% of the 'Net to the Forest Owner' after the payment of logging and cartage costs.

Included in our fee are the following services:

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| a) Monitoring health & safety obligations | d) Management and supervision of harvesting and cartage |
| b) Monitoring environmental compliance and resource consent conditions | e) Accounting and harvest reporting |
| c) Management and supervision for the construction of road and skid sites | f) Timber supply chain management |
| | g) Negotiation with customers |
| | h) Invoicing and collecting from customers |

Independent Assessment of Fee

We instructed independent forestry consultants Forme Consulting Group Limited to assess our fee compared to market, and this report follows on the next page.

Forme Consulting Group's letter of 14 March 2024 states, *"In our professional opinion, the Forest Enterprises harvest and marketing fee specified is within industry norms for the range of services offered"*.

Regards,



Graeme Tindall
Managed Investments Director