

30 October 2018

Dear Grower

RECAPITALISATION OF QUINTIS

I am writing to inform you that Quintis has today emerged from receivership after receiving A\$145 million of new funding. Quintis is now well-funded with a renewed focus on maximising the value of Indian Sandalwood for all plantation owners.

With a restructured balance sheet, Quintis is now a private company which owns and/or manages around 12,500 hectares of Indian Sandalwood plantations and distributes sandalwood products to a variety of global end markets.

Over the last year, Quintis has been restructured so that the primary issues that contributed to its insolvency have been removed. The new Company has A\$145 million of cash to fund its strategy, no debt repayments or cash servicing costs for five years and no plantation owners with put options.

The new owners of the Company, including BlackRock Advisors, a global funds manager with over US\$6 trillion of assets under management, have long-term investment horizons and have provided a platform for Quintis to:

- Concentrate on maximising the wood and yield from all plantations using Quintis' industry-leading forestry and distillation teams;
- Invest in the development of international end-markets for wood and oil products;
- Simplify its business model by ceasing sales of plantations to retail and high net worth investors;
- Continue to support growers choosing to defer payment of plantation management costs; and
- Improve communications to all growers to ensure complete and accurate information is provided on a timely basis.

In addition to managing around 3,000 hectares of our own plantations, Quintis continues to manage around 9,500 hectares on behalf of a number of MIS schemes, high net worth individuals and institutional investors. As part of the recapitalisation, almost all of the high net worth and institutional investors elected to sign new agreements retaining Quintis as their plantation manager.

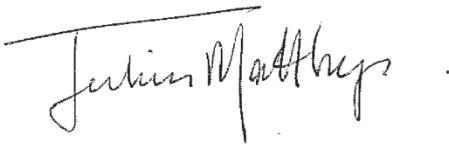
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QUINTIS (AUSTRALIA) PTY LIMITED	ACN 626 970 821
QUINTIS FORESTRY LTD	ABN 83 080 139 966
QUINTIS LEASING PTY LTD	ABN 84 080 978 721
QUINTIS PRODUCTS PTY LTD	ABN 85 103 368 707
SANDALWOOD PROPERTIES LTD	ABN 31 093 330 977
FIELDPARK PTY LTD	ABN 50 113 440 841

The team at Quintis has demonstrated high levels of professionalism and loyalty during the long recapitalisation process. We have over 200 staff, including our experienced foresters in WA, the NT and Queensland, our expert distilling and retail staff at Mt Romance and our product marketing and head office team in Perth. All these parts of the Quintis business share a passion for our industry and a commitment to building a more valuable asset for all plantation owners.

On behalf of the whole team at Quintis, I am pleased to share today's positive news with you and look forward to working diligently to maximise the value of your Indian Sandalwood investment.

Yours sincerely



Julius Matthys
CEO