

Second interim distribution to eligible shareholders

Payment process

We are pleased to announce that we are now in a position to pay a second interim distribution to shareholders in certain Forestlands companies, who have completed the confirmation process.

Which Forestlands companies will declare a second interim distribution?

In the last Liquidators' report, dated 3 April 2020, we confirmed that based on the financial position of certain companies we believed we would be able to declare a second interim distribution. However, we were only able to pay this distribution with consent of the Court.

We obtained the Court order to pay a second interim distribution in July 2020. A copy of this order is available on the Calibre Partners' website.

Shareholders will note that the Court Order requires us to pay catch up payments to joint shareholders in certain circumstances. Those catch up payments were paid first, on 14 August 2020.

We set out below the Forestlands companies that will pay a second interim distribution and the amount that will be distributed.

Forestlands companies	F2	F10	F11	F12	F16	F17	F18	F19
Distribution amount per share (\$)	73	50*	55	68	61	59	84	81

* Please refer to our comments below about the structure of payments to F10 eligible shareholders.

When will you make the distributions?

Due to the number of shareholders in each company, we are splitting the distributions over a two-week period. Accordingly, it is our intention to pay:

- F2, F10, F11 and F12 shareholders during the week ending 21 August 2020; and
- F16, F17, F18 and F19 shareholders during the week ending 28 August 2020.

Will the current Covid-19 lockdown in Auckland impact the distributions?

Based on our current expectations we do not believe that there will be any impact. However, should that position change we will notify those shareholders impacted as soon as we can.

Why is the amount in F10 lower than what was stated in the previous Liquidators' report?

Eligible shareholders in F10 have already received \$950 per share in the first interim distribution. If we distribute an amount greater than \$50, this would put shareholders above their \$1,000 original investment and give rise to tax obligations (specifically, Resident or Non-resident Withholding Tax for relevant eligible shareholders).



It is best for us to split the distribution into two tranches, so the tax impact is transparent and the need for shareholders to review the proposed tax treatment does not delay payment of the \$50 tranche of the distribution that is not subject to tax. Accordingly:

- On 21 August 2020 F10 eligible shareholders will be paid \$50 per share, increasing their distributions to the original \$1,000 per share investment.
- In September we will write to F10 eligible shareholders about the balance of the \$45 per share distribution. Our letter will set out the tax treatment of the distribution for each shareholder, based on the information provided during the confirmation process, and show the net amount each shareholder will receive. Shareholders will need to check the tax treatment is correct.

Will there be catch up distributions for those shareholders who have yet to submit their forms?

We will continue to make catch up distributions for both the first and second interim distributions to eligible shareholders. These will be paid on a bi-monthly basis (January, March, May, July, September and November) once we have received completed documentation.

We will write to you to formally confirm that your form has been processed and the date of your distribution.

Eligible shareholders in all the Forestlands companies will be paid on the same date.

What do I do if I have provided information, but I have not heard from the Liquidators?

We are continuing to process information in the order it was received. If you have not heard from us within a month of sending in your information, please contact us on +64 9 307 7865.

How will I know when I will be paid?

When we process information from a shareholder, we will email or write to that shareholder to confirm they have completed the shareholder confirmation process (or alternatively what further information they need to provide). At that time, shareholders who have completed the process will be told the date on which they will be paid.

Before the payment is actually made, shareholders will receive a letter detailing:

- The amount the shareholder will be paid; and
- The bank account to which the payment will be made. Please check and notify us within five days if this is not correct.

The letter will explain what shareholders need to do if they believe any of this information is correct.