

**2 May 2017**

**Cambium Global Timberland Limited (the “Company”)**

**Portfolio Update**

The Company is pleased to confirm that the second payment of Brazilian Rias 9.1m (£2.21m based on the 27 April exchange rate) has been received from Suzano for the sale of the standing trees at the 3R property in Tocantins State in Brazil. The amount was in line with the Board’s expectation as previously announced. Harvesting has already commenced. The final payment of the remaining 20% of the contract amount is expected before the end of 2017. Given the long term cash constraints and the current mandate from shareholders the Board has decided that the costs of replanting are not justified by the expected impact on values. The Company is now pursuing the sale of the land or holding company to other farming or forestry interests without prior re-planting, taking into account the best way of addressing the outstanding lien on the property.

The wood market in the Company’s area of Minas Gerais is driven by the demand (or lack of demand) for charcoal for pig iron smelting. This market remains moribund despite the improving Brazilian economy. However, the Company is planning to make small scale sales of wood for poles from some specific eucalyptus clones, to demonstrate to potential property buyers that the assets can generate cash even in a depressed market.

The sale of the Hawaiian assets continues to stall with the entire purchase price in escrow for the last 15 months. Ongoing delay by one of the landlords in consenting to lease assignment has prevented Cambium from fulfilling the conditions precedent. At the same time the buyer has not been anxious to close the deal as it is in litigation with the local utility over the utility’s cancellation of its agreement to purchase the electricity which the buyer plans to generate from burning the wood from the plantations. The reluctant landlord has now agreed to the assignment and pressure is being applied to the buyer to close the transaction or lose its deposit.

Meanwhile Cambium has reduced management fees in Hawaii by 33% and is holding back lease rental payments in Hawaii until the transaction closes. This will also have the effect of minimising cash outflow should the deal not close in which event the board will decide its alternative way forwards.

Cash reserves at 28 April 2017 (including the payment of 9.1m Brazilian Rias referred to above) were equivalent to £2.35m.

The Board remains committed to returning cash to shareholders surplus to working capital requirements. Once the sale of the Hawaiian assets has either concluded or been aborted the Board will assess the viability of a further return of cash to shareholders.

The Board is actively seeking ways to continue reducing overheads, including re-assessing the justification for continuing with the costs of a public market listing.

**For further enquiries please contact:**

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***Inside information***

*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014). Upon the publication of this announcement via Regulatory Information Service this inside information is now considered to be in the public domain.*