

6 October 2015

Cambium Global Timberland Limited (the "Company")

Shareholder Update

On 22 February 2013 shareholders adopted the new investment policy that the Company's investments be realised in an orderly manner. On the same day the Company announced as follows:

"In the absence of a sale of the whole portfolio the Board will allow, within reason, as much time as is necessary to maximise value, accepting that this may take longer than the target of two years, possibly up to four years before the final assets are sold. The Board understands that the Company's investments will require careful management and may involve further expenditure in order to ensure that their condition and value can be maintained or enhanced before realisation".

Since then the Company has concluded sales of its plantation assets in Georgia, USA and in Australia, as previously announced.

The remaining plantation assets comprise freehold plantations in Minas Gerais and Tocantins, Brazil and the leasehold Pahala and Pinnacle plantations in Hawaii, USA.

The board considers that circumstances have changed considerably since February, 2013. Global reduction in demand for wood supplies has led to lower wood prices and presented challenges. In preparing the Company's assets for sale the Board has discovered complications and faced litigation in relation to the Brazilian assets. The Pahala plantation in Hawaii suffered devastating wind damage in January 2015. Meanwhile, the plantations at Minas Gerais and Tocantins approach maturity and the Company is formulating a plan to commence harvesting from 2016. Negotiations continue for the sale of the plantations in Hawaii to potential local users of the biomass.

Values remain low, but there is potential for improvement:

Minas Gerais

The demand from the local iron smelting industry for wood in the vicinity of the Company's plantations continues to be depressed by low global steel prices and demand. However, the pulp and paper industry centred on the coastal area approximately 750 kilometres away is benefiting from the depressed Brazilian currency enabling it to sell its product in US dollars at reasonable prices. The pulp and paper industry is sourcing its wood from within a radius of about 600 kilometres, as close as about 150 kilometres from the Company's plantations. There is the possibility that it will be economic for these buyers to extend their procurement radius to the Company's plantations at prices that would make harvesting economic in the Company's plantations that will begin to be ready for harvesting in 2016.

Tocantins

There is demand for wood from a nearby pulp mill, owned by Suzano, at Imperatriz 160 kilometres from the Company's plantations. This is one of the most modern pulp mills in the world capable of producing 1.5 million tons per year of pulp. The Company will explore this potential demand and also all other realistic opportunities that come to its attention for the sale of its product.

Hawaii

Opportunities in Hawaii continue to be challenging due primarily to the ongoing reduction in demand for wood from China. Since the summer of 2014 log shipments to China have plummeted by 45% to their lowest levels since early 2012. The company continues to explore opportunities closer to hand from the biomass industry in Hawaii. The position has changed since the Operations Manager's report within the Annual Report for the Year ended 30 April 2015, but the Company continues in negotiations.

The Company's budget for 2015/16 includes contingency plans for all its properties on the basis that none are sold in the period. The commencement of harvesting at Minas Gerais in 2016/17 is expected significantly to reduce the net outflow of funds. In 2017/18 break-even harvesting at Tocantins and the commencement of the main harvesting programme at Minas Gerais are expected, subject to the demand and price considerations mentioned above, to produce an overall positive cash flow.

With no property sales and tight cost control the Board believes the Company has sufficient cash to see it through until large-scale harvesting commences in 2017.

The Board will continue to consider appropriate offers for all the Company's assets, but believes that shareholders' interests are no longer best served by aiming to dispose of assets within any specific time-frame, or by actively seeking purchasers and incurring all the costs that involves. The Board has therefore determined to move forwards with plans for harvesting while it continues to operate within the policy of an orderly realisation of assets.

For further enquiries please contact:

Chairman

Tony Gardner-Hillman
01534 486980

Broker and Nominated Adviser

Panmure Gordon
Paul Fincham/Jonathan Becher
0207 886 2500

Administrator and Secretary

Praxis Fund Services Limited
Janine Lewis/Matt Falla
01481 737600