

10 June 2021

The Manager
Companies Announcements Office
Australian Securities Exchange

Dear Sir/Madam

Second offer by KI Phoenix

As set out in its target's statement dated 17 May 2021 (see [Target's Statement](#)), Kangaroo Island Plantation Timbers Limited (ACN 091 247 166) (ASX:KPT) (**Company**) from time to time receives approaches from third parties seeking some or all of its land assets.

On 9 June 2021, the Company received a second offer from KI Phoenix Pty Ltd (**KI Phoenix**) for all of its land assets, comprising cash consideration of \$27.5 million, as well as the right for the Company to harvest and sell any pine timber on the relevant land.

The Company remains of the view that its land assets are appropriately valued at \$59.23 million for the reasons set out in its target's statement dated 17 May 2021. It also notes that this value is conservative in comparison to equivalent land on Kangaroo Island and comparable high rainfall areas of southern Australia, with and without trees. It follows that KI Phoenix's revised offer is significantly below the value of KIPT's land assets.

The Company has considered the offer and has notified KI Phoenix that the offer is rejected.

The Company reiterates that the information that shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the offer made by Samuel Terry Asset Management Pty Ltd as trustee for Samuel Terry Absolute Return Active Fund is:

- the information contained in the bidder's statement (to the extent that the information is not inconsistent or superseded by information in the target's statement) (see [Bidder's Statement](#));
- the information contained in the Company's releases to the ASX, and in the documents lodged by the Company with ASIC, before the date of the target's statement; and
- the information contained in the target's statement (see [Target's Statement](#)).

By authority of the Board

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Ms Vicky Allinson
Company Secretary