

# Cambium Global Timberland Ltd

Management	CP Cogent Asset Management LP
Investment objectives	The fund invests in a globally diverse portfolio of timberlands diversified by geography, species, age and markets and aims to provide shareholders with an acceptable return. It is intended to deliver both capital appreciation and income from harvesting. It is also expecting returns from emerging environmental markets such as carbon, biodiversity and water quality.
Income streams, returns targeted	Capital appreciation, timber harvesting. Plus hunting and recreational leases and, as markets for them arise, environmental assets such as carbon credits, salinity credits and biodiversity offsets.

## INVESTORS

Eligible investors	Institutional investors and high net worth individuals,
Committed investors	Top 10 investors: Baillie Gifford 16.5%; British Steel Pension Fund 9.6%; Rensburg Sheppards Investment Management 9.6%; SVM Asset Management 6%; Deutsche Bank Private Wealth Management 5.6%; Artemis Investment Management 4.9%; Speirs & Jeffrey 4%; AXA Investment Managers 3.6%; Rathbones 3.3%; Seven Investment Management 3.3%
Investment restrictions	Not disclosed
Fees	Annual management fee of 1% of NAV. Performance fee: 20% over 8% hurdle

## SIZE

Target size	£104 million raised in private placement in March 2007
Secured capital	NAV of £83 million (as of 31 January 2011)
Capital invested	Fully invested

## DATES

Launch date	6 March 2007
First closing	27 February 2007
Final closing	27 February 2007
Date of first investments	Not disclosed
Date to be fully invested	Not disclosed

## INVESTMENT ELIGIBILITY

Geographic coverage	The company will initially invest mainly in North and South America and the Asia-Pacific region (including Australia and New Zealand) but may invest in other regions on an opportunistic basis.
Diversification criteria	The fund aims to maximise returns and help control volatility

and risk exposure by making investments diversified by location, age and species. The age diversification should allow for an income stream as well as capital appreciation.

Eligibility criteria	The fund aims to invest primarily in forestry assets which are, or can be, managed on an environmentally and socially sustainable basis. In terms of species, the company's current policy is to favour investments producing hardwood saw logs over pulpwood plantations. It has a neutral position on softwood structural lumber.
Investments to date	<ul style="list-style-type: none"> <li>● Corrigan (22,000 acres natural hardwood and pine, east Texas);</li> <li>● Pahala (7,200 acres eucalyptus, Hawaii);</li> <li>● Tarrangower (21,000 acres north of Sydney, used for mixed hardwood, crops and grazing);</li> <li>● 3R Tocantins (25,700 acres greenfield eucalyptus, Brazil);</li> <li>● Pinnacle (4,446 acres eucalyptus, Hawaii);</li> <li>● Minas Gerais (a 29,300 acre greenfield eucalyptus project, Brazil);</li> <li>● Renwick (3,200 acres of radiata pine plus Douglas fir and cypress in New Zealand);</li> <li>● South Atlantic States (29,965 acres of pine plantations in Georgia and Florida)</li> </ul>
Largest holdings/investments	<ul style="list-style-type: none"> <li>● Corrigan + South Atlantic States (North America) – 50% of NAV;</li> <li>● 3R + Minas Gerais (both Brazil) – 28% of NAV;</li> <li>● Pahala + Pinnacle (both Hawaii) – 10% of NAV;</li> <li>● Tarrangower (Australia) – 9% of NAV;</li> <li>● Renwick (New Zealand) – 3% of NAV</li> </ul>
Regional breakdown	US, Brazil, Australia, New Zealand
Species mix	Pine 39%; eucalyptus 22%; hardwood 14%; unplanted 25%
Certification schemes	Not disclosed
<b>CONTRACTUAL ISSUES</b>	
Legal structure	Closed-ended investment company incorporated in Jersey and listed on London's Alternative Investment Market and the CISX
Advisers/consultants	Adviser (AIM): PwC; Adviser (CISX): Carey Olsen Corporate Finance; Corporate broker: Matrix Corporate Capital; Auditors: KPMG; Property valuers: Day Forest Management, James W Sewall, Holtz Consultoria, Poyry Forest Industry Consultancy, URS New Zealand, Sandro Al-Alam Elias
Financial performance to date	Loss (pre-tax) for year ended 30 April 2010 of £6.03 million; 3 pence/share dividend paid October 2010
Notes	The fund notes that "traditional timberland investors have an opportunity to add value to forestry investments through a number of strategies which seek to exploit environmental

option values of forests". These include the sale of carbon credits, water use rights, endangered species banks, tradable development rights, conservation easements, leasing of ridgelines to wind farm operators, development of small scale hydro-electric generation facilities and cooperating on biomass energy development.

---

## CONTACTS

**Fund manager** Rich Standeven

PO Box 344, One The Esplanade, St Helier, Jersey JE4 8UW, Channel Islands

Cogent Partners

2101 Cedar Springs RD, Suite 1200, Dallas, TX 75201, US

Tel: +1 214 871 5467

Fax: +1 214 871 5401

[rstandeven@cogent-partners.com](mailto:rstandeven@cogent-partners.com)

[www.cambiumfunds.com](http://www.cambiumfunds.com)

---