

30 November 2012

Cambium Global Timberland Limited – outcome of strategic review

Proposed change of investment policy to implement a realisation strategy

The Independent Directors of Cambium Global Timberland Limited today announce the outcome of the strategic review initiated and announced in June 2012.

After consideration of a range of options and following consultation with its shareholders and advisers, the Independent Directors have concluded that it is in the interests of shareholders as a whole that the Company's assets be realised through an orderly realisation process enabling cash to be returned to shareholders. Amongst these options was an indicative cash offer for the assets of the Company but at a level which the Independent Directors considered unacceptable.

In reaching their conclusion the Independent Directors have been mindful in particular of the following:

- that the net asset performance of the Company since inception has been disappointing, with a decline from the original subscription amount of 100p per share to the most recently published net asset value of approximately 24 per cent. (after adding back cumulative dividends of 12p paid over that period);
- that with net assets as at 31 July 2012 of approximately £66.7 million the Company lacks critical mass, impacting adversely on liquidity, share price rating and costs;
- that in the absence of achieving critical mass, the prospects of achieving a material re-rating of the Company's shares from current levels (representing a discount of some 38 per cent. to net assets) remain bleak; and
- that the share price rating in turn would make it difficult to grow the Company by equity issuance other than at a price which would be materially dilutive to existing net asset value per share.

The proposals, amounting to a change of investment policy in order to implement a realisation strategy, will be set out in detail in a circular to be published in due course. C.P. Cogent Asset Management L.P. (the "**Manager**") will be retained to manage the orderly realisation of the assets in order to achieve a balance between returning cash to shareholders and maximising value. Allowing inter alia for liquidity constraints, costs of sale and the impact on valuations which are likely to be caused by such deferral of cash flows and suspension of planned operating activities that the realisation strategy will entail, the Manager has estimated on a prudent basis that the net proceeds which might accrue to the Company from the sale of the portfolio will, after repayment of loans and adjustment to deferred tax provisions, be equivalent to approximately 57 pence per share, but it should be noted that this is only an estimate which remains subject to market fluctuations and a

number of uncertainties and that the final amount may differ materially from this estimate. There will be no set period for the realisation of the portfolio but the target will be to complete it within 24 months. Agreement has been reached in principle with the Manager to amend the fee structure so as to reduce overheads and align the interests of shareholders with the Manager.

The Independent Directors intend to return surplus cash to shareholders in tranches from time to time as and when it becomes available as a result of realisations. It is intended that cash will be returned in such a manner as to represent capital in the hands of shareholders and it is not intended that any further dividends will be paid if the proposals are approved by shareholders.

An extraordinary general meeting will be convened enabling shareholders to vote on the proposals which will be recommended by the Independent Directors, advised by Panmure Gordon.

A further announcement will be made in due course.

ENDS -

Broker and Nominated Adviser

Panmure Gordon

Paul Fincham/Jonathan Becher

0207 886 2500