



HIKURANGI FOREST FARMS LIMITED

Press Release

Hikurangi Forest Farms Receives Resource Consent

GISBORNE, 18 September 2008 - Hikurangi Forest Farms Limited (HFF) today announced that it has received the Resource Consents from the Gisborne District Council (GDC) for the construction and operation of a wood processing facility in Gisborne, New Zealand. This is in line with HFF's parent company's corporate strategy to increase its downstream value-added production in New Zealand.

"We would like to thank the GDC and the stakeholders involved for their efficient approval of the required Resource Consents. The approval of the Resource Consents marks the first milestone for HFF to move forward on the project. From HFF's perspective, this is where the real work starts." said Rob Hunter, Managing Director of HFF in an official ceremony to present the Resource Consents attended by New Zealand Prime Minister Helen Clark held at the GDC council chambers in Gisborne.

The construction of the facility comprising a wood processing factory and an onsite co-generation plant will be developed in stages subject to international market developments.

The commencement of the operation for first phase of the facility will be dependent upon various factors, including the equipment manufacturers' lead time which currently stands at two years for key components. The facility is designed to be highly automated, requiring skilled technical workers for its operations. The first phase could require an estimate of 120 personnel.

The processing facility will be dedicated to producing wood products for export using log resource from HFF's own forests. HFF's plantation in New Zealand is a maturing planted forest consisting primarily of radiata pine trees, and currently provides a source of roundwood to meet both domestic and international market demands.

HFF's harvest cycle for radiata pine is 27 years. The shareholders have been developing HFF's tree plantations for more than 11 years, and have invested in research to better understand the properties of their resource and to improve yields and wood quality as well as putting in place valuable infrastructure.

HFF is currently carrying out feasibility studies on the product mix to be produced in the New Zealand facility. HFF will evaluate and ramp up its production capacity to tie in with the availability of wood resources, the range of wood products to be produced, the market conditions and the production volumes during start up phases.

Initial plans are for a veneer and plywood facility. Future plans are for the expansion of this facility as well as looking at other wood products. HFF's operations are also within the Group's geographic footprint and there is scope for its product and service offer to be extended to Samling Global's other businesses around the world.

The facility's manufacturing efficiencies also require cost competitive logistics. Increased capacity and handling capabilities at the Gisborne Port is important to access export markets.

HFF aims to continue working with the GDC and the Regional Development Roding Program to ensure the success of the project. The reconstruction of access roads to the forests is a head start, but continued and ongoing maintenance of the GDC roading infrastructure is crucial to ensure an uninterrupted wood supply to the proposed HFF facility.

"The completion of the wood processing facility will realise HFF's vision of becoming an integrated company that sustainably manages its forest resources, create wood processing opportunities and produce value added wood based products for the New Zealand market and beyond." said Mr Hunter.

About Hikurangi Forest Farms Limited

Hikurangi Forest Farms Limited (HFF) is a forestry company based in Gisborne, located in the Eastland province of New Zealand's North Island. The HFF estate consists primarily of intensively managed Radiata Pine plantations. The HFF tree plantations cover a total estate area of approximately 35,000 hectares, out of which approximately 26,000 hectares is the net plantable area and total planted area, and approximately 91% is freehold. The Company's maturing Radiata Pine resource has the potential to yield a sustainable woodflow of approximately 800,000m³ annually. The Radiata Pine trees grown in our New Zealand plantation can be readily converted into veneer, sawn timber, fibreboard, and pulp and paper.

HFF recognises the value and importance of environmental responsibilities and is committed to maintaining the Forest Stewardship Council's (FSC) forest management certification for all of HFF's owned or managed lands.

HFF is a wholly owned subsidiary of Lingui Developments Berhad, a company listed on the Malaysia stock exchange. Lingui Developments Berhad is a subsidiary of Samling Global Limited (www.samling.com), a forest resource and wood products company listed on the Hong Kong Stock Exchange.

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