

**FOREST NEWS**

Winter 2022

# GREEN PLAN

Welcome to  
the winter 2022  
edition of the  
**Greenplan Forestry  
Newsletter**

WELCOME

LOG PRICE INDEX

SECONDARY MARKET

THE APPOINTMENT OF A HARVEST AND  
MARKETING MANAGER

TRUST, INTEGRITY AND  
COMPLIANCE (TICC)

INVESTOR ADVISORY  
PANEL

FOR MORE INFORMATION ON YOUR FOREST CHECK OUT  
[GREENPLAN.CO.NZ](http://GREENPLAN.CO.NZ)

# WELCOME

## MANAGING DIRECTORS NOTE

Welcome to the Winter 2022 edition of the Greenplan Newsletter.

Winter is finally upon us, or is it? As I write, the temperature in Te Kuiti is still around 20 degrees. The summer season has been exceptionally long, with temperatures consistently the highest in the country. Still, your trees experienced a good mix of sunshine and rain, and as a result, I can report that the trees weathered the season quite well and are looking fine.

Harvest time is fast approaching with the Arapito Forest Partnerships 1 to 8 clearly in our sights. In response, we have undertaken a process to select and appoint a suitable company to harvest and market proceeds from the forests.

The Annual General Meeting of the Partnerships will be held in September, and we will send out more details closer to the time. We hope to be able to combine the AGM with a Field Day, Covid willing. The Field Day will focus on harvesting, including the physical process of cutting, extracting, and processing trees into logs that can be loaded onto trucks and delivered to market. The market may be a sawmill or a port for export.

The office is again staffed during regular business hours, with staff working on-site and remotely. This hybrid working style appears to become the norm in New Zealand - for better or worse.

The number of Investors and Contractors visiting the office seems to be returning to normal. But, of course, we always enjoy seeing you in person.

I encourage you to use the Investor Portal on our website ([www.greenplan.co.nz](http://www.greenplan.co.nz)) to find Annual Forest Reports, Newsletters, and your annual documents.

We will be hosting the recently appointed Auditors (Grant Thornton) in the coming weeks. They are quickly coming up to speed with their tasks, and hopefully, we will have the Financial Statements audited and sent to you on time.

I am sad to inform you about the loss of another long-term partner of Greenplan. John Davidson, the landowner for the Waipa Valley Partnership No. 15, passed away peacefully in April 2022. We send our condolences to his family and friends.

If you are interested in communicating with your fellow investors, you may look at the "Greenplan Investors Group" Facebook page, which has some 199 members.

From the Greenplan Team, we look forward to seeing you at the upcoming AGM and Field Day.

I am available most of the time to answer your questions, so please don't hesitate to call me.

And as always, "Wood is Good."

Regards

Matthew Barton  
Managing Director

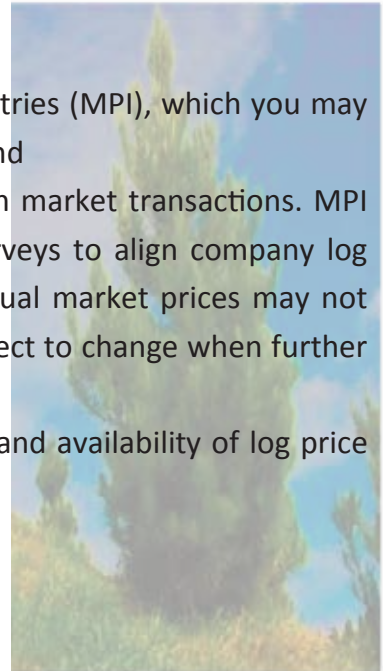


# Log Price Update

Here is some log pricing information sourced from the Ministry of Primary Industries (MPI), which you may find helpful if you want to assess the value of your trees yourself. It is historical and indicative only and may not correspond to actual prices paid, or grades used, in market transactions. MPI use a 'best fit' arrangement to compile the prices, based on the results of surveys to align company log grade specification with the generic specifications. Direct comparisons with actual market prices may not apply due to differences between the specification data sets. The prices are subject to change when further data becomes available.

For more information on the log price collection process, log grade and prices, and availability of log price information please visit the MPI website: [www.mpi.govt.nz](http://www.mpi.govt.nz)

Source: [www.mpi.govt.nz](http://www.mpi.govt.nz)



## INDICATIVE NEW ZEALAND RADIATA PINE LOG PRICES

### March 2022 quarter and weighted average

Note: Weighted averages have been used from June 2017. Take care when comparing them with previous quarters.

Generic log type and pricing point	March 2022 quarter	Weighted average
Export (NZ\$ per JAS m3 FOB)		
Pruned	147 - 287	200
Unpruned A Grade	110 - 238	163
Unpruned K Grade	102 - 231	153
Pulp	87 - 218	141
Domestic (NZ\$ per tonne delivered at mill)		
P1	165 - 203	187
P2	145 - 197	176
S1	131 - 146	143
S2	122 - 158	134
S3 and L3	97 - 123	116
L1 and L2	79 - 129	123
Pulp	32 - 77	56

# Greenplan Secondary Market

As at 3 June 2022

Partnership	No.	Status.	Units	Price (NZD)	Year Planted
Aratoro	13	PER	2	\$26,500 each	1995
Waipa Valley	15	PER	1	\$26,500	1995
Rhodes	29	RESERVED	1	\$22,000	1997
Miners Creek	37	OM	1	\$20,500	1998
Miners Creek	37	OM	1	\$26,000	1998
Dunmore West	47	OM	1	\$26,000	2000
Dunmore West	47	OM	1	\$16,000	2000
Twin Rivers	51	OM	1	\$16,000	2001
Glen Afton	54	OM	1	\$16,000	2002
Big Valley	55	OM	1	\$16,500	2002
Woodview	58	OM	2	\$15,500 each	2003
Whitecliffs	59	OM	1	\$41,000	2003

## Glossary

**OM** - Available on the open market. The units are available to purchase on the open market at the advertised sale price and have either passed through the pre-emptive right period or are not subject to a pre-emptive right.

**PER** - Available subject to a pre-emptive right (see below). Initially available for sale only to partners in that Partnership until the pre-emptive right period expires. If unsold at that time, they will be available to purchase on the open market at the advertised sale price. Where the pre-emptive right applies, non-partners can reserve units for purchase if they are unsold at the expiry of the pre-emptive right.

**Reserved** - These units are in the process of being purchased.

**Pre-emptive Right** - There is a pre-emptive right of purchase for partners in the Partnership in which units are offered for sale in Partnerships 1 – 39. This means these partners have a 28-day right to purchase from the date a sale is advertised. Only after 28 days can units be sold at the advertised sale price to people not in that Partnership. There is no pre-emptive right in Partnerships 40 onwards.

To buy or sell on the secondary market or obtain more information, don't hesitate to contact Holly Koroheke via ([holly.koroheke@greenplan.co.nz](mailto:holly.koroheke@greenplan.co.nz)) or freephone 0800 800 154 within New Zealand.



# Harvest Planning and the Appointment of a Harvest and Marketing Manager

As referred to in Matts' welcome, we have been busy planning the harvest of Arapito Partnerships 1-8 as the beginning of the realisation of the whole Greenplan estate. We have used industry consultants Forme Consulting Limited (Forme) to assist through the process to date.

This began last year with the mapping and inventory of these partnerships so that the trees' current state and growth was known. The inventory is a statistically valid sample of measuring the trees to assess the overall forest; this gives both actual density and the size and volume of the trees. This information is used by the harvest manager to assess the most logical and cost-efficient manner to actually cut the trees and remove the logs, which will be set out in a plan known as the Harvest Plan.

Since February, Forme has been in consultation with interested parties who applied to become the Harvest and Marketing Manager. As the title suggests, this Manager both manages the harvest of the trees in accordance with a harvest plan and then sells the logs through a marketing relationship. As you can imagine, this role and relationship is very important to both Greenplan as your manager of the trees and then yourselves, as this determines your ultimate return once the logs have been sold.

It is pleasing to note the high level of interest from the industry and also that the lead candidates are all recognisable names in the forestry sector. We are pleased with the overall participation thus far, and Forme has narrowed the lead candidates down to four firms. At this time, we have a report of findings from Forme, and the Board is assessing this and planning the required due diligence to confirm the basis of the final decision.

Our involvement to date has shown a number of significant factors to both the process and outcomes. While the log prices continue to increase since last year, costs are currently increasing at a faster rate. As with other parts of the New Zealand economy, skilled resources are being constrained, and this means that access to cutting crews will be really important. We have all seen skyrocketing fuel prices, and this is also driving up cartage rates significantly.

The harvest of course requires roads, platforms to load, and in some cases bridges to access parts of the forest. All of these add to the overall cost, and pleasingly we have seen both originality of ideas to help manage and reduce these, along with a set of harvest plans that show that those participating are highly skilled.

While the size of the overall estate will have real benefits to engaging potential contractors as we begin harvesting, the capability and skill of both the harvest planning and work in the field will become critical to overall returns.

In conjunction with this selection process, we are also doing the paperwork – meaning drafting legal contracts and consulting with your Supervisor (Covenant Trustee Services) in order that we meet both best practice and cover off all the compliance that comes with soon running a forestry operation.

We will be consulting with Arapito partners 1-8 on the Harvest Plan once the final successful tender is known and in doing so will further inform your expected financial returns.

# Engagement of TICC as our agent for Customer Due Diligence

We notified you in the last Newsletter that *Trust, Integrity & Compliance Limited (TICC)* have been appointed as our agent to assist in completing customer due diligence in compliance with the AML/CFT Act.

This means that any customer due diligence checks that we are required to undertake on you will be handled by TICC via their AML Online Portal. It also means that the customer due diligence checks will be more streamlined for you and if you have any issues, TICC has a team of specialists to talk you through customer due diligence each step of the way.

If you would like further information on TICC and the services that they are providing to us, please feel free to contact us. You can also have a look at their website which is available here: <https://www.ticc.nz/>.

## Remedial Felling

Remedial felling activity has been completed for Greenplan partnerships where trees have been identified as high to extreme risk, e.g., public safety, electrical fault hazard, fire, and power supply safety.

Please note that under our Financial Markets Conduct Act 2013 obligations, the proceeds from remedial felling activities are held by a nominee company owned and controlled by the Supervisor, Covenant Trustee Services Ltd, on trust for the benefit of the Partnership.

You will be notified of any remedial felling operations in your Partnership, in writing, with a breakdown of income and expenses. The proceeds from the remedial felling will be applied to your Greenplan account.

## This Newsletters Article of Interest

### UK's Tallest Tree Transformed into a Carving of a Giant Hand

The remnants of the UK's tallest tree, which was felled after being damaged in a storm, has been transformed into a carving of a giant hand.

A 15.2m (50ft) stump was the only part left standing after the 124-year-old Douglas Fir was axed at the Lake Vyrnwy estate in Powys.

It had stood at 63.7m (209ft), taller than a 20-storey building, and was once regarded as the UK's joint highest. From wrist to finger tip, the giant hand measures 2m (7ft).

Artist Simon O'Rourke, 33, from Wrexham, used a chainsaw to carve the top of the stump, and modelled the sculpture on his own hand.

Source: Read more about the Giant Hand of Vyrnwy at <https://www.bbc.com/news/uk-wales-mid-wales-15693962>



Photo Source: <https://mymodernmet.com/simon-orourke-chainsaw-carving-hand/> - photo

# Investor Portal on the Greenplan Website

In 2021, we finished the development of a much more user-friendly and diverse investor portal for communications, which means we can communicate in a live manner with investors and post news as it comes to hand. The investor portal will also reduce communication costs and be a more effective and less time-consuming way of communication.

Correspondence includes tax-loss advice, ETS income notices, annual capital contribution requests, and other essential documents. If your correspondence preference is set as 'email,' you will receive an email notifying you that documents are available to view via the investor portal on the Greenplan website. Please also note that email may end up in your junk or spam mail. We, therefore, recommend that you regularly check to see that your email system has not misfiled your emails.

## Tips & Tricks when using the Investor Portal

If you try to log in and an error message appears, it could be because;

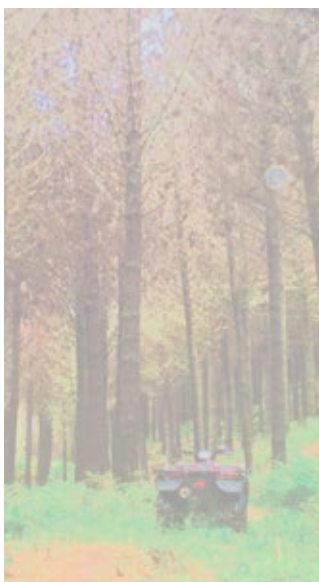
- You haven't registered for the investor portal.
- You have the incorrect GPID number – this can be located at the top left corner of your annual fee documents
- The email address you are using to log in doesn't match the email address we have on file. This is a cyber-security measure.
- You are using capital letters in your email address.
- You have saved your log details on the internet browser, and it has populated the boxes incorrectly. In most cases, putting your GPID number in the email address box and the GPID number box.
- Your password has to include at least one capital letter, one number and one special character (!@#)

If you are unsuccessful, please contact the Greenplan Office on (07) 878 6730 or email us at [invest@greenplan.co.nz](mailto:invest@greenplan.co.nz).

## Annual Fees

We still have several outstanding annual fees to be collected.

If you have outstanding fees but are having difficulty making payment please contact the Greenplan office—it is possible to make payment arrangements of a small weekly/fortnightly amount, by arrangement only.



## New Bank Account Number

We are currently transitioning to a new bank account with ASB Bank.

If you have our bank account saved in your online banking please ensure to check that you have the right account.

Our new bank account number is ASB Bank 12-3476-0020959-01.

Friendly reminder, to enable us to identify your payment and allocate it correctly please use your GPID as a reference.

## Upcoming Events

- The Greenplan Forestry Partnerships Annual General Meeting will be held in September, and we will notify you as arrangements are confirmed.
- We hope to offer a Field Day later this year, or early 2023.
- The Annual Capital Contribution Request will be distributed in the coming weeks.

## GIAP Contact Details

Acting Advisory Panel Co-convenors: Conrad Chong and Teresa Moore  
GIAP Panel Members: Angela Gattung, Sally Greed,  
Clinton Woodhouse and Peter Coles

Email address: [admin@giap.nz](mailto:admin@giap.nz)

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Facebook (closed group): Greenplan Investors Group

Whatsapp: 022 305 7694



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## Disclaimer

### Things you need to know:

Greenplan forestry Limited is a licensed manager of the Greenplan forest partnerships, it is not authorised to provide financial advice. The contents this newsletter are for Information purposes only and should not be considering financial advice. We recommend that you seek advice from an authorised financial advisor before you make any decision of a financial nature.

### Greenplan Forestry News

The intention of Greenplan Forestry News is to provide a mechanism to promote dialogue and understanding between Greenplan and its investors as part of Greenplan's aim to ensure a better communication. It is not intended for any other audience. Nevertheless, there is no restriction on Greenplan and investors sharing the Greenplan Forestry News publication with anyone else.

### Your Input

A good deal of correspondence from investors is anticipated and encouraged in response to the Greenplan Forestry News articles.

While we cannot personally reply to every communication received we will collate responses, on an anonymous basis, to consider and will provide a summary of the views of investors in ongoing publications.