



3 December 2014

Completion of transaction with UK institutional investor

TFS Corporation Limited ("TFS", ASX: TFC), the world's largest owner and manager of commercial Indian sandalwood plantations, today announced the Church Commissioners for England (the "**Commissioners**") has completed its acquisitions of interests in two Indian sandalwood plantations.

Completion of the acquisitions involved the payment of amounts totalling approximately \$20 million (excluding GST) to TFS for land and establishment fees.

The acquisitions announced today were foreshadowed in TFS's announcement on 27 March 2014. TFS and the Commissioners have also signed an Investment Management Agreement to enable TFS to manage the Commissioners' interests in the Indian sandalwood plantations which it has acquired.

"TFS is looking forward to building on the relationship we have developed with the Commissioners so that we can continue to build a sustainable supply of sandalwood oil and timber to meet the substantial global demand for these products," said TFS CEO, Frank Wilson.

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ABOUT TFS

TFS Corporation Ltd ("TFS", ASX: TFC) is an owner and manager of Indian sandalwood plantations in northern Australia. As part of its vision to be a vertically integrated producer of sandalwood products, TFS owns a significant proportion of the plantations in its own right. TFS also operates sandalwood processing and oil distribution facilities from Albany, Western Australia.

TFS was originally founded to exploit the success of government trials into the plantation growth of Indian sandalwood in the Ord River Irrigation Area (ORIA) of north-east Western Australia.

TFS now manages the largest area of Indian sandalwood plantations in the world, with approximately 9,000 hectares planted of which TFS owns directly and indirectly nearly 3,200 hectares. TFS plantations are managed on behalf of both institutional, high net worth and MIS investors.

In 2014, TFS completed its first commercial harvest of its Indian sandalwood plantations and, via its 50% subsidiary Santalis Pharmaceuticals Inc., entered into a supply agreement for pharmaceutical grade oil with Galderma, a leading global dermatology company.

The company listed on the Australian Stock Exchange in December 2004. Since March 2014, TFS has been an ASX300 company.

TFS is committed to adopting and maintaining the highest environmental and ethical standards in all aspects of its business.

ABOUT INDIAN SANDALWOOD

Indian sandalwood has a history as a tradeable commodity spanning thousands of years, but is now endangered due to the illegal harvest of wild trees throughout the world. As a result, Indian sandalwood is the world's most expensive tropical hardwood and continues to increase in price each year.

Indian sandalwood oil is a globally important ingredient in fine fragrances, cosmetics and toiletries, Indian consumer products and for medicinal purposes (Ayurvedic and Chinese medicine) and the wood is used for high quality carvings and artefacts and religious worship in the Hindu and Buddhist faiths. The efficacy of Indian sandalwood is being tested by US dermatology companies and the global pharmaceutical market has the potential to be a significant consumer of Indian sandalwood oil.