

PRESS RELEASE

FOREST AND BIOMASS ACQUIRES THE PETRIȘ FOREST IN ROMANIA
First Step in Production of Sustainable Biomass

Forest Value Investment Management S.A. ("FVIM"), the General Partner of the Forest and Biomass Sub-Fund, announces that the Sub-Fund recently completed its first forest acquisition in Romania. This transaction is one of the largest forest deals there in recent years.

Forest and Biomass intends to build a diversified portfolio of clusters of forests and land for the production of biomass and timber, in Romania and elsewhere. The acquisition provides Forest and Biomass an ideal base for the building of a first cluster in Western Romania.



The forest is a broadleaves forest of significant size, with a total area of more than 4,000 hectares. It is located in Petriș, in an area with mostly moderate slopes and fertile grounds near Arad and Timișoara alongside the Mureș River. The forest is 5 km from the nearest rail station, 100 km from the Hungarian border, and close to a number of sawmills and potential biomass energy users. It is an exceptionally dense forest, mainly composed of beech, hornbeam, and oak. It also comprises significant noble species such as high value wild cherry. Past management practices having been far less than optimal, the forest offers great opportunities for enhanced returns with the

introduction of modern silviculture standards in accordance with high sustainability criteria.

Paul Delesenne, co-managing director of FVIM, said: *"We believe that in the coming years wood will become an increasingly scarce and valuable resource, in high demand not only from traditional users but also from energy utilities, industrialists switching to green energy and producers of emerging bio-based products. In a world that has become "hot, flat and crowded", there will be tensions on the limited stock of available natural resources, including wood. In Europe and many other jurisdictions, the forest industry is highly fragmented and the growing of biomass still at an early stage. Forest and Biomass intends to consolidate forest and land and to position itself as the reference supplier of sustainable biomass, setting new standards of reliability and volume availability."*

Richard Boomer, co-managing director of FVIM, said: *"Over more than a year, Forest and Biomass carefully built up market knowledge and local expertise in Romania until we were ready to roll out our investments there. The Petriș forest is an exceptionally well suited property within the Forest and Biomass strategy for Romania and is only a first step. We look forward to further acquisitions of the same quality, in this and other suitable countries in order to meet the emerging massive demand for wood, deriving from European renewable energy targets, rising energy prices and supply concerns and, generally, the need to build a European economy less dependent on imported fossil fuels."*

The forest was acquired by FBR Forest One S.R.L. (“Forest One”) a special purpose, wholly-owned subsidiary of the Forest and Biomass Sub-Fund, incorporated under Romanian law. Forest One was advised by Global Forest Care S.A., the technical advisor to the Sub-Fund. Forest One was assisted on legal matters by the Bucharest office of the French law firm Gide, Loyrette, and on local and international tax structuring matters by the Luxembourg and Bucharest offices of PricewaterhouseCoopers.

Forest and Biomass Sub-Fund is the first compartment of Natural Resources Value Fund S.C.A. SICAV – SIF, a specialized investment fund under Luxembourg law managed by FVIM. Forest and Biomass was set up as a collective investment vehicle, placed exclusively on a private placement basis with qualifying institutional and high-net worth investors, to acquire and sustainably manage forests and land for the production of biomass. The initiators of Natural Resources Value Fund S.C.A. SICAV – SIF are Paul Delesenne, Richard Boomer, KBL European Private Bankers S.A. and affiliates of Alexandre Van Damme and Pierre Lagrange.

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If you would like more information about this topic, or to schedule an interview, please e mail Paul Delesenne or Richard Boomer at paul.delesenne@fvim.lu or richard.boomer@fvim.lu, or call Paul at + 352 691 331 180 or Richard at + 352 691 331 181.

Luxembourg – 4 May 2011