



2 May 2016

ASX Release

TFS share purchase plan closes heavily oversubscribed, target increased

TFS Corporation Ltd (“TFS”, “the Company”, ASX: TFC), the world's largest owner and manager of commercial Indian sandalwood plantations, today announced it has successfully closed its Share Purchase Plan (SPP), receiving applications nearly three times the \$5 million target.

TFS received applications totalling \$14.2 million. In light of this strong demand, the Board of TFS has elected to increase the target to \$8 million to allow shareholders to more fully participate in the offer.

A total of 1,460 shareholders participated in the SPP, 20.8% of total TFS holders.

All eligible SPP applications will be scaled-back pro-rata to the amounts subscribed for, meaning eligible applicants will receive shares to the value of approximately 56% of their subscription amount.

The SPP proceeds will add to the \$60.5 million placement to institutional investors that was finalised in April.

TFS Managing Director Frank Wilson said the strong support from existing shareholders and institutional investors was particularly pleasing.

“The funds received through the capital raising process allows us to pursue our strategy of increasing TFS’s ownership of Indian sandalwood plantations through the buy-back of up to 221 hectares of MIS-owned plantations,” Mr Wilson said.

“I wish to thank our shareholders for their significant support.”

SPP shares will be issued at \$1.55 per share, being the same price as the offer price for the institutional share placement completed on 11 April 2016.

TFS expects new shares under the SPP to be issued on 5 May 2016, with trading to commence 6 May 2016 and refunds and allotment advices sent out by 9 May 2016. If shareholders have any questions about the SPP, they should telephone TFS’s SPP Offer Helpline on 1300 366 176.

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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 commercial Indian sandalwood plantations in the world, with over 10,500 hectares planted of which TFS owns directly and indirectly over 3,500 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 subsidiary Santalis Pharmaceuticals Inc., entered into a supply agreement for pharmaceutical grade oil with Galderma, a leading global dermatology company wholly owned by Nestle.

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 which 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 for a range of skin conditions and the global pharmaceutical market has the potential to be a significant consumer of Indian sandalwood oil.

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