



TRADING UPDATE 5 MONTHS TO NOVEMBER 2018

			Unaudited	Unaudited	Unaudited
			5 Months to	5 Months to	12 Months to
			30 Nov 2018,	30 Nov 2017,	30 June 2018,
Production Volume					
Poles		m3	6,157	13,787	26,621
Lumber		m3	27,236	25,237	62,519
			33,393	39,024	89,140
Sales Volume					
Poles		m3	7,237	14,717	27,177
Lumber		m3	30,029	25,223	60,566
			37,266	39,940	87,743
Financial Performance					
Revenue		\$	11,062,926	9,319,740	21,300,577
Net Profit / (loss) before tax		\$	3,680,628	2,082,583	(340,696)
Cash Profit before tax, after adjusting for non-cash items		\$	4,486,617	3,145,625	5,867,344

Unaudited November 2018 Production and Sales Volumes.

Lumber numbers reflect positive growth on both production and sales compared to comparable period November 2017 due to increased demand on the local and export markets.

Treated poles on the other hand reflect a decline in both production and sales due wet spell experienced in the first two months of the financial year which resulted in low production. The low production had a knock-on effect on the sales thereby resulting in delays in fulfilling the order book.

Financial performance.

Revenue saw positive improvement compared to prior comparable period mostly driven by lumber sales.

Update on ICSID proceedings.

Further to the Cautionary Statement published on 12 November, 2018, the final decision in the international arbitration proceedings between the Company, other private parties and the government of Zimbabwe

pending at the International Centre for Settlement of Investment Disputes ("ICSID") ("the ICSID proceedings") was delivered on 21 November 2018 in favour of the Company and other private parties.

The Judicial Manager is considering various options and taking advice with regard to the ICSID award. Shareholders will be updated in more detail in due course. Meanwhile, shareholders are advised to exercise caution in dealing with the Company's shares.

Board of Directors.

Messrs T. Hoegh and C. Ravizza have been appointed to the Board of Directors with effect from 15 November 2018 and Messrs S. Mattinson and M. Manga have resigned with effect from 15 December 2018 and 9 January 2019 respectively .

Peter Lewis Bailey
Judicial Manager
9 January 2019