

York Timber Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number 1916/004890/06)
Share code: YRK
ISIN: ZAE000133450
(“York” or “the Company”)

**DETAILED CAUTIONARY ANNOUNCEMENT RELATING TO THE ESTABLISHMENT OF A PAN-
AFRICAN FORESTRY COMPANY**

1. Introduction

Shareholders of York are hereby advised that the Company has entered negotiations with the shareholders and management of Green Resources AS (“**Green**”), a Norwegian-based company with extensive forestry assets in Tanzania, Uganda and Mozambique, regarding a potential combination of assets (“**Proposed Transaction**”). Together with York’s South African assets, this combination will create a truly pan-African forestry company.

2. Rationale for the Proposed Transaction

The Proposed Transaction would create a geographically diversified forestry business that possesses significant scale, an expansive market reach within high growth economies, an experienced and highly commercial management team and access to international capital markets. It will also result in the establishment of a leading pan-African, integrated forestry, lumber products, wholesale and distribution company. It is anticipated that the combined entity will have ca. 108 000 hectares of planted and temporary unplanted hectares and at least ca. 122 000 hectares available to plant. York believes that the Proposed Transaction would enhance access to global capital markets for optimal growth financing. York would be exposed to attractive growth and scale opportunities while Green, which has largely been in development phase, is expected to benefit from York management’s commercial experience, unlocking Green’s forestry assets in the medium term.

3. Cautionary announcement

Shareholders of York are advised that, if the negotiations around the Proposed Transaction are successfully concluded, they could have a material effect on the price of York’s securities. Accordingly, York shareholders are advised to exercise caution when dealing in their York securities until further details pertaining to the Proposed Transaction are announced.

Sabie
21 September 2017

Financial Advisor and Transaction Sponsor to York
Rand Merchant Bank (A division of FirstRand Bank Limited)

Legal Advisor to York
Girard Hayward Inc.