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The York Timber Organisation Limited
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YORK TIMBERS INCREASES BEE SHAREHOLDING

The BEE shareholding of the York Timber Organisation (York) has been increased to 39%, as a result of the Lereko Metier Capital Growth Fund's interest in the company having increased from 4% to 14.1%. This follows a strategic sale and purchase of shares in the company by two of its existing shareholders. In a transaction worth R201.3 million, Blackstar Investors Plc, represented by Andrew Bonamour as a non-executive director on York's board, sold 8 million ordinary shares in the company at R25.17 a share. The shares were acquired at R25.17 a share by Lereko Metier Capital Growth Fund (Lereko Metier), which is represented by Paul Botha as a non-executive director on York's board. Commenting on the transaction, York CEO Lance Cooper says: "Blackstar is a founding shareholder of York and will remain a significant and valued shareholder in York with an interest of 10.4% in the ordinary share capital of the company and will remain fully invested in the preference shares. Blackstar acquired a controlling stake in York from the controlling Tucker family in late 2006 with a view to using it as a vehicle to purchase Global Forest Products (GFP) and has given unstinted backing to York's management throughout a period of rapid growth. Lereko Metier through its affiliates became involved during the period of the GFP acquisition and provided both financial and advisory support during the acquisition. Cooper views Lereko Metier's decision to increase its stake from 4% to 14% as a vote of confidence in the company and its future prospects. "The increased BEE ownership from 27% to 39% symbolises York's drive to be a leader in transformation in the timber industry," says Cooper.

In a recent empowerment survey conducted by the Financial Mail in conjunction with Empowerdex, York ranked as the 43rd most empowered company on the JSE Limited (JSE) and fourth in the Resources Sector. In the survey, JSE companies were rated by Empowerdex using the Broad Based BEE Codes of Good Practice and included an assessment of various elements such management control, ownership, employment equity, skills development, affirmative procurement and enterprise/social development. Cooper further comments, "Whilst BEE ownership does constitute the ultimate element of empowerment, York will not lose sight of the other elements on the scorecard and will continue to approach empowerment in a balanced fashion." York is a signatory to the Forestry Charter. A total of 25% of York's equity is broad based and comprises rural communities at 16% and employees at 9%. Ends/

About York

The York Timber Organisation (York) is a forest products enterprise that has been listed on the JSE Limited since 1946. It is one of the most experienced and efficient sawmilling companies in South Africa, adding value to wood through creative applications and strategic focus on niche markets at home and abroad. The company also successfully markets timber products locally and overseas. The timber produced by York is manufactured strictly from plantations that are renewable resources. In 2007, York acquired Global Forest Products and South African Plywood for R1,7 billion, making it the largest forest products company in South Africa and boosting its forestry ownership to levels at which more than 65% of the group's sawmill log input is internally generated. York employs 3 700 people and generated R929 million in revenues in 2007.

About Blackstar

Blackstar Investors Plc is an offshore investment company listed on the London Alternative Investment Market (AIM), which is operated by the London Stock Exchange, with 80 million pounds sterling raised from foreign institutions for investment primarily in South African BEE transactions. Blackstar Investors' shareholders include Fidelity International, Schrodgers and Merrill Lynch, amongst others. Blackstar Fund Managers SA (Pty) Limited, headed by

Andrew

Bonamour, advises on the funds of Blackstar Investors Plc.

About Lereko Metier Capital Growth Fund

Lereko Metier Capital Growth Fund (Lereko Metier) is a R3.5 billion (\$500

million) private equity fund, organised to make investments up to some R750

million (\$100 million) in mid cap buyouts and growth capital investment opportunities in southern Africa.

The Fund's investment strategy builds on the southern African investment case

which shows attractive growth and development in a relatively mature private

equity investment environment.

The Fund targets control and significant minority equity investment positions to

return above average investment outcomes where its investment hypotheses builds

on the network, experience and the constituency of its principals.

The Fund is today the largest locally funded South African private equity

investment pool, with more than 15 institutional investors, including a significant investment by its management team.

Significant momentum has already been achieved, with the Fund having made five

investments in telecommunications, food manufacture and distribution, student

accommodation, construction and security automation, and the timber plantation

industry.

The Fund is led by Lulu Gwagwa, Valli Moosa, Popo Molefe, Thierry Dalais, Paul

Botha and Anthony Hewat, complemented by a team of 14 others with a track record

in private equity investment, leadership and skills development of more than 20

years in South Africa.

The fund manager is experienced and organised as an investment capital partner

to management teams and businesses needing ownership change, growth and development in southern Africa.

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