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SMARTWOOD APPROVES THE LYME TIMBER COMPANY'S SUSTAINABLE
MANAGEMENT OF LARGEST TRACT OF PRIVATELY OWNED LAND IN NEW
HAMPSHIRE

Rainforest Alliance's SmartWood Program Certifies 146,400-Acre Connecticut
Lakes Property

Richmond, Vermont -- The Lyme Timber Company, a timber investment management organization based in Hanover, New Hampshire has earned SmartWood/Forest Stewardship Council (FSC) certification for its sustainable forest management of a 146,400-acre property in the state's Connecticut Lakes region. The certification came on the heels of a three year-long, complex series of negotiations involving state government representatives, communities and environmental groups, all interested in ensuring that New Hampshire's northernmost, privately-held property remains a viable and ecologically sound resource.

Dominated by sugar maple, yellow birch and other hardwood species, the land provides timber-related jobs and is a popular tourist destination for fishing, canoeing, hiking and bird watching. It also surrounds three of the Connecticut River's four headwater lakes, provides habitat for at least 20 rare wildlife species and has the largest moose population in the state.

"With its commitment to FSC certification, The Lyme Timber Company is demonstrating in very real terms that responsible landowners can successfully serve a balance of interests. Lyme Timber is accountable to its timberland investors while still adhering to the triple bottom-line of sustainable management - with clear dividends going to conservation, community and commerce," commended SmartWood regional manager David Bubser.

SmartWood, a program of the international not-for-profit Rainforest Alliance, is accredited by the FSC to assess the ecological, economic and social sustainability of forestland management. The FSC is a voluntary third party certification program designed to recognize forest owners who manage their forests in accordance with standards that incorporate considerations for forests and the communities and wildlife that depend on them.

The Lyme Timber Company was founded in 1976 to pursue timberland investments. The company specializes in the acquisition of forest tracts in New England, the Midwest and the Southeast, where it has invested in more than 400,000 acres of timberland, much of which has significant conservation value.

Lyme Timber bought the Connecticut Lakes property in 2003 as part of the landmark Connecticut Lakes Headwaters project. The project, which included the purchase of a conservation easement by the state, prohibits development, guarantees public access and ensures

sustainable forestry. Lyme Timber operates the land as a working forest, harvesting timber in accordance with the easement agreement and the SmartWood/FSC stipulations for sustainable management.

"The purchase of the Connecticut Lakes property was an extraordinarily complex transaction, involving multiple organizations, agencies and individuals. We are very pleased with the result, both from an investment perspective and from being part of a landmark public-private partnership," commented Tom Morrow, Lyme's Director of Forestland Investment. "Lyme Timber specializes in such forestland investments and also recently acquired 84,000 acres in the Adirondacks of New York State, with the intent of conveying a conservation easement to the State. We will continue to actively seek out investment opportunities that include conservation transactions," he added.

Lyme Timber purchased the land from the Trust for Public Land, a national not-for-profit conservation organization, which bought the property from International Paper in 2001, when the Connecticut Lakes Headwaters Partnership Task Force began to hold public hearings and develop a vision for the land's future. The task force was convened jointly by US Senator Judd Gregg and then-Governor Jeanne Shaheen and was comprised of local residents, state and federal officials and not-for-profit organizations, including the National Wildlife Federation.

"This SmartWood/FSC certification verifies the outstanding wildlife and recreational values that will be maintained through a program of sustainable forest management," said Eric Palola, director of the National Wildlife Federation's northeast office. "We applaud Lyme Timber and the northern New Hampshire communities that have supported this project. Independent FSC certification helps ensure that habitat protection for loons, bobcats, pine martens, osprey and scores of other species that benefit from unfragmented forest landscapes can co-exist with recreational access for hunting and fishing and timber dependent jobs."

Lyme Timber manages for the long term, with the goals of improving the forest ecosystem and the timber found in it, of maintaining or including soft woods, of increasing diversity and of providing habitat for a variety of animal species. "Some investors are beginning to recognize that environmental performance can be a good indicator of the overall quality of a company, including financial performance. The Lyme Timber Company has certainly distinguished itself with its commitment to FSC certification," remarked Bubser.

The mission of the Rainforest Alliance is to protect ecosystems and the people and wildlife that depend on them by transforming land-use practices, business practices and consumer behavior. Companies, cooperatives and landowners that participate in our programs meet rigorous standards that conserve biodiversity and provide sustainable livelihoods. In more than 50 countries around the world, we are helping businesses, governments and communities change their land-use practices and set standards for the long-term use of resources and the conservation of the planet's great wealth of biodiversity. The Rainforest Alliance's SmartWood program was founded in 1989 to certify responsible forestry practices and to date has certified more than 38 million acres worldwide. To learn more, visit www.rainforest-alliance.org