

Dear Participant,

Reforestation Group International RGI SA was strongly affected by the hurricane Otto as you have already seen on our information letter published on this site.



Amparo (Monte Verde III) showing a few standing trees between the fallen trees, these few outspread trees will have no possibility of survival due to this being an unnatural condition for teak trees.

We have been fortunate with our buyers and achieved fair prices for the wood that was blown down on our farms but there are several issues regarding the wood and the farms that also have been hit by the effect of the storm, such as:

- Secondary influence on the standing trees, roots were jingled and because of the dry season they cannot be healed easily and becomes weak for further wind and illnesses;
- Many trees were cracked, not only the fallen ones but also some of the standing trees
- Extraction costs went up and accessibility became difficult due to the upstanding roots and the holes of them in the field;

- Internal roads were blocked and had to be cleaned before access to the inner areas was possible;
- Time-race to avoid attacks of insects (pinholes in the wood), and we still have a long way to go before all the farms are harvested completely.



Arco Iris (Monte Verde IV) showing some few standing trees on both side of the internal road at the back of the farm.

Farms that has suffered most and till the level of being on final harvest are as follows;

- Amparo, Monte Verde III
- Arco Iris, Monte Verde IV
- Cristo Rey, Monte Verde V
- Olger
- Mairena

Farms that has suffered less;

- El Parque, average impact
- Carrizal, minor impact
- Combate, small area of impact
- Gallito, small impact



Cristo Rey (Monte Verde V) showing the sad reality of one of the most affected farms.

Verification email

RGI SA has already started to send out verification letters by email to those clients who are situated in the farms that will have a final harvest. These farms are:

- Monte Verde I and II;
- Vasconia.

The other affected farms will follow hereafter and we urge you to respond to these emails as fast as possible.

PLEASE BE PATIENT WHEN RECEIVING THESE EMAILS, IF EMAILS ARE NOT RECEIVED DUE TO MISSING OR WRONG ADDRESSES WE WILL CONTACT YOU BY PHONE OR HOME ADDRESS.

Unaffected farms

Next to the harvesting and damage control we have also our less affected farms that needs our attention and care. Some of these farms were on schedule to be thinned this year but we had to postpone these schedules of thinning, not only because of the work it involves but more of to secure the better prices. The market is now overflowed with wood from the hurricane affect and therefore the wood quality from thinning of young trees is of less, if at all, interest to the buyers. The prices are on this material so low that the cost of extraction becomes higher than the income, this is of course not in the interest of neither you as participant nor for us.



Some of the better logs that were saved from Cristo Rey (Monte Verde V)

We first are concentrating on the extraction of the fallen trees caused by this storm, secondly, we have decided to harvest the most affected farms as being on final, this because the survival chances are lower than recommended by forestry engineers.

We have more than 400,000 trees that were blown down by the storm and our primary goal is saving as much as possible from the wood and value of these trees. When this is done, we will harvest the standing trees on these farms as mentioned. The thinning schedules of all the farms is because of this changed and we hope for your understanding and patience.

It is at this moment not possible to make any estimation of the outcome from the sales of the wood but the investments will not be a total lost and will be paid out to you as client with 90% of all the value that can be obtained.

The main channel for information and news is thru our website, continue following us at www.rqisa.com

Best regards,

Bjorn A Jakobsen,
President of RGI SA