

STATEMENT No: **SGS-TLTV/LP-0010**

**Timber Legality & Traceability Verification - Legality of Production (LP)
Legality-Verified (LV) Timber**

Further to the SGS Report dated 27 October 2008 and based on the assessment performed by SGS Société Générale de Surveillance SA between 18 and 23 August 2008 at the site(s) mentioned below, the Company,

SABAN ENTERPRISES LIMITED

Lot 1, Section 479, Kennedy Road, Gordons, Port Moresby, Papua New Guinea,
"the Company",

has been evaluated against agreed principles under
the **SGS Timber Legality & Traceability Verification** Programme for the following productions:

Production, transport and domestic sales of logs
at:

FMUs Sagarai Gadaisu Timber Rights Purchase area (61,058 ha) and Tagwa-Tagwai Timber Authority
area (3,715 ha), Milne Bay Province
Papua New Guinea,

demonstrating compliance with the following principles related to specified laws and regulations applicable in the country of origin and
with requirements related to the Company's internal traceability system:

Applied Standard: SGS TLTV v 14.11.2007 with PNG Verifiers v 18.08.08
Authorization to exercise an economic activity; Rights of workers and local communities; **Authorization** to exercise forest
activity; **Regulation in** terms of forest declaration and taxation; **Forest** harvesting regulations; Marketing and timber
processing regulations; Registrations maintained by the company; **Management** and **Chain-of-Custody** monitoring systems.

Company under TLTV with SGS since:

The above timber products can be traded collectively as 'Legality-Verified' (LV) timber or products. The relevant principles, criteria
and indicators may be consulted at the Client's premises or inquired from lnvestry@sgs.co.zg.
For more information visit www.sgs.com/forestry-monitoring.

This Statement shall be valid for a period of **5 years**
from **27 October 2008** until **26 October 2013**

Authorised by

Antoine de La Rochetordière
SGS Forestry Monitoring Programme

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This Statement is issued, on behalf of the Company, by SGS Société Générale de Surveillance SA under its General Conditions for
Timber Legality & Traceability Verification Services. The findings recorded hereon are based upon assessments performed by SGS
Société Générale de Surveillance SA the results of which are valid for the time and scope of the intervention only as referenced
above. The scope and findings are available in the Report above-referenced. A copy of the Report and/or the findings may be
consulted at the Company's premises. This Statement does not relieve the Company from compliance with any bylaws, federal,
national or regional acts and regulations or with any guidelines issued pursuant to such regulations. Stipulations to the contrary are
no: binding on SGS Société Générale de Surveillance SA and SGS Société Générale de Surveillance SA shall have no
responsibility vis-a-vis parties other than the Company.

