

Sixth letter to shareholders

Dear shareholder

New manager

The first piece of good news is our new manager, Jacqueline Jakob-Gallmann, who took up work on 17th September on a part-time basis of 20 - 30 % for our Company.

By employing Jacqueline, we have implemented the most important finding of our risk analysis: the Company must be able to continue work even if one or both of us become unavailable.

However, continuity is guaranteed, as when Jacqueline has learned the ropes, we will both step back a little from the operational side and concentrate on the strategic level and the work in Panama. Continuity is therefore guaranteed and, of course, we will always be available for our shareholders.

Jacqueline Jakob-Gallmann

*1969, Swiss citizen, lives in Zürich, married, three children

MA in communication/history, career diplomat, mediator

1997-1999 Zurich Financial Services
1999-2008 member of the Swiss diplomatic corps
Until July 2009 Management Consultant in personnel issues with Mercuri Urval AG (Switzerland)

In her professional and private life, Jacqueline is particularly interested in ecological, economical, and social issues in connexion with sustainability.



Securing liquidity

Most of the decisions taken by the Annual General Meeting of 5th May, 2009, have already been implemented and show the following result:

| Options | paid in |
|---|---------------|
| Loans | 522,268 CHF |
| Loans with the right to convert | 985,432 CHF |
| Participation in The Tree Partner Company | 671,740 CHF |
| Total | 2,179,440 CHF |

With the 2.18 million Swiss Francs, our liquidity has been extended to February, 2012. We still need about another 1.4 million US Dollars until the first income from wood sales in 2014/15. Shareholders can still contribute towards reducing this gap by providing Forests for Friends with loans with the right to convert.

Regarding the option "Participation", we are currently investigating with The Tree Partner Company the best land to sell. It will be evaluated before the sale again by independent assessors so that we are certain that the deal is fair to both companies.

Trade shows

On 5th September we had a small stand at the trade fair "Green Money" in Münster, Germany, and on 10th October at the trade fair "Freiburger day for ethical and ecological investments" in Freiburg i.Br., Germany. As we had informed our shareholders in advance, we had the opportunity of meeting some of you again in person. Ruedi Engler held a well-received presentation on both occasions.

Sale of part of San Juan

Negotiations to sell 131 hectares of land in San Juan have progressed well. The land is planted with teak, but it is not good teak land and the trees are therefore no longer being intensively maintained. The buyer intends to experiment with other tree species and might reforest the land for other purposes. The first instalment has been paid. We will update you as soon as the sale has been finalised.

Investors' trip

There are still some places left for the tour of Panama. Ask for the brochure and register as soon as possible. The trip is really an unforgettable experience!

The two of us are going to Panama for four months starting at the middle of October and will do our very best to further the pending court cases in our favour, find opportunities for additional income and improve Forests for Friends Panama's position in the local market of precious woods. You will hear from us again with the invitation to the Annual General Meeting. We are looking forward to seeing you in the afternoon of 5th May 2010 in Affoltern am Albis, Switzerland.

Best regards



Carol Franklin Engler
Chairman of the Board



Rudolf Engler
Delegate of the Board