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Press Release

Stockholm, 5 November 2010

RusForest's rights issue oversubscribed and provides the Company with approx. SEK 437 million before issue costs

RusForest's AB's (publ) ("RusForest" or the "Company") rights issue has attracted a large amount of interest from investors and was oversubscribed by 46 per cent. The new share issue provides the Company with approximately SEK 437 million before issue costs.

98.7 per cent of the new share issue was subscribed for through the exercise of subscription rights. The remaining shares have been subscribed for without preferential rights, and allocation of such shares has been made by the board of directors as per the resolution of the extraordinary shareholders' meeting, as described in the prospectus.

As a result of the rights issue, the number of shares in RusForest will be increased by 43,681,680 shares, to 65,522,520 shares, and the share capital will increase with SEK 436,816,800, from SEK 218,408,400 to SEK 655,225,200.

RusForest's rights issue will be completed in accordance with the following preliminary timetable:

- Notification of allocation of shares subscribed for without preferential rights is expected to take place by way of sending out transfer notes on or about 5 November 2010.
- Last day of payment for shares allocated based on subscription without preferential rights is 10 November 2010.
- Trading in interim shares (Sw. *BTA*) is expected to cease on or about 11 November 2010 and the new shares issued in connection with the rights issue are expected to be registered by the Swedish Companies Registration Office (Sw. *Bolagsverket*) on or about 16 November 2010 and will be traded on NASDAQ OMX First North on or about 18 November 2010.

Advisors

E. Öhman J:or Fondkommission is the Company's financial advisor and also acts as the issuing institution in connection with the rights issue, and Advokatfirman Vinge KB is the Company's legal advisor.

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*RusForest offers a unique opportunity to invest in Russian forestry: www.RusForest.com
RusForest AB's Certified Adviser on First North is E. Öhman J:or Fondkommission AB.*



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About RusForest AB (publ)

RusForest is a forestry and sawmilling company operating in Eastern Siberia, Russia, and controlling long term leases covering over 850 thousand hectares of forest land. Alongside Brazil, Russia has the world's largest forest reserves by a significant margin, and Eastern Siberia is world renowned for its Pine and Larch of exceptional quality.

Through a series of acquisitions and development projects, RusForest increased sawnwood production by 37.9 percent in 2009, to 166,333 m³, in spite of weak market conditions. RusForest's goal is to develop into a leading independent integrated forestry and sawmilling company in Russia, with an annual harvest of 1.8–2.0 million m³ and an annual sawnwood production of 550,000–600,000 m³ during the coming four years.

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