



KEWEENAW SENDS LETTER TO SHAREHOLDERS

Your Board is Successfully Increasing Long-Term Shareholder Value

Corrects New York Hedge Fund Cornwall Capital's Misleading Statements

Cornwall Has Failed to Put Forth any Plan for Keweenaw, Despite their Involvement in Strategic Review Process

Discard All White Proxy Cards from Cornwall Capital – Do Not Give Their Financial Engineers Control of Your Company

*Vote on the **GREEN** Proxy Card TODAY to Protect Your Investment in Keweenaw*

IRONWOOD, Mich., March 13, 2018 – Keweenaw Land Association, Limited (“Keweenaw” or “the Company”) (OTC Pink: KEWL) today sent a letter to shareholders in connection with Cornwall Capital Management LP’s (“Cornwall”) nominations of three director candidates for the Keweenaw Board of Directors (the “Board”).

The full text of the letter follows:

March 13, 2018

Dear Shareholders,

You may have recently received a letter from Cornwall Capital Management LP (“Cornwall”) regarding their nominations of three director candidates for the Keweenaw Board. Do not be misled by their letter. It contains a number of falsehoods and is intended to get you to vote for directors whose addition to the Board would give Cornwall majority control over your Company and would put your investment at risk.

The bottom line is this: your current Board is actively pursuing strategies that are driving true long-term value at Keweenaw.

Protect your investment – Please vote on the GREEN proxy card today.

As you think through the important decision you will face at the Annual Meeting of Shareholders on April 12, 2018, we urge you to consider the following points.

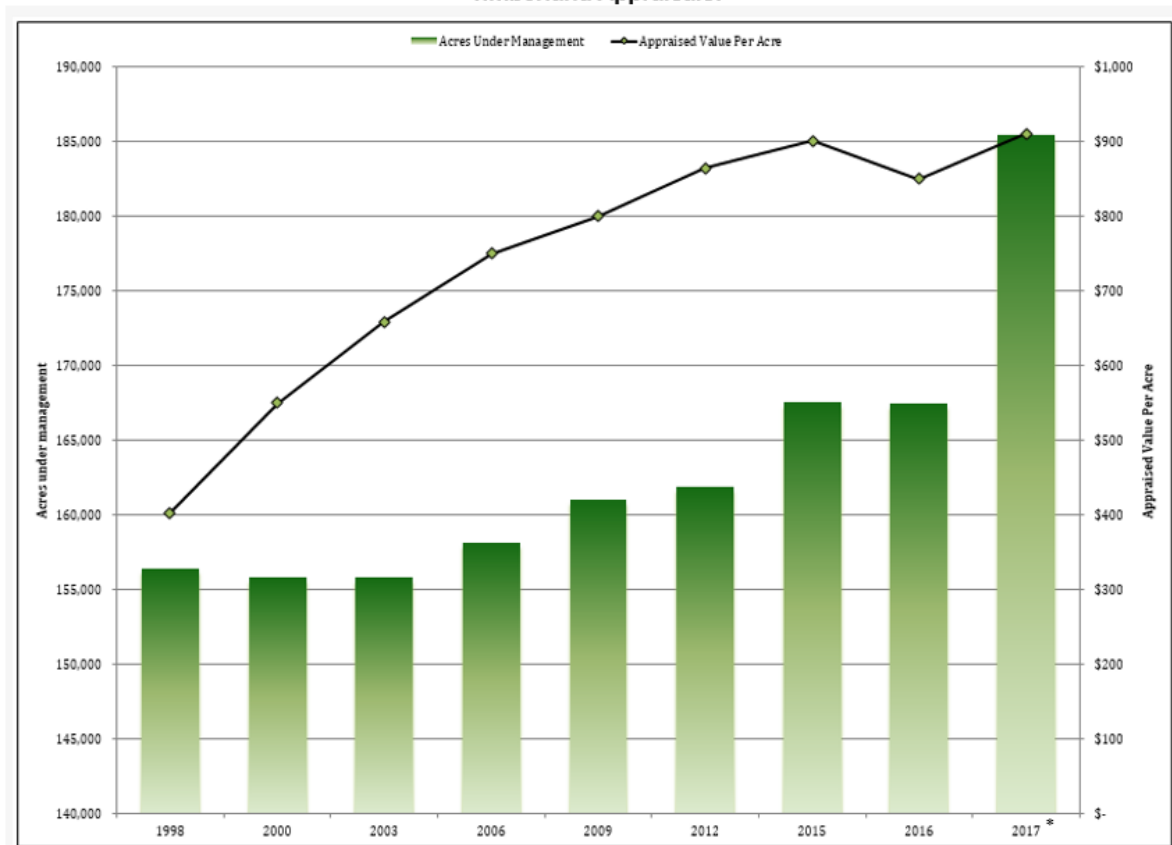
➤ **Keweenaw is pursuing the right strategy to increase value for shareholders. The Company's strategy is not flawed. Keweenaw's strategic initiatives include:**

- ❖ Planning to convert to a REIT effective for the 2018 tax year, which will result in an increased ability to distribute earnings from the sale of timber in a tax efficient manner while also eliminating built-in gains on timberlands at the corporate level within the next five years.
- ❖ Reviewing the Company's cost structure.
- ❖ Pursuing the potential sale of a conservation easement on recently acquired lands in Wisconsin, which will allow the Company to monetize the bare-land / development values of properties.
- ❖ Continuing efforts to creatively monetize non-core assets.

Cornwall's only "strategy" for Keweenaw may be a sale of the Company at a distressed price to exit their investment – harming other shareholders.

➤ **Keweenaw manages land in a way that drives the value of its timberlands and the quality of its timber.**

Timberland Appraisals:



*Note: 2017 figure reflects appraised value based on appraisal of collateral property for MetLife loan facility.

- ❖ Regular appraisals have shown that the value of our timberlands has increased significantly in the past 25 years – and this reflects how we are managing our lands. This means that the value of Keweenaw's underlying assets is increasing.

- ❖ Timber harvest reached record levels in 2017, and this productivity has continued into 2018.
- ❖ The Company's current timber harvest equates to four times what it was 25 years ago.
- ❖ Keweenaw's 2017 comprehensive timber cruise, performed by a third-party forestry consulting firm, indicated that the Company has higher standing timber volumes than previously recognized.
 - This measurement demonstrates that timber is growing even faster than expected.
 - The total standing timber volume was approximately 25% higher than current internal forest growth and yield models were projecting.
 - Based on these results, the Company is positioned to materially increase future annual harvests.

The issue with Cornwall is that they are financial engineers, not timber experts. They simply don't understand Keweenaw's business.

➤ **Both Cornwall-associated directors already on the Board – Jan Loeb and James (“Jamie”) Mai – have already been fully engaged in, and aware of, the strategic decisions made at the Company in the past year.**

- ❖ Jamie Mai supported the REIT conversion proposal and has voted in favor of all strategic initiatives with only one exception – the acquisition of a total of 17,300 acres of investment grade timberlands in 2017, to complement our existing ownership footprint and provide additional scale.
- ❖ It bears mentioning that Jamie Mai didn't engage in his own due diligence on Keweenaw – making no effort to visit and understand the Company – before investing and joining the Board.
- ❖ Jamie Mai was involved in the Company's strategic review from the beginning of his time on the Board in September of 2015 and has been on the Strategic Planning Committee since its formation in December of 2016. In fact, Cornwall director Jan Loeb was the Chairman of the Strategic Planning Committee.
- ❖ The facts make clear that the Cornwall-associated directors do not fully understand the business and why certain strategic directions do not make sense:
 - In December 2016, just before the strategic committee began the sale process, Keweenaw had an appraisal completed on its timberlands as part of our financing agreement with MetLife. The appraised value of the Company's timberlands as of December 31, 2016 was \$850 per acre.
 - In December 2017, an update to the appraisal was completed as part of our financing agreement with MetLife. This appraisal used the new timber cruise information and the resulting appraised value for the timberlands was \$901 per acre.
 - The net change in value as a result of the new cruise volume was \$50 per acre, which on a per share basis is only \$7.13 per share.
 - During the sale process that we held, the bidders stated that the value of the bids took into account the built-in gains due on the timberlands which at that time were estimated to be over \$50 million. Jamie Mai refused to acknowledge this point despite hearing it directly from the bidders in person.
 - The bottom line is that Cornwall's directors failed to understand the potential tax hit from a sale at the time – which is exactly what we are addressing by converting to a REIT. This was discussed as part of the post-sale process review that Jamie Mai claims never happened. They believed that a bidder would find a workaround to the tax situation and that offers for Keweenaw would not be reduced by the tax overhang. The facts show that this would not be the case.

How can Cornwall say the strategic review process was flawed when they were deeply involved in it? The reality is that Cornwall has had a voice in the boardroom.

➤ **The actions of Keweenaw's Board have demonstrated that the Company is willing to engage and work collaboratively with shareholders and be transparent about the value of our resources.**

- ❖ The charge that the Board is entrenched and doesn't listen to other opinions is simply false, given that we settled with Cornwall last year and gave them two Board seats.
- ❖ The Board meetings present opportunities for all directors to discuss their points of view, and the majority – not a minority – decides the strategic direction of the Company.
- ❖ Keweenaw conducts an independent third party appraisal of its timberlands every three years and then publishes the results to assist shareholders in understanding the value the Company's timberland assets. Many of Keweenaw's peers do not engage in this same process, which has been standard practice at the Company over the last twenty years.

Cornwall gaining control of the Keweenaw Board would put all other shareholders at a disadvantage – giving this one investment fund five seats on the Board – thereby drowning out independent voices. A change in control of the Company also could cause the loss of experienced senior operating management and trigger employment contract provisions that would cost in excess of one million dollars.

Your Board has the right mix of industry knowledge and experience to continue placing Keweenaw on the right path towards increasing shareholder value.

Cornwall's nominees do not have the industry knowledge or expertise to drive lasting value at the Company. They are more concerned with personal gain than with the best interests of all Keweenaw shareholders.

Protect your investment and vote for your current Board to continue carrying out the strategic vision that has already led to record results for the Company and its investors.

PLEASE VOTE FOR YOUR BOARD ON THE GREEN PROXY CARD TODAY!

PLEASE DO NOT SIGN ANY WHITE PROXY CARD SENT TO YOU BY CORNWALL CAPITAL MANAGEMENT LP

Sincerely,

David Ayer

Director and Chairman of the Board, Keweenaw Land Association, Limited

Brian D. Glodowski,

Director, CEO, President, and Secretary, Keweenaw Land Association, Limited

If you have any questions, or need assistance voting
your **GREEN** proxy card, please contact:



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About Keweenaw Land Association, Limited

Keweenaw is a forest products and land management company located in Ironwood, Michigan. Keweenaw has land holdings of approximately 185,500 surface acres and over 400,000 acres of mineral rights, located predominantly in the western Upper Peninsula of Michigan and northern Wisconsin. Keweenaw shares trade in the OTC Markets under the Pink directory with 1,301,550 shares outstanding.

Statements in this document may constitute “forward-looking” statements regarding Keweenaw and its business. Forward looking statements involve significant risks and uncertainties and are not representations as to or guarantees of future results. The risks and uncertainties include changes in general economic conditions generally or in the timber industry, disruptions in Keweenaw’s business, program implementation delays, cost increases, expenses relating to the REIT conversion and proxy contest, capital needs, and other adverse factors. Actual events may cause results to differ materially from those contemplated in the forward looking statements.

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