

## **Keweenaw Land Association Enters into Definitive Agreement for Sale of Timber Assets**

IRONWOOD, Mich., November 23, 2021 (GLOBE NEWSWIRE) – Keweenaw Land Association, Limited (OTC US: KEWL) today announced it has entered into a definitive agreement to sell its timber assets to an entity managed by a non-affiliated large institutional timberland investment manager in an all cash transaction. The transaction is expected to close by the end of 2021, subject to shareholder approval, completion of buyer’s inspection period, and other customary closing conditions. Keweenaw will retain ownership of 428,789 acres of subsurface mineral rights and will continue to trade as a public company while the board continues to explore the most efficient structure for its remaining assets.

The company also announced that its board of directors approved a plan of partial liquidation in connection with the sale (“Plan of Partial Liquidation” or “Plan”). If the Plan of Partial Liquidation is approved, the net proceeds from the sale following the deduction of corporate taxes, other expenses related to the sale, cash retained for the ongoing business, and an indemnity holdback, will be distributed to the company’s shareholders. We estimate this special distribution will equal approximately \$100 per share, payable in two installments as follows: an initial distribution of approximately \$92 per share payable on or before December 31, 2021, and a second distribution of approximately \$8 per share payable on or before December 31, 2022. The second distribution is subject to potential reduction for indemnity claims or other contingencies.

It is intended that the special distribution will be treated as a “redemption in partial liquidation of the Company” within the meaning of Section 302(b)(4) of the Internal Revenue Code. Each shareholder is urged to consult and rely on their own tax adviser with respect to the tax consequences of the special distribution.

Notwithstanding the adoption of the Plan, the Company expects to continue operating as a going concern and a publicly traded company focused on maximizing the value of Keweenaw’s remaining assets, including its mineral rights. The Company will take steps immediately upon closing to substantially reduce its overhead costs; most notably by decreasing headcount, board size and professional service fees. Possible savings contemplated at this time include moving from a PCAOB audit standard to an AICPA standard and potentially moving from the OTC Pink Current Tier to the OTC Pink Limited Tier. Tim Lynott will become Keweenaw’s President on January 1, 2022, replacing Mark Sherman who is retiring.

The Company has prepared a proxy statement, which it anticipates mailing to shareholders beginning on or about November 24, 2021. A copy will also be posted to the Company’s website under “Company Reports” and on the OTC Markets website. Keweenaw shareholders and other interested persons are advised to read the definitive proxy statement in connection with the special meeting to be held to approve the sale transaction and Plan of Partial Liquidation. These materials contain important information about the proposed transaction.

Three of our largest shareholders, including Cornwall Capital and First Foundation, which are funds affiliated with members of our board of directors, and The 1911 Trust have executed voting support agreements in favor of the transaction and the Plan of Partial Liquidation. These shareholders currently represent approximately 48% of the current outstanding shares of Keweenaw.

Keweenaw Chairman Jamie Mai commented: "We are pleased with this transaction. The buyer is a sophisticated timberland investor with a track record to justify its strong reputation. We believe the deal terms are attractive, and are confident that the buyer will continue to uphold Keweenaw's strong tradition of responsible forest management. After this transactions closes, we will turn our attention to Keweenaw's substantial mineral portfolio where we see exciting opportunities to extend our track record creating and realizing value for shareholders."

**Contact:** Paula J. Aijala, Secretary, Keweenaw Land Association, Limited, [investors@keweenaw.com](mailto:investors@keweenaw.com).

**About Keweenaw Land Association, Limited:** Keweenaw is a forest products and land management company located in Ironwood, Michigan. Additional information is available on the Company's website at [www.keweenaw.com](http://www.keweenaw.com). The Company is currently not subject to the filing requirements of the Securities Exchange Act of 1934, as amended. The Company is categorized as "Pink Current Information" under the OTC Pink Sheets.

**Forward-Looking Statements:** THIS PRESS RELEASE CONTAINS FORWARD-LOOKING STATEMENTS THAT HAVE BEEN MADE PURSUANT TO PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. FORWARD-LOOKING STATEMENTS REPRESENT THE COMPANY'S EXPECTATIONS OR BELIEFS CONCERNING FUTURE EVENTS, INCLUDING ANY STATEMENTS REGARDING: THE SATISFACTION OF CERTAIN CLOSING CONDITIONS SPECIFIED IN THE PURCHASE AND SALE AGREEMENT, THE COMPANY'S ABILITY TO SUCCESSFULLY CLOSE THE TIMBERLAND ASSET SALE AND THE TIMING OF SUCH CLOSING, THE DIVERSION OF MANAGEMENT'S FOCUS AND ATTENTION PENDING THE COMPLETION OF THE TIMBERLAND ASSET SALE, THE IMPACT OF THE ANNOUNCEMENT OF THE TIMBERLAND ASSET SALE ON THE TRADING PRICE OF OUR COMMON STOCK, ON OUR BUSINESS AND ON OUR RELATIONSHIPS WITH OUR CUSTOMERS, SUPPLIERS, PARTNERS AND EMPLOYEES, THE RECEIPT AND USE OF THE CASH CONSIDERATION TO BE RECEIVED BY THE COMPANY UNDER THE PURCHASE AND SALE AGREEMENT, THE SUFFICIENCY OF THE COMPANY'S CASH BALANCES AND CASH USED IN OPERATIONS, FINANCING AND/OR INVESTING ACTIVITIES FOR THE COMPANY'S FUTURE LIQUIDITY AND CAPITAL RESOURCE NEEDS, AND MANAGEMENT'S PLANS AND EXPECTATIONS FOR THE FUTURE. WITHOUT LIMITING THE FOREGOING, THE WORDS "BELIEVES," "INTENDS," "PROJECTS," "PLANS," "EXPECTS," "ANTICIPATES" "ESTIMATES" AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. ACTUAL EVENTS OR RESULTS MAY DIFFER MATERIALLY FROM THESE PROJECTIONS. INFORMATION REGARDING THE RISKS, UNCERTAINTIES AND OTHER FACTORS THAT COULD CAUSE ACTUAL RESULTS TO DIFFER FROM THE RESULTS IN THESE FORWARD-LOOKING STATEMENTS ARE DISCUSSED UNDER THE SECTION "RISK FACTORS" IN THE COMPANY'S PROXY STATEMENT. PLEASE CAREFULLY CONSIDER THESE FACTORS, AS WELL AS OTHER INFORMATION CONTAINED HEREIN AND IN OUR PERIODIC REPORTS AND ACCOMPANYING DOCUMENTS FOUND ON OUR WEBSITE (AT [WWW.KEWEENAW.COM/COMPANY-REPORTS/](http://WWW.KEWEENAW.COM/COMPANY-REPORTS/)). THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS PRESS RELEASE ARE MADE ONLY AS OF THE DATE OF THIS PRESS RELEASE. WE DO NOT UNDERTAKE ANY OBLIGATION TO UPDATE OR SUPPLEMENT ANY FORWARD-LOOKING STATEMENTS TO REFLECT SUBSEQUENT EVENTS OR CIRCUMSTANCES, EXCEPT AS REQUIRED BY LAW.