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**Equity Partners HG and Bengur Bryan broker sale of Superior Hardwoods  
to Baillie Lumber Company**

March 2, 2017 – MONTEZUMA, Ind. – Wednesday, J. T. Shannon Lumber Company, Inc. completed a going concern sale of its Superior Hardwoods division, including its state-of-the-art sawmill located in Montezuma, Ind., to Hamburg, N.Y.-based Baillie Lumber Company. Equity Partners HG, and Bengur Bryan, both Maryland-based investment bankers, served as intermediaries for the seller.

J.T. Shannon Lumber Company (“J.T. Shannon” or the “Company”) is a leading manufacturer of precision cut hardwood lumber with revenue of approximately \$85 million annually. Up until Wednesday, the Company operated three related businesses: A sawmill/lumber manufacturing business, lumber concentration yards, and an engineered wood flooring manufacturing business. After the sale of the Montezuma sawmill, the Company’s remaining operations are located predominately in Horn Lake, Miss., just outside of Memphis. In addition, J.T. Shannon has an international sales office in Shanghai, China and sales agents in Europe and Mexico.

Superior Hardwoods is located on a 60-acre site and produces in excess of 27 million board feet of lumber per year. Due to the favorable growing conditions in the immediate area, the saw mill is able to get a very high percentage of FAS grade lumber.

In mid-October 2016, J.T. Shannon retained Equity Partners HG and Bengur Bryan as the exclusive brokers for the company. Having recently added significant kiln capacity in Horn Lake and successfully transitioned its flooring business from solid hardwood to engineered hardwood, J. T. Shannon wanted to explore its options to find working capital to further grow those businesses.

Baillie is one of the leading manufacturers and wholesalers of hardwood lumber in the United States. According to CEO Jeff Meyer, “Baillie is excited to carry on the long, rich history of producing high quality hardwoods at the Superior sawmill. We look forward to working with the employees at Superior in continuing to serve the customer base that they have built so successfully over the years.”

Ken Mann, senior managing director for Equity Partners HG, said, “As we explored the market and considered the options and Jack Shannon’s thoughts about his long term succession plan, it became clear that Superior was a highly attractive target and that a sale, combined with a refinancing of the remaining operations, was the ideal path forward for Jack and his company.” He added, “All of us at Equity Partners HG are happy to see this outcome and we look forward to wrapping up the refinancing piece and to many more years of continued service and success out of Shannon Lumber.” According to Jack Shannon, J.T. Shannon’s CEO, “This sawmill has been a winner for us since we acquired it in 1999. Baillie is getting a tremendous operation with great people, and we know they will have continued success with it. This sale will allow us to put some growth capital into the Shannon concentration yard in Horn Lake, and to continue to grow our engineered flooring business.”

Other professionals who worked on the transaction include:

- Richard Nichol, Evans Petree PC, counsel to J.T. Shannon Lumber Company
- David Bradley, Hodgson Russ LLP, counsel to Baillie Lumber Company
- Scott Bass, Bengur Bryan, co-investment banker to J.T. Shannon Lumber Company

We look forward to continuing to serve our Shannon Lumber Co. customers. Please direct your inquiries and questions to your Shannon sales team: Mike Norris, (662)280.6113, Ryan Jensen, (901)237.3883, Russell Kelly, (662)910.1122, and Michelle Bailey, (662)280-6106.

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*Shannon Lumber Group, a fifth generation family owned company, was established in the late 1880’s as The Shannon Lumber and Stave Company and is one of the most innovative and trusted suppliers of North American hardwood products in the world today. The Shannon Lumber Group consists of three primary divisions: J. T. Shannon Lumber Company, Shannon Lumber International and Shamrock Plank Flooring.*