



**POWTON LAND
HOLDINGS**

Powton Land Holdings Ltd ABN 33 087 201 652
Level 8, 105 St George's Terrace
Perth Western Australia 6000
P.O. Box Z5050, St. George's Terrace
Perth Western Australia 6000
Telephone: 08 9226 0888
Facsimile: 08 9226 1348
Email: admin@kiripark.com.au
Website: www.plh.com.au

A member of the EFF Group of Companies

FINANCE PACKAGES

1 February 2005

Kiri Park Project 2004 / 2005

For KPP-05 Growers

Powton Land Holdings Limited (ACN 087 201 652) offers various finance packages to suit the needs of investors in the Kiri Park plantation forestry projects.

This document sets out the finance options available. It should be read in conjunction with a current Product Disclosure Statement ("PDS") for the Kiri Park Project 2004/2005.

Copies of a current PDS are available by calling Environmental Forest Farms Management Limited (08) 9226 0888 or by downloading it from the Company's web site at www.kiripark.com.au

Powton Land Holdings Limited

Powton Land Holdings Limited is pleased to provide the following financing options for investors in the Kiri Park Project 2004/ 2005.

Interest Only Finance

3 year Interest Only

Principal and Interest Loans

5 year Principal and Interest – Paid annually in advance

5 year Principal and Interest – Paid monthly in advance

Terms

- ❖ Application Fee as set out in this finance package
- ❖ Minimum deposit payable upon application of **\$1,003.80 per Woodlot**
- ❖ Payment for Powton Land Holdings Shares of **\$600.00 per Woodlot investment**

Other

- ❖ Growers can pay a deposit that is greater than the minimum.

For further information contact:

Powton Land Holdings Limited
or
Environmental Forest Farms Management Limited
P.O. Box Z5050, St. George's Terrace, PERTH WA 6831
Telephone +618 9226 0888
Facsimile +618 9226 1348
Email: admin@kiripark.com.au

An application can only be made by completing the application form contained in the current PDS. Before signing the application form, applicants should read the current PDS in its entirety and seek appropriate independent advice.

FINANCE OPTIONS

Option A – Interest Only Finance

Term	3 years				
Interest Rates	12.0% per annum for loans less than \$5,000.00 per Woodlot 12.5% per annum for loans greater than \$5,000.00 per Woodlot				
Minimum Application	\$3,000.00				
Amount Funded	Up to 90% of application amount				
Payments on Application					
Minimum Deposit	\$1,003.80 per Woodlot				
Finance Application Fees					
	<table> <thead> <tr> <th>Individuals</th> <th>Company/ Trust</th> </tr> </thead> <tbody> <tr> <td>\$300.00</td> <td>\$350.00</td> </tr> </tbody> </table>	Individuals	Company/ Trust	\$300.00	\$350.00
Individuals	Company/ Trust				
\$300.00	\$350.00				
Shares in PLH	\$600.00 per Woodlot				
Other	Growers can pay a deposit that is greater than the minimum				
Finance Type	Full Recourse Loan				
Security	Fixed charge over the relevant Grower's Woodlot(s) Guarantors are required for Corporate Borrowers				
Documents Required to Apply	Please refer to the Approval Checklist for Introducers at the beginning of the Application Form				

FINANCE OPTIONS

Option B – Principal and Interest Finance

Term	5 years, paid annually in advance	
Interest Rates	12.0% per annum for loans less than \$5,000.00 per Woodlot 12.5% per annum for loans greater than \$5,000.00 per Woodlot	
Minimum Application	\$3,000.00	
Amount Funded	Up to 90% of application amount	
Payments on Application		
Minimum Deposit	\$1,003.80 per Woodlot	
Finance Application Fees		
	Individuals	Company/ Trust
	\$300.00	\$350.00
Shares in PLH	\$600.00 per Woodlot	
Other	Growers can pay a deposit that is greater than the minimum	
Finance Type	Full Recourse Loan	
Security	Fixed charge over the relevant Grower's Woodlot(s) Guarantors are required for Corporate Borrowers	
Documents Required to Apply	Please refer to the Approval Checklist for Introducers at the beginning of the Application Form	

FINANCE OPTIONS

Option C – Principal and Interest Finance

Term	5 years, paid monthly in advance	
Interest Rates	12.0% per annum for loans less than \$5,000.00 per Woodlot 12.5% per annum for loans greater than \$5,000.00 per Woodlot	
Minimum Application	\$3,000.00	
Amount Funded	Up to 90% of application amount	
Payments on Application		
Minimum Deposit	\$1,003.80 per Woodlot	
Finance Application Fees		
	Individuals	Company/ Trust
	\$300.00	\$350.00
Shares in PLH	\$600.00 per Woodlot	
Other	Growers can pay a deposit that is greater than the minimum	
Finance Type	Full Recourse Loan	
Security	Fixed charge over the relevant Grower's Woodlot(s) Guarantors are required for Corporate Borrowers	
Documents Required to Apply	Please refer to the Approval Checklist for Introducers at the beginning of the Application Form	

SUMMARY OF TERMS AND CONDITIONS

The following provides a summary of the material terms of the Loan Agreement. Should you wish to obtain a full copy of the Loan Agreement and/or Guarantee and Indemnity Agreement, please call our office on +618 9226 0888 or email us at admin@kiripark.com.au

- 1. Definitions**

Lender – Powton Land Holdings Limited
Borrower – The Loan Applicant
Principal Sum – the amount of the Funds which have not been repaid by the Borrower
Funds – the provision of financial accommodation, as per the Loan Agreement.
- 2. Interest**

12.0% per annum for loans less than \$5,000.00 per Woodlot
12.5% per annum for loans greater than \$5,000.00 per Woodlot

All payments by the Borrower to the Lender will be applied first in payment of any Interest due, secondly in payment of the Principal Sum and then in payment of any other money payable to or recoverable by the Lender under the terms of the Loan Deed.
- 3. Repayment of Principal Sum**

Borrower must repay to the Lender a repayment amount on each of the repayment dates as set out in the Loan Agreement and the Loan Schedule.
- 4. Early Repayment**

Early repayment may not take place unless permitted by the Lender, and the Borrower acknowledges that the Lender may charge the Borrower its costs and expenses and an administration fee connected with early repayment.
- 5. Manner of Payment**

Unless otherwise agreed by the Lender, the Borrower must deliver a periodical payment authority to the Lender to enable direct debit of repayments.
- 6. Costs and Expenses**

Borrower's costs include an application fee which is to be paid on Application.
- 7. Lenders Costs**

Lenders costs include the stamping of the Loan Agreement and the guarantee if Applicable, and shall be incurred by the Lender.
- 8. Security**

As security over the loan, the Borrower agrees for a fixed charge to be placed over the Borrower's interest in the Project, including the Lease and Management Agreement, the timber growing on those Woodlots and all cut Timber products and proceeds of sale therefrom.

The Borrower shall not grant any other mortgage, charge of other encumbrance over the charged property (as above) or dispose of the charged property without the consent of the Lender.
- 9. Covenants and Warranties**

The Borrower warrants that it has the power to enter the Loan Agreement and that there are no judgments, attachments or legal proceedings against the Borrower.
- 10. Trusts**

Where the Borrower is the Trustee of a Trust, it may not vary the terms of the Agreement establishing the Trust or change the Trustees without the prior written Consent of the Lender.

- 11. Appoint a Receiver** If an event occurs in accordance with Clause 11 of the Loan Agreement, then the Lender has the right to appoint a receiver.
- 12. Information to be Given to the Guarantor** The Lender may give to persons nominated as guarantors personal information about the 'Borrower's creditworthiness, credit standing, credit history or credit capacity.
- 13. Privacy** Information you provide will only be used for the purpose for which it was intended or as part of the normal commercial operations of the Lender.
- Part of the Lenders normal operations may involve the securitisation of loans to third parties. Where this occurs the third party will also be bound by the requirements of privacy legislation.
- The Lender may also disclose information relating to your loan to credit reporting agencies. This information may include, by way of example and not limited to, the fact that you have applied for a loan, any overdue loan repayments sent to us that have dishonoured more than once. The Lender may request information about your personal and commercial finances from credit reporting agencies, your employer, and any other financial institutions.

Note: Debt Collection Procedures on default

Please note that Powton Land Holdings Limited will pursue defaulting debtors in accordance with usual debt collection procedures. Therefore, whilst security is taken over the Woodlot, the Borrower(s) and Guarantor(s) (where applicable) should be aware that other assets may be at risk where they are in default. Given the long term nature of the investment in the Kiri Park Project 2004/ 2005, the recoverable or market value of the security may not be sufficient to meet all debts due under the finance facility. Should this be the case, Powton Land Holdings Limited will pursue recovery of all sums due by usual commercial means.

Loan Application Forms

KIRI PARK PROJECT 2004/ 2005

Approval Checklist for Introdurers

Applicant Full Name

Adviser Name

Date

Type of Loan Being Applied For

- 3 Year Interest Only**
- 5 year Principal & Interest**
- 5 year Principal & Interest (Monthly in Advance)**

<input type="checkbox"/> Application	To be completed in full together with all declarations signed or initialed as instructed.
<input type="checkbox"/> Identification	<ul style="list-style-type: none"> ❖ 100 point identification form ❖ Photocopy of supporting documents certified by financial advisor to be included
<input type="checkbox"/> Evidence of Income	<p>PAYE</p> <ul style="list-style-type: none"> ❖ Most recent Group Certificate or last Tax Return; AND ❖ 2 payslips... no more than 3 months old. <p>NON-PAYE (self employed)</p> <ul style="list-style-type: none"> ❖ Last 2 years Balance Sheets; AND ❖ P&L Statement; AND ❖ Individual Tax Return. <p>Proof of other income stated: dividend statements, rental income etc</p>
<input type="checkbox"/> Serviceability	❖ Net Income Commitment Level... less than 85% (see attached worksheet)
<input type="checkbox"/> Assets and Liabilities	<ul style="list-style-type: none"> ❖ Asset and Liability Worksheet attached ❖ Evidence to support the worksheet... photocopies of statements of ownership, loan facilities, credit cards etc.
<input type="checkbox"/> Payment	<p>1) Cheque for \$600.00 (6 shares @ \$100.00) per Woodlot payable to "Powton Land Holdings Limited - Share Application"</p> <p>2) Cheque for a minimum of \$1,003.80 PLUS the Loan Application Fee payable to: "Powton Land Holdings Limited - Loan Application"</p> <p>Note:</p> <ul style="list-style-type: none"> ❖ Growers can pay a deposit that is greater than the minimum.
<input type="checkbox"/> Confirmation of Agency	❖ Confirmation of Agency form complete

Introducer Use Only:

Applicant has complied with all of the above: Yes / No

Signed: _____ Adviser Name: _____

Telephone: _____ Dealer Name: _____

The Credit Provider reserves its right to decline any application, at its sole discretion.

LOAN APPLICATION

1. Loan Amount

Type of Loan ❖ Refer to the Appropriate Loan Agreement ❖ Refer to the Appropriate Loan Schedule	<input type="checkbox"/> 3 Year Interest Only <input type="checkbox"/> 5 year Principal & Interest <input type="checkbox"/> 5 year Principal & Interest (Monthly in Advance)
No. Woodlots ()	\$9,125.00 per Woodlot
GST Applicable	\$913.00 per Woodlot
1st Years Interest in Advance	Interest Rate is 12.0% or 12.5% refer to section 7 of this Application Form
Loan Application Fee	Refer section 6 of this Application Form
Total Cost	
Less: Loan Required	Max \$50,000.00 if Greater than \$5,000.00 per Woodlot
Balance Due And Payable	Min of \$1,003.80 per Woodlot PLUS the Loan Application Fee
Payable To "Environmental Forest Farms Management Limited - Kiri Park Project 2004/ 2005 Account"	Woodlot, Management, GST & Lease Fees
Payable To "Powton Land Holdings Ltd"	Shares, & Loan Application Fee
Special Conditions - Insert details only after confirmation with Powton Land Holdings Limited	

2. Borrowers Details

Individual Borrowers - Joint Borrowers enter both names	
Applicant 1	Applicant 2
Title	Title
Surname	Surname
First Name	First Name
Date of Birth	Date of Birth
Driver's License No.	Driver's License No.
Residential Address	Residential Address
Street No & Name	Street No & Name
Suburb	Suburb
State	State
Postcode	Postcode
Telephone	Telephone
Facsimile	Facsimile
Email	Email
Employment Details <input type="checkbox"/> Full Time <input type="checkbox"/> Part Time <input type="checkbox"/> Casual <input type="checkbox"/> Self Employed <input type="checkbox"/> Retired	Employment Details <input type="checkbox"/> Full Time <input type="checkbox"/> Part Time <input type="checkbox"/> Casual <input type="checkbox"/> Self Employed <input type="checkbox"/> Retired
Occupation	Occupation
Employer	Employer
Duration with Employer	Duration with Employer
Previous Employer (if less than 3 years with current employer)	Previous Employer (if less than 3 years with current employer)



Corporate Borrowers - Directors guarantees will be required

Company Name		ACN	
Contact Surname Name		First Name	

Trustee Borrowers - enter name of trustee as individual below or company name above

Name Of Trust			
Contact Surname Name		First Name	

Adviser Details - enter details of your adviser or accountant

Adviser Name		Company	
Street/Building		Dealer	
Suburb/Town		State	Postcode
Telephone	Home	Work	

3. Assets and Liabilities

Assets	Est. Value	Liabilities	Mthly Pay'ts	Balance/ Limit
Residence (Address)		Housing Loan		
Other Property (Address Details)		Other Loans (Invest. Loans/ Overdraft)		
Savings Accounts (Institut. & Branch)		Lender Type		
Other Investments (Shares, Bonds etc)		Lender Type		
Vehicles		Personal Consumer Loans/ H.P/ Lease		
Superannuation		Bal. Owing		
Other Assets (Boat, contents, valuables etc) – pls specify		Credit Cards/ Store Cards etc		
Total Assets		Other Liabilities		
		Total Liabilities		
		Net Assets (Total Assets – Total liabilities)		

4. Income & Expense Details

Income	Per Annum	Expenses	Per Annum
Income – Earner 1		Credit Commitments (Ave. pa)	
Income – Earner 1		Loan Repayments of this Loan	
Other Regular Income (Pls specify)		Mortgage Repayments	
		Rent	
		Living Expenses*	
		Credit Card/ Store Cards	
		Insurance	
		Child Maintenance	
		Other – Pls specify	
Total Annual Income		Total Annual Expenses	
		Net Income (Income Less Expenses)	

* Living Expenses (per annum): Single Applicants \$7,800.00, plus \$4,000.00 per additional Applicant; \$2,000.00 per dependent; \$4,000.00 per vehicle

5. Other Information

APPLICANT 1: Nearest Living Relative	APPLICANT 2: Nearest Living Relative
Not living with you... whom the credit provider may contact if required	Not living with you... whom the credit provider may contact if required
Name	Name
Address	Address
Telephone	Telephone
Relationship	Relationship
Have you had legal proceedings taken against you for a debt, been bankrupt or insolvent or assigned to your estate?	Have you had legal proceedings taken against you for a debt, been bankrupt or insolvent or assigned to your estate?
<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Note: To be a "resident" you must either:	
1) Hold an Australian passport or citizenship	
2) Have been living in Australia for at least 200 days in the last 12 months, and there is no legal reason preventing you from remaining in Australia indefinitely	

6. Payment Details

3) Cheque for \$600.00 (6 shares @ \$100.00) per Woodlot payable to " Powton Land Holdings Limited - Share Application "	
4) Cheque for a minimum of \$1,003.80 PLUS the Loan Application Fee payable to " Powton Land Holdings Limited - Loan Application "	
<u>Individuals</u>	<u>Company/Trust</u>
\$300.00	\$350.00

7. Interest Rate Applicable

Either	12.0 per cent per annum, payable annually in advance on loans of up to \$5,000.00 per Woodlot;
	OR
	12.5 per cent per annum, payable annually in advance on loans greater than \$5,001.00 per Woodlot.

8. Declarations and Signatures

Business/ Investment Purpose Declaration

I/ We declare that the credit to be provided to me/ us by the credit provider is to be applied wholly or predominantly for business or investment purposes (or for both purposes). You should not sign this declaration unless this loan is wholly or predominantly for business or investment purposes. By signing this declaration you may lose your protection under the Consumer Credit Code.

Signature of Applicant 1

Signature of Applicant 2

Date

Date

Statement of Financial Capacity

I/We declare that I/We have the financial capacity to meet the ongoing commitments imposed upon me/us by the loan applied for in this application, including the annual interest component at the said interest rate as well as the repayment of principal within the specified term.

Initial(s)

Statement about Consumer Credit Check

I/We authorise you and your agents, to make all enquiries it deems necessary to investigate the Applicant's financial status including enquires with the Applicants bankers, credit providers and any credit reporting agency (collectively "the Sources").

The Sources are authorised to disclose to The Lender information concerning the Applicant which is within their possession and requested by The Lender. The Lender is authorised to disclose any information in its possession concerning the Applicant to the Sources.

Initial(s)

Privacy Act Authorisation

I/We authorise you to grant to the Introducer (your financial advisers) as agent, access to this application and its contents for the purpose of obtaining approval and administering any loan that may result from this application.

Signature of Applicant 1

Signature of Applicant 2

Declaration

- ❖ I/ we declare that I/ we have read and understood the particulars in this Application and declare that the information provided by me/ us is true and correct and that no information has been withheld which may affect your decision.
- ❖ I/ we declare that I/ we have read and understood the particulars in the Loan Agreement and the Loan Schedule.
- ❖ I/ we authorize the credit provider to make any other enquiries which it considers necessary to evaluate this enquiry for finance.
- ❖ I/ we understand that this Application for finance does not constitute an offer or acceptance of the provision of credit and is not a contractual document.
- ❖ I/ we understanding that if my/ our Application for finance is not proceeded with for whatever reason, the credit provider is not obligated to refund any fees, expenses, and costs (if any) already paid by me/ us.
- ❖ I/ we are aware that the credit provider may pay the Introducer a commission in connection with this Application for finance.
- ❖ I/ we are authorize the disclosure and use of the information about me/ us in the manner set out in this Application
- ❖ I/We state that the above statements accurately reflects my/our capacity to meet the obligations in respect to this loan application, the purpose of this loan and that I/We am/are not bankrupt, insolvent, in liquidation or subject to a scheme of arrangement.

Signature of Applicant 1

Signature of Applicant 2

Date

Date

LOAN AGREEMENT - 3 Years Interest Only

This agreement is made on / / (insert date)
Between
Powton Land Holdings Limited (ACN 087 201 652)
of Level 8, 105 St. George's Terrace, PERTH in the State of Western
Australia. ("the Lender")

and

the person or company specified in item 2 of the Schedule as the
Borrower. ("the Borrower")

Terms and Conditions

The parties to this loan agreement agree that the Lender will advance to the Borrower the amount set out in item 3 of the Schedule ("the Principal Sum"). The purpose of the advance is to enable the Borrower to subscribe for Woodlots in the Kiri Park Project 2004/2005 ("Project") pursuant to a current product disclosure statement including any supplementary or replacement disclosure documents and thereby become a party to the Project Agreements.

- 2 (a) The Borrower agrees to pay interest to the Lender annually in advance on so much of the Principal Sum as is outstanding on the dates specified in paragraph (b), at the rate set out in item 4 of the Schedule.
- (b) The Borrower must pay interest to the Lender on the following dates:
 - (i) in respect of the first interest payment period, being the date the Borrower lodges an application for Woodlots in the Project and the expiration of 365 days, on application, such interest being capitalised in the Principal Sum,
 - (ii) in respect of the second interest period, being the end of the first period and the 29th June in the year 2007, the 29th June 2006, and
 - (iii) in respect of each subsequent period of 12 months until the Principal Sum is repaid, on the 29th June in each year preceding the interest period.
- 3 (a) The Borrower must repay the whole of the Principal Sum to the Lender by paying the instalments specified in item 5 of the schedule.
- (b) The Borrower may make repayments of the Principal Sum in addition to those required under paragraph (a) at any time. However, early repayment of the Principal Sum under this paragraph (b) will not in any way entitle the Borrower to any credit for, or refund of, any interest before the repayment.
- 4 As security for the performance of the Borrower's obligations under this agreement, the Borrower HEREBY CHARGES in favour of the Lender by way of fixed charge (and not a floating charge) all and singular the right, title and interest of the Borrower in the Project and without limiting the generality of the foregoing in the Woodlots allocated to the Borrower in the Project Agreements ("the Mortgaged Property").
- 5 Until finally discharged, the security constituted by this agreement is to be a continuing security for the observance and performance of the Borrower's obligations under this agreement.
- 6 The Borrower represents and warrants to the Lender that:
 - (a) the Borrower agrees to duly perform and observe all the obligations under the Project Agreements, the subject of the Mortgaged Property.
 - (b) the Borrower's decision to participate in the Project and to borrow the Principal Sum has been made by the Borrower without any statement, representation or conduct from the Lender;
 - (c) the Borrower has taken such independent legal and financial advice in connection with this agreement and the Project Agreements as it thinks fit prior to becoming a party to this agreement; and
 - (d) in the event that the Borrower is a trustee of a trust, that the Borrower is empowered by the provisions of the deed establishing the trust to enter into this agreement and the Borrower undertakes to observe its obligations as trustee of the trust.
- 7 Upon the event that the Borrower does not pay the Lender the money owing under this Agreement when payment falls due, the Borrower will be in Default of this Agreement, the whole of the moneys owing will at the option of the Lender become due and payable immediately, notwithstanding any delay or previous waiver of the right to exercise the option.
- 8 Without limiting the generality of the foregoing, if an event of default occurs under clause 7 and if the whole of the moneys owing are not paid to the Lender within seven days from the date of the Lender giving notice, the Lender may
 - (a) resume all of the rights and interests which the Borrower has in the Woodlot, as well as any money previously paid under this agreement and the Project Agreements for the Woodlot.
 - (b) resell the rights and interests in the Woodlot to another party and the consideration received by the Lender, applied to,
 - (i) reasonable costs and charges suffered by the Lender,
 - (ii) Receiver's remuneration where applicable,
 - (iii) Interest due under this agreement,
 - (iv) Payment of all of the Principal Sum outstanding,
 - (v) To the extent not otherwise applied, to the Borrower.
 - (c) take any other legal action available to recover the loss suffered.
- 9 Notwithstanding clause 7 and/or clause 8, where the consideration received by the Lender is less than the loss suffered by the Lender, the Lender shall take further legal action against the Borrower to the recover the loss suffered.
- 10 In consideration of the Lender entering into this agreement and agreeing to provide to the Borrower the Principal Sum, the Borrower hereby irrevocably appoints the Lender or its nominee from time to time, each authorised officer of the Lender and each Receiver, severally its attorneys.
The Borrower agrees to ratify anything done by an attorney or its delegate in accordance with the provisions of this clause.
- 11 The Borrower may not without the consent of the Lender:-
 - (a) dispose of, deal with, or part with possession of any interest in the Mortgaged Property; or
 - (b) create or allow to exist a Security Interest which affects the Mortgage Property; or
 - (c) waive any of its rights, or release any person from its obligations in connection with the Mortgage Property.
- 12 All notices, consents, approvals and other communications under this agreement must be in writing and may be personally delivered or sent by pre-paid post or facsimile to the addressee's address specified in this agreement or such other address that may have notified from time to time.

LOAN SCHEDULE - 3 Years Interest Only

1 Number of Woodlots	<input type="text"/>							
2 Borrower	<table border="1"> <tr><td>Name</td></tr> <tr><td>Joint Name</td></tr> <tr><td>Address</td></tr> <tr> <td><input type="text"/></td> <td><input type="text"/></td> <td>Postcode</td> <td><input type="text"/></td> </tr> </table>	Name	Joint Name	Address	<input type="text"/>	<input type="text"/>	Postcode	<input type="text"/>
Name								
Joint Name								
Address								
<input type="text"/>	<input type="text"/>	Postcode	<input type="text"/>					
3 Principal Sum	<input type="text"/> on the date of execution of this agreement.							
4 Interest Rate	12.0 per cent per annum, payable annually in advance on loans of up to \$5,000.00 per Woodlot, 12.5 per cent per annum, payable annually in advance on loans of greater than \$5,001.00 per Woodlot,							
5 Principal Repayments	100% of the Principal Sum outstanding on 1st June 2008, payable no later than 29th June 2008.							
6 Special Conditions (if any)	<table border="1"> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> </table>							

Executed as an Agreement

Lender	Executed by Powton Land Holdings Limited	<input type="text"/>
	Director	<input type="text"/>
	Director/Secretary	<input type="text"/>
Borrower	<input type="text"/>	<input type="text"/>
	Borrower sign here	Joint Borrower sign here
	Executed by The Borrower	<input type="text"/>
	Director	<input type="text"/>
	Director/Secretary	<input type="text"/>
Witness	Signed by the Borrower in the presence of:	<input type="text"/>
	Witness Name	<input type="text"/>
	Witness Signature	<input type="text"/>

LOAN AGREEMENT - 5 Years Principal & Interest (Annually In Advance)

This agreement is made on / / (insert date)
Between
Powton Land Holdings Limited (ACN 087 201 652)
 of Level 8, 105 St. George's Terrace, PERTH in the State of Western
 Australia. ("the Lender")

and

the person or company specified in item 2 of the Schedule as the
 Borrower. ("the Borrower")

Terms and Conditions

The parties to this loan agreement agree that the Lender will advance to the Borrower the amount set out in item 3 of the Schedule ("the Principal Sum"). The purpose of the advance is to enable the Borrower to subscribe for Woodlots in the Kiri Park Project 2004/2005 ("Project") pursuant to a current product disclosure statement any supplementary or replacement disclosure document and thereby become a party to the Project Agreements.

- 2 (a) The Borrower agrees to pay interest to the Lender annually in advance on so much of the Principal Sum as is outstanding on the dates specified in paragraph (b), at the rate set out in item 4 of the Schedule.
- (b) The Borrower must pay interest to the Lender on the following dates:
 - i) in respect of the first interest payment period, being the date the Borrower lodges an application for Woodlots in the Project and the expiration of 365 days, on application, such interest being capitalised in the Principal Sum,
 - ii) in respect of the second interest period, being the end of the first period and the 29th June in the year 2007, the 29th June 2006, and
 - iii) in respect of each subsequent period of 12 months until the Principal Sum is repaid, on the 29th June in each year preceding the interest period.
- 3 (d) The Borrower must repay the whole of the Principal Sum to the Lender by paying the instalments specified in item 5 of the schedule.
- (e) The Borrower may make repayments of the Principal Sum in addition to those required under paragraph (a) at any time. However, early repayment of the Principal Sum under this paragraph (b) will not in any way entitle the Borrower to any credit for, or refund of, any interest before the repayment.
- 4 As security for the performance of the Borrower's obligations under this agreement, the Borrower HEREBY CHARGES in favour of the Lender by way of fixed charge (and not a floating charge) all and singular the right, title and interest of the Borrower in the Project and without limiting the generality of the foregoing in the Woodlots allocated to the Borrower in the Project Agreements ("the Mortgaged Property").
- 5 Until finally discharged, the security constituted by this agreement is to be a continuing security for the observance and performance of the Borrower's obligations under this agreement.
- 6 The Borrower represents and warrants to the Lender that:
 - (a) the Borrower agrees to duly perform and observe all the obligations under the Project Agreements, the subject of the Mortgaged Property.
 - (b) the Borrower's decision to participate in the Project and to borrow the Principal Sum has been made by the Borrower without any statement, representation or conduct from the Lender;
- (c) the Borrower has taken such independent legal and financial advice in connection with this agreement and the Project Agreements as it thinks fit prior to becoming a party to this agreement; and
- (d) in the event that the Borrower is a trustee of a trust, that the Borrower is empowered by the provisions of the deed establishing the trust to enter into this agreement and the Borrower undertakes to observe its obligations as trustee of the trust.
- 7 Upon the event that the Borrower does not pay the Lender the money owing under this Agreement when payment falls due, the Borrower will be in Default of this Agreement, the whole of the moneys owing will at the option of the Lender become due and payable immediately, notwithstanding any delay or previous waiver of the right to exercise the option.
- 8 Without limiting the generality of the foregoing, if an event of default occurs under clause 7 and if the whole of the moneys owing are not paid to the Lender within seven days from the date of the Lender giving notice, the Lender may
 - (a) resume all of the rights and interests which the Borrower has in the Woodlot, as well as any money previously paid under this agreement and the Project Agreements for the Woodlot.
 - (b) resell the rights and interests in the Woodlot to another party and the consideration received by the Lender, applied to,
 - (i) reasonable costs and charges suffered by the Lender,
 - (ii) Receiver's remuneration where applicable,
 - (iii) Interest due under this agreement,
 - (iv) Payment of all of the Principal Sum outstanding,
 - (v) To the extent not otherwise applied, to the Borrower.
 - (c) take any other legal action available to recover the loss suffered.
- 9 Notwithstanding clause 7 and/or clause 8, where the consideration received by the Lender is less than the loss suffered by the Lender, the Lender shall take further legal action against the Borrower to the recover the loss suffered.
- 10 In consideration of the Lender entering into this agreement and agreeing to provide to the Borrower the Principal Sum, the Borrower hereby irrevocably appoints the Lender or its nominee from time to time, each authorised officer of the Lender and each Receiver, severally its attorneys.
 The Borrower agrees to ratify anything done by an attorney or its delegate in accordance with the provisions of this clause.
- 11 The Borrower may not without the consent of the Lender:-
 - (a) dispose of, deal with, or part with possession of any interest in the Mortgaged Property; or
 - (b) create or allow to exist a Security Interest which affects the Mortgage Property; or
 - (c) waive any of its rights, or release any person from its obligations in connection with the Mortgage Property.
- 12 All notices, consents, approvals and other communications under this agreement must be in writing and may be personally delivered or sent by pre-paid post or facsimile to the addressee's address specified in this agreement or such other address that may have notified from time to time.

LOAN SCHEDULE – 5 Year Principal & Interest (Annually in Advance)

1 Number of Woodlots	<input style="width: 100%;" type="text"/>
2 Borrower	Name <input style="width: 100%;" type="text"/>
	Joint Name <input style="width: 100%;" type="text"/>
	Address <input style="width: 100%;" type="text"/>
	<input style="width: 60%;" type="text"/> Postcode <input style="width: 10%; border: none; border-bottom: 1px solid black;" type="text"/>
3 Principal Sum	<input style="width: 60%;" type="text"/> on the date of execution of this agreement.
4 Interest Rate	12.0 per cent per annum, payable annually in advance on loans of up to \$5,000.00 per Woodlot, 12.5 per cent per annum, payable annually in advance on loans of greater than \$5,001.00 per Woodlot.
5 Principal Repayments	Principal & Interest Repayments are to be annually and are payable no later than 29 June each year commencing 2006. The total loan is to be repaid by no later than 29 June 2010. The attached schedule illustrates the annual repayments required
6 Special Conditions (if any)	First year's interest is capitalised. Interest will then be charged on 1 June each year commencing 1 June 2006 and concluding 1 June 2010. <input style="width: 100%; height: 20px;" type="text"/> <input style="width: 100%; height: 20px;" type="text"/>

Executed as an Agreement

Lender	Executed by Powton Land Holdings Limited	
	Director	<input style="width: 100%; height: 20px;" type="text"/>
	Director/Secretary	<input style="width: 100%; height: 20px;" type="text"/>
Borrower	<input style="width: 100%; height: 20px;" type="text"/>	<input style="width: 100%; height: 20px;" type="text"/>
	Borrower sign here	Joint Borrower sign here
	Executed by The Borrower	
	Director	<input style="width: 100%; height: 20px;" type="text"/>
	Director/Secretary	<input style="width: 100%; height: 20px;" type="text"/>
Witness	Signed by the Borrower in the presence of:	
	Witness Name	<input style="width: 100%; height: 20px;" type="text"/>
	Witness Signature	<input style="width: 100%; height: 20px;" type="text"/>

LOAN AGREEMENT – 5 Years Principal & Interest (Monthly In Advance)

This agreement is made on / / (insert date)
Between
Powton Land Holdings Limited (ACN 087 201 652)
of Level 8, 105 St. George's Terrace, PERTH in the State of Western
Australia. ("the Lender")

and

the person or company specified in item 2 of the Schedule as the
Borrower. ("the Borrower")

- (c) the Borrower has taken such independent legal and financial advice in connection with this agreement and the Project Agreements as it thinks fit prior to becoming a party to this agreement; and
- (d) in the event that the Borrower is a trustee of a trust, that the Borrower is empowered by the provisions of the deed establishing the trust to enter into this agreement and the Borrower undertakes to observe its obligations as trustee of the trust.

Terms and Conditions

- 1 The parties to this loan agreement agree that the Lender will advance to the Borrower the amount set out in item 3 of the Schedule ("the Principal Sum"). The purpose of the advance is to enable the Borrower to subscribe for Woodlots in the Kiri Park Project 2004/2005 ("Project") pursuant to a current any supplementary or replacement documents and thereby become a party to the Project Agreements.
- 2 (a) The Borrower agrees to pay interest to the Lender annually in advance on so much of the Principal Sum as is outstanding on the dates specified in paragraph (b), at the rate set out in item 4 of the Schedule.
(b) The Borrower must pay interest to the Lender on the following dates:
 - (i) in respect of the first interest payment period, being the date the Borrower lodges an application for Woodlots in the Project and the expiration of 29 June 2005, on application, such interest being capitalised in the Principal Sum,
 - (ii) in respect of the period from 1 July 2005 until the Principal Sum is repaid, interest will be charged monthly in advance, with the interest due on the 1st day of each month for the period commencing on the 1st day of each month and ending on the last day of each month. Such interest payments are to be made at the same time as principal repayments pursuant to clause 3.
- 3 (a) The Borrower must repay the whole of the Principal Sum to the Lender by paying the instalments specified in item 5 of the schedule, which include the monthly principal and interest repayments
(b) The Borrower may make repayments of the Principal Sum in addition to those required under paragraph (a) at any time. However, early repayment of the Principal Sum under this paragraph (b) will not in any way entitle the Borrower to any credit for, or refund of, any interest before the repayment.
- 4 As security for the performance of the Borrower's obligations under this agreement, the Borrower HEREBY CHARGES in favour of the Lender by way of fixed charge (and not a floating charge) all and singular the right, title and interest of the Borrower in the Project and without limiting the generality of the foregoing in the Woodlots allocated to the Borrower in the Project Agreements ("the Mortgaged Property").
- 5 Until finally discharged, the security constituted by this agreement is to be a continuing security for the observance and performance of the Borrower's obligations under this agreement.
- 6 The Borrower represents and warrants to the Lender that:
 - (a) the Borrower agrees to duly perform and observe all the obligations under the Project Agreements, the subject of the Mortgaged Property.
 - (b) the Borrower's decision to participate in the Project and to borrow the Principal Sum has been made by the Borrower without any statement, representation or conduct from the Lender;
- 7 Upon the event that the Borrower does not pay the Lender the money owing under this Agreement when payment falls due, the Borrower will be in Default of this Agreement, the whole of the moneys owing will at the option of the Lender become due and payable immediately, notwithstanding any delay or previous waiver of the right to exercise the option.
- 8 Without limiting the generality of the foregoing, if an event of default occurs under clause 7 and if the whole of the moneys owing are not paid to the Lender within seven days from the date of the Lender giving notice, the Lender may
 - (a) resume all of the rights and interests which the Borrower has in the Woodlot, as well as any money previously paid under this agreement and the Project Agreements for the Woodlot.
 - (b) resell the rights and interests in the Woodlot to another party and the consideration received by the Lender, applied to,
 - i. reasonable costs and charges suffered by the Lender,
 - ii. Receiver's remuneration where applicable,
 - iii. Interest due under this agreement,
 - iv. Payment of all of the Principal Sum outstanding,
 - v. To the extent not otherwise applied, to the Borrower.
 - (c) take any other legal action available to recover the loss suffered.
- 9 Notwithstanding clause 7 and/or clause 8, where the consideration received by the Lender is less than the loss suffered by the Lender, the Lender shall take further legal action against the Borrower to the recover the loss suffered.
- 10 In consideration of the Lender entering into this agreement and agreeing to provide to the Borrower the Principal Sum, the Borrower hereby irrevocably appoints the Lender or its nominee from time to time, each authorised officer of the Lender and each Receiver, severally its attorneys.
The Borrower agrees to ratify anything done by an attorney or its delegate in accordance with the provisions of this clause.
- 11 The Borrower may not without the consent of the Lender:-
 - (a) dispose of, deal with, or part with possession of any interest in the Mortgaged Property; or
 - (b) create or allow to exist a Security Interest which affects the Mortgage Property; or
 - (c) waive any of its rights, or release any person from its obligations in connection with the Mortgage Property.
- 12 All notices, consents, approvals and other communications under this agreement must be in writing and may be personally delivered or sent by pre-paid post or facsimile to the addressee's address specified in this agreement or such other address that may have notified from time to time.



LOAN SCHEDULE
5 Year Principal & Interest (Monthly In Advance)

1 Number of Woodlots

2 Borrower

Name

Joint Name

Address

Postcode

3 Principal Sum on the date of execution of this agreement.

4 Interest Rate

12.0 per cent per annum, payable annually in advance on loans of up to \$5,000.00 per Woodlot,
12.5 per cent per annum, payable annually in advance on loans of greater than \$5,001 per Woodlot,

5 Principal & Interest Repayments
(For 1 Woodlot, and a loan of \$8,771.40. If there is a different loan amount, repayments will be attached on a schedule)

1/7/05	\$ 94.11	1/11/06	\$240.13	1/3/08	\$240.13	1/7/09	\$240.13
1/8/05	\$ 94.11	1/12/06	\$240.13	1/4/08	\$240.13	1/8/09	\$240.13
1/9/05	\$ 94.11	1/1/07	\$240.13	1/5/08	\$240.13	1/9/09	\$240.13
1/10/05	\$ 94.11	1/2/07	\$240.13	1/6/08	\$240.13	1/10/09	\$240.13
1/11/05	\$ 94.11	1/3/07	\$240.13	1/7/08	\$240.13	1/11/09	\$240.13
1/12/05	\$ 94.11	1/4/07	\$240.13	1/8/08	\$240.13	1/12/09	\$240.13
1/1/06	\$ 94.11	1/5/07	\$240.13	1/9/08	\$240.13	1/1/10	\$240.13
1/2/06	\$ 94.11	1/6/07	\$240.13	1/10/08	\$240.13	1/2/10	\$240.13
1/3/06	\$ 94.11	1/7/07	\$240.13	1/11/08	\$240.13	1/3/10	\$240.13
1/4/06	\$ 94.11	1/8/07	\$240.13	1/12/08	\$240.13	1/4/10	\$240.13
1/5/06	\$ 94.11	1/9/07	\$240.13	1/1/08	\$240.13	1/5/10	\$240.13
1/6/06	\$ 94.11	1/10/07	\$240.13	1/2/09	\$240.13	1/6/10	\$240.13
1/7/06	\$240.13	1/11/07	\$240.13	1/3/09	\$240.13		
1/8/06	\$240.13	1/12/07	\$240.13	1/4/09	\$240.13		
1/9/06	\$240.13	1/1/08	\$240.13	1/5/09	\$240.13		
1/10/06	\$240.13	1/2/08	\$240.13	1/6/09	\$240.13		

6 Special Conditions
(if any)

Executed as an Agreement

Lender Executed by Powton Land Holdings Limited

Director

Director/Secretary

Borrower

Borrower sign here Joint Borrower sign here

Executed by The Borrower

Director

Director/Secretary

Witness Signed by the Borrower in the presence of:

Witness Name

Witness Signature

