

FINANCIAL SERVICES GUIDE

ENVIRONMENTAL FOREST FARMS MANAGEMENT LIMITED

ACN 087 201 670

AFSL 239 635



23 November 2006

Financial Services Guide

This Financial Services Guide (FSG) is an important document, which is designed to assist you in deciding whether to use any of the financial products or services offered by Environmental Forest Farms Management Limited (EFFM), ACN 087 201 670, Australian Financial Services Licence Number 239 635.

This FSG contains information about:

- the services we offer to you;
- the remuneration, commissions and other benefits that may be paid to EFFM or other relevant persons in relation to the products and services offered;
- our internal and external dispute resolution procedures and how you can access them;
- how you can contact us.

Other documents you may receive

Before you decide to use a financial product or service, you must be given either a Product Disclosure Statement (for a financial product issued by EFFM) or a Financial Services Guide (for a financial service offered by EFFM). You should also receive a Product Disclosure Statement for the managed investments you want to access through a financial product or service provided by EFFM. In this FSG, these Product Disclosure Statements and Financial Service Guides are referred to as 'offer documents'.

These offer documents contain important information about the particular financial product or service to help you make an informed decision about that product or service. In the offer document we will provide you with information about the product or service such as:

- significant benefits and risks of holding the product or service;
- fees and charges applicable;
- significant characteristics and features of the product or service;
- potential taxation implications;
- dispute resolution;
- any cooling off rights.

If you are a retail client and you asked a financial advisor to help you decide which financial product or service to use and you were given advice and/or a recommendation by that financial adviser, you will also receive a Financial Services Guide issued by the Australian Financial Services Licensee to which that financial adviser belongs and/or a Statement of Advice setting out the advice/recommendation given to you.

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EFFM: Our Role and Responsibilities

Environmental Forest Farms Management Limited ("EFFM") is in the business of managing investment monies on behalf of its investors. EFFM holds an Australian Financial Services License and is a Responsible Entity of Paulownia projects.

EFFM is not a financial planner or adviser, and neither is the authorised representative of EFFM who is providing you with this Financial Services Guide.

Neither EFFM nor the authorised representative of EFFM is in a position to advise you on your particular investment decisions.

EFFM recommends that you seek your own investment advice from a party independent of EFFM. This independent party should have an understanding of your individual financial circumstances.

Before you get our Advice

Your Questions - Our Answers

Who will be responsible for the advice given to me?

EFFM is responsible to you for any financial services it provides. EFFM does not give advice as to the suitability of an investment product, including any of the EFFM Kiri Park Projects, for an investor's needs, objectives or financial circumstances.

EFFM will only provide investors with general information that may be required to understand the nature of the investment product and its general risks and rewards. This information is not personal investment advice. It is information for an investor to consider and discuss with their financial adviser before making any investment decision.

EFFM holds an Australian Financial Services Licence under the Corporations Act. This licence authorises EFFM:

(a) to operate the:

- **Kiri Park Project** (ARSN: 091 158 897)
- **Kiri Park Project No. 2** (ARSN: 096 225 400)
- **Kiri Park Projects** (ARSN: 107 747 348)
- **Heritage Paulownia Forests Project No. 1** (ARSN: 092 167 103)
- **Kiri Timber Trust** (ARSN 122 181 971)

(b) to carry on a business in its capacity as Responsible Entity of the above schemes.

How will I pay for this service?

You will not be charged any fee for this service.

What are the management fees?

Fees are clearly detailed in the Product Disclosure Statement (PDS). There is an establishment fee and other fees including an annual management fee, annual rent, and other performance related fees, where applicable, are clearly illustrated in the PDS.

How are the fees calculated and deducted?

(See answer to previous question). For precise details, refer to the relevant section(s) in each PDS. This is often in the section headed "Details of the Offer."

When you get our Advice

Your Questions - Our Answers

Do I get detailed information about actual commissions and benefits any representative receives upon introducing me to EFFM/ Kiri Park Investments?

Yes. You have the right to know about the details of commissions and other benefits a representative receives for referring you to the EFFM/ Kiri Park investments. Each PDS contains this information in the "Additional Information" section.

Appropriately Licensed Representatives generally receive a commission on all accepted applications referred by them. The level of commission is disclosed in the PDS.

Will I be given advice, which is suitable to my investment needs and financial circumstances?

A "personal recommendation" will not be made by EFFM. EFFM only provides information and general advice on investments offered by EFFM.

EFFM is not a licensed financial planning adviser. You should give consideration to the EFFM Product outlined in each PDS, as part of your overall financial investment strategy. EFFM does not claim to be in a position to advise you as to whether or not any of your investments, current or proposed, are the most appropriate for your particular financial circumstances, investment objectives or needs.

If you require any information regarding your investment holding please feel free to contact the Company on (08) 9227 8422 or by email: admin@kiripark.com.au

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If you would like information on the status of your investment, please contact EFFM on (08) 9227 8422 or by email: admin@kiripark.com.au.

Information provided by EFFM is limited to factual information about its products and other general information about the forestry market. Such information is not intended as personal securities advice or investment recommendations.

The information and advice provided by EFFM does not take into account your investment objectives, financial situation or particular needs. EFFM recommends that you consult with a financial planner or adviser.

What should I know about any risks of the investments?

There is a comprehensive "Risks" section in each PDS that you should read carefully before making any decision to invest. You should ask us to explain those risks to you if you do not thoroughly understand the content of this section.

What information do you maintain about me?

We maintain a record of your name, address, phone number and details about your investments with EFFM, as well as any other information provided on an application form and all correspondence relating to these investments.

EFFM may retain records of any advice or recommendations made to you. EFFM and its advisers deal with your personal information in accordance with EFFM's privacy policy.

A copy of the policy can be obtained by request from EFFM.

Can I sell my investments?

There is no right of early withdrawal. In order to exit the investment a purchaser for your investment must be found and there is no obligation for EFFM to identify a purchaser for your investment, nor is there any obligation for EFFM to buy back or redeem your investment.

If you have any Complaints

Your Questions - Our Answers

Who can I complain to if I have a complaint about the service provided?

If you have a complaint about the administration or management of your investment, please take the following steps:

Contact EFFM Client Services on the following number (08) 9227

8422 (during office hours) or write to the Complaints Officer at:

Environmental Forest Farms Management Ltd

In Person:

Level 1 AustAsia House
412-414 Newcastle Street
WEST PERTH WA 6005

By Post:

PO Box 332
LEEDERVILLE WA 6903

Or fax to (08) 9227 8455

Your complaint will be dealt with and you will receive a response within 15 working days.

In the event that you are not satisfied with the outcome of your complaint, you have the right to refer the matter to an external complaints resolution scheme.

Financial Industry Complaints Service Ltd (FICS)
31 Queen Street
MELBOURNE VICTORIA 3000
(Telephone (03) 9629 7050 or 1800 335 405)

EFFM is a member of FICS.

The Australian Securities & Investment Commission (ASIC) also has a free call information line on 1300 300 630 which you may use to make a complaint and obtain information about your rights.