

## TIMBER HARVEST and PURCHASE AGREEMENT

<b>Purchaser</b>	<b>NCFM Pty Ltd ACN 619 559 474 t/as Sustainable Forest Management</b>	Contact Name: Siman McPherson		
<b>Landowner</b>	Name: Telephone: Property known as:	Contact Name: Email: ABN/ACN:		
<b>A. Agreement:</b>				
<ol style="list-style-type: none"> <li>1. The Landowner ("you") has agreed to permit the Purchaser ("us") to harvest and purchase the Trees located on the Property in consideration for the payment of the Royalty set out in paragraph C.</li> <li>2. You grant us authorisation to obtain a PNF Plan and Forest Operations Plan on your behalf.</li> <li>3. You grant us access to your property ("the Land") for the purpose of harvesting and removing the Trees on the property and from within the PNF Plan approved area.</li> <li>4. You acknowledge and agree that we will engage a subcontractor to carry out the harvesting and removal of the Trees.</li> <li>5. The terms of this agreement are as set out in this agreement and in the Terms of Business attached.</li> </ol>				
<b>B. Is the Land subject to the following restrictions to harvest or remove material? (Tick if Yes)</b>				
<input type="checkbox"/> Subject to a set aside requirement under the Native Vegetation Code <input type="checkbox"/> Subject to a remedial direction <input type="checkbox"/> An offset to a PVP <input type="checkbox"/> Subject to a private conservation agreement				
<b>C. Royalties</b>				
Veneer ≥ 500 SED	Girders ≥ 400 SED	Poles ≥ 12.5m	Poles @ 11.0m	Poles @ 9.5m
Quota 1	Quota 2	Quota 3	Quota 4	Large Thinning
Small Thinning	Salvage	Fencing	Pulp	Firewood
<i>Royalties are paid per cubic meter – no associated costs deducted and plus GST (where applicable).</i>				
<b>D. Payment Terms</b>			Twenty-five days from end of month (EOM), or as otherwise agreed by both parties in writing.	

Duly executed as an agreement on the \_\_\_\_\_ day of \_\_\_\_\_ Two Thousand and \_\_\_\_\_

*Purchaser*

*Landowner*

\_\_\_\_\_  
 Authorised Signature

\_\_\_\_\_  
 Authorised Signature

\_\_\_\_\_  
 Print Name and Position  
 Duly authorised for and on behalf of NCFM Pty Ltd

\_\_\_\_\_  
 Print Name  
 Duly authorised for and on behalf of *Landowner*

\_\_\_\_\_  
 Witness

\_\_\_\_\_  
 Witness

Attachments:

1. General Terms of Business; and
2. PNF-PVP OR PNF Plan

## **General Terms of Business**

### **11. Access to the Land**

- 1.1 The Landowner ("**you**", "**your**") grants the Purchaser ("**us**", "**we**") access to your property for the purpose of creating access to the Property so as to allow harvesting of the Trees to occur. This includes building access roads, modifying fences and other works as are necessary.
- 1.2 We will make good any damage caused by us or our agents and contractors.

### **21. You are to mark trees to remain**

- 2.1 You must clearly identify any trees which are not to be harvested.

### **31. Title Risk**

- 3.1 Title and risk in the Trees shall pass to us upon removal of the Trees from the Site.

### **41. Royalty and payment**

- 4.1 We will issue you a Recipient Created Tax Invoice for the Royalty.
- 4.2 We will pay you the Royalties as calculated in Section C Royalties in accordance with Section D Payment Terms.

### **51. Your obligations**

- 5.1 Subject to clause 5.5, you warrant that:
  - 5.1.11 you have exercised all due diligence and made any necessary inquiries and the proposed harvesting is lawful; and
  - 5.1.21 you have all necessary licences, permits and approvals for us to lawfully harvest and purchase the Trees.

You will indemnify us and keep us indemnified following termination of the agreement from any liability arising as a result of your breach of this warranty. This includes the cost of compliance with any statutory notice and any penalty.

- 5.2 You will provide all information, maps, harvest plans and instructions to us to enable us to perform the work and within the timeframe under this Agreement.
- 5.3 You provide us authority to obtain a Private Native Forestry Plan ("PNF Plan") and Forest Operations Plan ("FOP") on your behalf.
- 5.4 You will do all things reasonably necessary to:
  - 5.4.11 provide documents and assist us to obtain the PNF Plan and FOP; and
  - 5.4.21 provide safe access for us to the Property.
- 5.5 You and your agents agree to remain out of the harvest operation area whilst we are harvesting and removing the Trees unless otherwise authorised by us. In the event access is required you will notify us via UHF channel or phone before accessing the site area.

## **61. Our obligations**

- 6.1 We will prepare and lodge with the Local Land Services an application for a Private Native Forestry Plan ("PNF Plan").
- 6.2 Once the work is complete we will provide you with a copy of the Forest Operations Plan ("FOP").
- 6.3 We release you from any liability should we not have the necessary approvals or permits due to us not preparing or obtaining the PNF Plan or FOP as provided for in this clause.
- 6.4 We will engage an independent contractor to harvest the Trees and a separate specialist haulage contractor to transport them to a timber mill in a good workmanlike and proper manner.
- 6.5 We acknowledge that we, and any contractor we engage, enter your property at our own risk and hereby indemnify you for any loss of or damage to any property or injury to or death of any person caused by any act or omission of us or any of our employees or contractors.
- 6.6 We are responsible for the cost of any road works required for access to complete the work under the FOP (unless otherwise agreed in writing).

## **71. Insurance**

We shall maintain a Public Liability insurance policy in an amount of not less than \$20,000,000.00 for any one claim and Workers Insurance with respect to the harvesting and removal of the Trees and shall if required by you produce evidence of insurance from time to time.

## **81. GST**

If GST is imposed in respect of this supply of the Trees under this Agreement, the consideration will be increased by the GST amount. The Landowner must provide their ABN and GST registration status. If Landowner does not have an ABN, a Statement By a Supplier must be completed and provided prior to payment of any Royalties.

## **91. Governing Law**

The law of New South Wales governs these terms of this agreement.

## **101. Relationship**

Nothing herein shall be construed so as to constitute the relationship of partnership, joint venture, agency or employer and employee between the parties hereto and it is the express intention of the parties that any such relationships are denied.

## **111. Miscellaneous**

- 11.1 The parties agree that all documentation and information pertaining to this Agreement is confidential. Each party shall not disclose any confidential information to any external party unless authorised in writing by the other party, or is disclosed to a party's advisers, financiers or

prospective financiers (who have agreed to be bound by a confidentiality agreement) or is required to be disclosed by law.

11.2 No provision of this Agreement shall be deemed to be waived by a party unless the waiver is in writing and signed by the person alleged to have granted the waiver.