THIRD SCHEDULE

LICENCE AGREEMENT

Licence Agreement

[Kangara Estate – Citrus Land and Vacant Land]

Orchard Investments Management Limited

Timbercorp Limited

Timbercorp Securities Limited

2004 Timbercorp Citrus Project

NM TAYLOR
LAWYERS

Level 7
360 Collins Street
MELBOURNE VIC 3000

Telephone: 9600 3525
Facsimile: 9600 3527

Table of Contents

Details of this Licence Agreement

Date of the Agreement:

In respect of each several Participant Grower means the date on which Timbercorp Securities has accepted the Participant Grower's application for Citruslots being offered under the PDS as specified in the Schedule.

Parties to the Agreement:

1. **TIMBERCORP SECURITIES LIMITED**
   ACN 092 311 469
   Level 8, 461 Bourke Street
   Melbourne, Victoria, 3000
   (Timbercorp Securities)

2. The Participant Grower named in the Schedule to this Agreement in relation to the relevant Citruslots.
   (Participant Grower)

3. **ORCHARD INVESTMENTS MANAGEMENT LIMITED**
   ACN 105 684 231
   Level 2, 613 St Kilda Road
   Melbourne, Victoria, 3004

   In its capacity as responsible entity of the Timbercorp Orchard Trust
   (OIML)

4. **TIMBERCORP LIMITED**
   ACN 055 185 067
   Level 8, 461 Bourke Street
   Melbourne, Victoria, 3000
   (Timbercorp)

Background to the Agreement

A. Timbercorp Securities has established a project for the management of a Citrus orchard, the cultivation of Citrus Trees and harvesting and processing of Citrus for commercial gain.

B. Timbercorp Securities sub-leases from Timbercorp the Land and the Citrus Trees, the Required Water Licences and the Capital Works and any other capital works that may be established on the Land under the Sub-Lease. Timbercorp's rights to use the Land and the Citrus Trees, the Required Water Licences and the Capital Works are granted to it by OIML under the Parent Lease.

C. Timbercorp Securities has agreed to grant a licence to the Participant Grower to use the Citruslots for the cultivation of Citrus Trees and the harvesting and processing of Citrus, subject to the terms and conditions of this Agreement.

D. OIML and Timbercorp have entered into this Licence Agreement for the purpose of the agreements in paragraph 10.6.

The Parties Agree as Follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires or implies, the following expressions have the meanings set opposite each of them:

Administrator:	has the meaning given to it in section 9 of the Corporations Act;
ASIC:	the Australian Securities and Investments Commission;
Authority:	includes any National, State, municipal or other government, statutory or government approved authority or body, which has authority or jurisdiction over the Capital Works, the Required Water Licences or the Land or any part of them or anything about them;
Best Horticultural Practice:	sound horticultural and environmental practices and industry practices for similar orchards;
Business Day:	any other day other than a Saturday, Sunday or a public holiday on which trading banks are open for general banking business with the public in Melbourne;
Capital Works:	(a) the infrastructure and capital works on the Orchard as at the date of this Agreement; and (b) the infrastructure and capital works that Timbercorp Securities has agreed to procure OIML to carry out, and any other works that Timbercorp Securities, Timbercorp or OIML may be required in future to carry out, at their cost respectively, on the Orchard;
Citrus:	the citrus grown or growing on the relevant Citruslots of the Participant Grower or the Orchard, whichever is applicable and whether harvested or unharvested and any other products, rights, benefits or credits derived from the Citrus Trees;
Citrus Trees:	the citrus trees planted or to be planted on the Participant Grower's Citruslots or the Orchard, whichever is applicable;
Citruslot:	an interest in the Project held by the Participant Grower, including its interest in, and rights in relation to, each coupled Existing Citruslot and New Citruslot on which a Participant Grower will conduct the Citruslot Operations and which includes the Citrus Trees, the Capital Works and the Required Water Licences attributed to the Project;

Citruslot Assets:	the interest of the Participant Grower in assets on the Citruslots;
Citruslot Management Agreement:	the agreement of that name for the management of the Citruslot Operations conducted on the relevant Citruslots between Timbercorp Securities and the Participant Grower;
Citruslot Operations:	the growing and cultivation of Citrus on, and management of, the relevant Citruslots for the production of Product for commercial gain;
Commencement Date:	In respect of each Participant Grower, the date of this Agreement;
Constitution:	the deed entered into by the Responsible Entity and all the Participant Growers, which governs the Project;
Controller:	has the meaning given to it in section 9 of the Corporations Act;
Corporations Act:	the *Corporations Act 2001* of the Commonwealth of Australia and the Corporations Regulations;
CPI:	the "Weighted Average of Eight Capital Cities All Groups Consumer Price Index" as currently maintained and published by the Australian Bureau of Statistics or should it be discontinued or suspended such other index as determined in accordance with clause 7.3;
Existing Orchard	all of the Existing Citruslots established on the Kangara Estate;
Existing Citruslot:	each separate and identifiable area of a Citruslot located on the Existing Orchard which in aggregate comprises approximately 0.194 hectares consisting of 46 young Citrus Trees, 16 intermediate Citrus Trees and 32 mature Citrus Trees (each individually numbered and separately identifiable) and the area of land immediately surrounding the Citrus Trees; .
Financial Year:	a period of 12 months ending on 30 June in any year and includes the period commencing on the date of this Agreement and ending on 30 June 2004 and the period ending on the termination of this Agreement and commencing on the preceding 1 July;
Force Majeure	means any event or circumstance not reasonably within the control of Timbercorp Securities or OIML, as the case requires, or which Timbercorp Securities or OIML, as the case requires, is not reasonably able to prevent. It includes: (a) pestilence, vermin, disease, fire, acts of God, landslide, earthquake, flood, washout, lightning, storm, drought, seasonal and climatic conditions and the elements; (b) strikes, lock-outs, bans, work limitations, boycotts and industrial disturbances or action; (c) act of the enemies, wars, blockades, insurrection, riots and civil disturbances; (d) orders of any court or the order, act or omission

	or failure to act of any government or governmental authority or instrumentality (including any failure to grant or any withdrawal of any licences, consent or authority); (e) epidemic or quarantine; (f) shortage or unavailability of equipment, materials or labour or any restriction on equipment, materials or labour or on the use of equipment, materials or labour; (g) delays in transportation or communication; and (h) breakage or breakdown of, or damage to, equipment or machinery, or the necessity to repair equipment or machinery to prevent its breakdown. Each of these paragraphs and each of the terms within each paragraph are to be construed separately and independently. None of them is to limit the generality of any other;
GST:	a tax, levy, duty, charge or deduction, together with any related additional tax, interest, penalty, fine or other charge, imposed by or under a GST Law;
GST Law:	the same as in the A New Tax System (Goods and Services Tax) Act 1999 (as amended);
GST Rate:	the rate of GST under the GST Law;
Kangara Estate:	means those parts of the land located near Renmark, South Australia, being parts of the land more particularly described in CT 5171 Folio 743 and CT Volume 5097 Folios 564, 565, 566 and 567, Volume 5131 Folio 62 and Volume 5509 Folios 65 and 66 on which the Existing Citruslots were established on or before 30 June 2003;
Kangara Estate Undeveloped Land:	means land forming part of the Kangara Estate which comprises undeveloped land that is part of the land more particularly described in CT 5171/743 Allotment 9/ FP 108444, on which the New Citruslots will be established on or before 30 September 2005;
Indexed:	the amount adjusted on the date on which a relevant payment is due or the date upon which the relevant calculation is made, as the case requires (the Adjustment Date) in accordance with the following formula: $A_1 = A_0 \times CPI_1/CPI_0$ where: A_1 = the amount on the Adjustment Date; A_0 = the amount being adjusted; CPI_1 = the highest CPI for a full calendar quarter published between the date CPI_0 is published and the Adjustment Date, including CPI_0; CPI_0 = the CPI for a full calendar quarter most recently

	published before the date from which the adjustment is being made (the Base Date), provided that if no Base Date is specified, "CPI$_b$" will be the CPI published for the full calendar quarter that ended 12 months before the full calendar quarter in respect of which the CPI has most recently been published before the Adjustment Date;
Land:	the land on which the Project will be conducted as described in the PDS or such other land that is used in the Project;
Licence Fees:	the Licence fees payable under clause 7 of this Agreement;
New Citruslot:	each separate identifiable area of the Land comprising approximately 0.066 hectares established or to be established on the Kangara Estate Undeveloped Land on or about 30 September 2005;
New Orchard:	all of the New Citruslots to be established on the Kangara Estate Undeveloped Land comprising a total area of 100 hectares;
OIML:	Orchard Investments Management Limited (ABN 34 105 684 231) as responsible entity of the Timbercorp Orchard Trust (ARSN 105 557 297);
Orchard:	all of the Existing Citruslots and the New Citruslots;
Parent Lease:	the deed of lease made between Timbercorp, as lessee, OIML, as lessor, and Timbercorp Securities whereby Timbercorp has been granted a lease of the Land;
Participant Grower:	(a) a several person (or if more than one person, those persons jointly) who is named or otherwise described in the Schedule; and (b) the term "Early Grower" refers to a Participant Grower whose application under the PDS is accepted on or before 30 June 2004; and (c) the term "Post 30 June Grower" refers to a Participant Grower whose application under the PDS is accepted on or after 1 July 2004 and before the offer period closes;
Participating Interest:	has the same meaning as in the Citruslot Management Agreement;
PDS:	has the same meaning as in the Constitution;
Proceeds:	has the meaning given in the Citruslot Management Agreement;
Product:	Citrus produced in a saleable condition from the relevant Participant Grower's Citruslots or the Orchard, whichever is applicable;
Project:	the 2004 Timbercorp Citrus Project promoted by Timbercorp Securities relating to the management of a Citrus orchard, the cultivation and harvesting of Citrus Trees and the processing of Citrus for commercial gain;
Required Water Licences:	(a) the water licences that are, or will be, licensed to Timbercorp Securities and that are attributed to the Land as

	required from time to time; and (b) that provide for a maximum licence entitlement specified in paragraph 3.2(a), as reduced by any variation in the maximum licence entitlement from time to time by the relevant water Authority restricting the amount or rate at which water may be taken, or the purpose for which it may be taken or prohibiting the taking of water or the purpose of its use;
Responsible Entity	Means the responsible entity of the Project;
Sub-Lease:	means the sub-lease made between Timbercorp Securities, as sub-lessee, and Timbercorp, as sub-lessor, whereby Timbercorp Securities has been granted a sub-lease of the Land;
Term:	the term of this Agreement set out in clause 4.1; and
Timbercorp:	Timbercorp Limited (ACN 055 185 067).

1.2 Interpretation

In this Agreement, unless expressed or implied to the contrary:

(a) a reference to this or any other document includes a variation or replacement of it;

(b) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of it;

(c) the singular includes the plural and vice versa;

(d) if a word is defined, cognate words have corresponding definitions;

(e) a reference to a person includes a firm, body corporate, an unincorporated association or an authority;

(f) a reference to a person includes the person's legal personal representatives, successors, substitutes (including persons taking by novation) and permitted assigns and transferees;

(g) a reference to a gender includes the other genders;

(h) a reference to a clause, recital or schedule is to a clause, recital or schedule in or to this Agreement;

(i) if a party comprises two or more persons, this Agreement binds them jointly and each of them severally unless a contrary intention is expressed in the Agreement;

(j) if any of the persons comprising the Participant Grower is a trustee, this Agreement binds that person in its capacity as a trustee and personally; and

(k) the word "include" or "includes" is to be read as if the expression "(but is not limited to)" immediately followed such word and the word "including" is to be read as if the expression "(but not limited to)" immediately followed such word.

1.3 Headings

Headings are for convenience only and do not affect the interpretation of this Agreement.

1.4 Grower and Agreement

(a) The term "Participant Grower" in this Agreement is a reference to the particular Participant Grower named in the Schedule to this Agreement in relation to the relevant Citruslot.

(b) The term "Participant Growers" in this Agreement is a reference to all several Participant Growers that hold Citruslots in the Project and according to the context, the term "Participant Growers" may also include the particular Participant Grower.

(c) This Agreement is entered into in respect of Participant Growers' Citruslots referred to in the Schedule and, must be read as if it were a separate Agreement on the terms and conditions of this Agreement in respect of the relevant Citruslots held by each Participant Grower in the Project.

1.5 Delegation

Timbercorp Securities is entitled to:

(a) delegate any of its obligations under this Agreement to; and

(b) exercise any of its rights under this Agreement through,

its employees, agents and contractors, but any delegation by Timbercorp Securities does not release Timbercorp Securities from liability under this Agreement.

1.6 Licence Agreement is not Project Property

This Agreement does not form part of "scheme property", as defined in section 9 of the Corporations Act.

1.7 Capacity of Timbercorp Securities

Timbercorp Securities enters into this Agreement in its personal capacity.

2. THE CITRUS ORCHARD

2.1 Agreement by Timbercorp Securities as to the New Citruslots

(a) Timbercorp Securities agrees with the Participant Grower that it must procure OIML or Timbercorp, at OIML's or Timbercorp's own cost, to establish, or procure the establishment of the New Citruslots on the Land in accordance with Best Horticultural Practice and construct the necessary infrastructure and carry out the necessary capital works, and without limiting the generality of this paragraph 2.1(a), it must procure OIML or Timbercorp to:

(i) prepare that part of the Land on which each New Citruslot is located to ensure that the Citrus Trees can grow satisfactorily subject to any Force Majeure;

(ii) install appropriate irrigation equipment and carry out the necessary irrigation works to ensure proper reticulation of water to the Citrus Trees on each New Citruslot;

(iii) carry out drainage work and other works to help prevent soil erosion on all the Kangara Estate Undeveloped Land on which New Citruslots are to be located;

(iv) eradicate as far as reasonably possible any pests and competitive weeds which may affect the growth or yield of the Citrus Trees on the New Citruslots;

(v) plant Citrus Trees on each New Citruslot, erect stakes and where applicable, construct trellising in accordance with Best Horticultural Practice so that the Citrus Trees can be harvested commercially; and

(vi) provide or undertake, as the case requires, such other capital works, services or things which, in the reasonable opinion of Timbercorp Securities, are incidental or ancillary to the effective establishment and provision of the works referred to in paragraphs 2.1(a)(i) to (v) above.

(b) The Participant Grower agrees and acknowledges that:

(i) Timbercorp Securities will use its best endeavours to have OIML or Timbercorp complete the Capital Works in respect of the New Citruslots in full on or before 30 September 2005 or such later date agreed between the Participant Grower and Timbercorp Securities;

(ii) Timbercorp Securities, Timbercorp and OIML will not be liable for any loss (including consequential loss) or damage (including all costs, expenses and other disbursements) incurred by the Participant Grower arising from any delay in establishing the New Citruslots for any reason other than the negligence of Timbercorp Securities, Timbercorp and OIML or their respective officers, employees or agents.

2.2 Warranty by Timbercorp Securities as to the Existing Citruslots

Timbercorp Securities warrants and represents to the Participant Grower that, to its knowledge, the Existing Citruslots on the Citrus Land have been established in accordance with Best Horticultural Practice and that the necessary infrastructure and other capital works have been constructed and carried out, and without limiting the generality of this clause 2.2, it is satisfied:

(a) that part of Land on which each Existing Citruslot is located has been prepared to ensure that the Citrus Trees can grow satisfactorily;

(b) appropriate irrigation equipment has been installed and the necessary irrigation works have been carried out to ensure proper reticulation of water to the Citrus Trees on each Existing Citruslot;

(c) drainage work and other works have been carried out to help prevent soil erosion on all Land on which Existing Citruslots are located;

(d) as far as reasonably possible any pests and competitive weeds which may affect the growth or yield of the Citrus Trees on the Existing Citruslots have been eradicated;

(e) Citrus Trees on each Existing Citruslot have been planted and where applicable, trellising has been constructed in accordance with Best Horticultural Practice so that the Trees can be harvested commercially;

(f) the Citrus Trees on the Existing Citruslots were planted by 30 June 2003; and

(g) such other capital works, services or things which, in the reasonable opinion of Timbercorp Securities, were incidental or ancillary to the effective establishment and provision of the works referred to in paragraphs (a) to (f) above, have been provided or undertaken, as the case requires.

2.3 Acknowledgments by the Participant Grower

(a) The Participant Grower acknowledges that the Capital Works and Citrus Trees on, and the Required Water Licences attaching to, the Participant Growers' Citruslots are, and will at all times remain, the property of OIML.

(b) The Participant Grower agrees and acknowledges Timbercorp Securities will not be liable for any loss or damage incurred by the Participant Grower arising out of or in connection with any act or omission of OIML or Timbercorp or their respective officers, directors, employees, agents or agents under this Agreement, whether or not constituting negligence, misconduct, dishonesty or fraud.

3. GRANT OF LICENCE

3.1 Grant of Licence

(a) Timbercorp Securities grants to the Participant Grower and the Participant Grower takes from Timbercorp Securities a licence, effective from the Commencement Date, to use the relevant Citruslots for the sole purpose of conducting the Citruslot Operations.

(b) Timbercorp Securities represents and warrants that:

(i) as at the date of execution of this Agreement, the Sub-Lease is valid and subsisting;

(ii) Timbercorp Securities is entitled under the Sub-Lease to grant the licence under this Agreement; and

(iii) any consents which may be required to the granting of the licence under this Agreement, have been obtained.

3.2 Water Licences

(a) The required water licences for each Citruslot are the water requirements specified in the following table, adjusted to reflect the Land on which each Citruslot is located:

Year	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Existing orchard – ML/ha	5.9	6.5	7.0	7.5	7.9	8.0	8.0
Existing orchard – 350ha	2069	2268	2484	2631	2757	2800	2800
New planting – ML/ha		3.0	4.0	5.0	6.0	7.0	8.0
New planting – 100ha		300	400	500	600	700	800
Total water required	2069	2568	2864	3131	3357	3500	3600
Planted hectares	350	450	450	450	450	450	450
Total ML/ha (average)*	5.9	4.9	5.8	6.4	7.0	7.5	8.0

Note: The total megalitres per hectare is higher in 2004/05 because it is based on 350 hectares of existing planting. The following year and beyond the megalitres per hectare includes the new orchard of 100 hectares of young trees.

(b) Timbercorp Securities must:

(i) do all things necessary to ensure that its rights under the Required Water Licences are fully exploited to maximise the use and enjoyment of them by all the Participant Growers in the Project;

(ii) take all steps to avoid interfering with the supply of water to the relevant Citruslots and to avoid any actions that would prejudice the Participant Grower's rights under this Agreement; and

(iii) ensure that the Required Water Licences are maintained during the term of the Project.

(c) The Participant Grower acknowledges that:

(i) OIML may purchase additional water licences and provide water to Timbercorp Securities to meet its obligations under the Citruslot Management Agreement, or to Timbercorp under the Parent Lease; and

(ii) such additional water licences will at all times remain the property of OIML.

4. TERM OF AGREEMENT

4.1 Term of Agreement

(a) This Agreement will commence on the Commencement Date.

(b) Subject to clauses 6, 10.1 to 10.3 and clauses 10.5 and 12, this Agreement will continue until the earlier of:

(i) the date which is one day before the expiry or termination of the lease between Timbercorp Securities and OIML;

(ii) termination of the Participating Grower's Participating Interest in the Project;

(iii) 29 June 2026; and

(iv) termination of the Project.

4.2 Grower's Obligations Upon Termination

(a) At the end of this Agreement, the Participant Grower must return the relevant Citruslots to Timbercorp Securities in good condition, but the Participant Grower is not required to remove Citrus Trees or restore the relevant Citruslots to their original condition.

(b) Any structures or plant and equipment of any description which belong to the Participating Grower must be removed from the relevant Citruslots within 30 days after the end of this Agreement. If the Participating Grower does not comply with this requirement then, as between Timbercorp Securities and the Participant Grower, all structures and plant and equipment remaining on the relevant Citruslots at the time will become the absolute property of Timbercorp Securities.

(c) OIML and Timbercorp have no obligation to pay the Participant Grower any compensation at the end, or on termination, of this Agreement, including for any structures and plant and equipment remaining on the relevant Citruslots that become the absolute property of Timbercorp Securities in accordance with paragraph 4.2(b).

(d) Timbercorp Securities has no obligation to pay the Participant Grower any compensation at the end, or on termination, of this Agreement, including for any structures and plant and equipment remaining on the relevant Citruslots that become the absolute property of Timbercorp Securities in accordance with paragraph 4.2(b).

5. TIMBERCORP SECURITIES' OBLIGATIONS AND RIGHTS

5.1 Obligations

Timbercorp Securities must:

(a) maintain for the Term of the Project all local, State and Commonwealth government approvals, licences or permits required for the establishment and ownership of all the Citruslots;

(b) allow the Participant Grower to use the Citruslots without any interruption by Timbercorp Securities or any person claiming through or under Timbercorp Securities for the purpose of the Citruslot Operations;

(c) not store or use any chemical, inflammable, noxious or dangerous substances in a manner which is likely to result in damage to vegetation, crops or water reserves on the Citruslots;

(d) comply with the provisions of the Sub-lease;

(e) not create any encumbrances over the Land or the Citruslots or any part of the Land or the Citruslots ranking in priority to the interests of the Participant Growers under this Agreement other than the agreement referred to in clause 6.1 or where required to do so by an Authority;

(f) take all necessary measures to ensure that any fires which may occur or be lit on any neighbouring land owned or occupied by Timbercorp Securities are properly controlled and supervised;

(g) comply with all laws and regulations relating to the use and occupancy of any neighbouring land occupied by Timbercorp Securities ; and

(h) duly and punctually pay or cause to be paid all rates, taxes and other charges levied by any government or competent Authority in respect of all Citruslots.

5.2 Rights

Timbercorp Securities:

(a) is entitled to full and free access for the purposes of carrying out its obligations and exercising its rights under this Agreement and the Citruslot Management Agreement with or without vehicles to the Citruslots along any road or track or any neighbouring land owned or occupied by Timbercorp Securities, OIML, Timbercorp or other Participant Growers which gives access to the Citruslots;

(b) is entitled to full and free access with or without vehicles to the relevant Citruslots for the purpose of accessing neighbouring land owned or occupied by Timbercorp Securities , OIML, Timbercorp or other Participant Growers; and

(c) may at its own expense erect and maintain a sign on the Citruslots detailing such matters as Timbercorp Securities reasonably considers appropriate.

6. CONDITIONS PRECEDENT

6.1 Conditions Precedent

This Agreement is subject to and conditional on:

(a) the Participant Grower entering into the Citruslot Management Agreement with Timbercorp Securities; and

(b) Timbercorp Securities entering into a valid and subsisting Sub-lease with Timbercorp,

on or before the Commencement Date in respect of the relevant Citruslots.

6.2 Reasonable Endeavours

Each of Timbercorp Securities and the Participant Grower will use all reasonable endeavours to ensure that the conditions specified in clause 6.1 are satisfied as soon as is reasonably practicable, and where required will keep each other fully informed as to progress towards satisfaction of the conditions.

7. LICENCE FEES

7.1 Licence Fees

(a) Where the Participant Grower is an Early Grower, the Participant Grower must pay to Timbercorp Securities the following licence fees per Citruslot:

(i) for the period from the Commencement Date until 30 June 2004, $118.18 payable on or before the Commencement Date;

(ii) for each of the financial years ending 30 June 2005, 2006, 2007, 2008 and 2009, $1,418.18 payable on 31 October 2004, 2005, 2006, 2007 and 2008 respectively.

Thereafter, the Participant Grower must pay an annual licence fee in accordance with clause 7.2 payable on 31 October of each subsequent year during the Term, commencing on 31 October 2009.

(b) Where the Participant Grower is a Post 30 June Grower, the Participant Grower must pay to Timbercorp Securities the following licence fees per Citruslot:

(i) For the period from the Commencement Date until 30 June 2005, $709.09 payable on or before the Commencement Date;

(ii) for each of the financial years ending 30 June 2006, 2007, 2008 and 2009, $1,418.18 payable on 31 October 2005, 2006, 2007 and 2008 respectively.

Thereafter, the Participant Grower must pay an annual licence fee in accordance with clause 7.2 payable on 31 October of each subsequent year during the Term, commencing on 31 October 2009.

7.2 Adjustments to Licence Fees

The licence fee payable by the Participant Grower on 31 October 2009 in respect of the Financial Year ending 30 June 2010 and each anniversary thereafter during the Term will be the licence fee payable on the immediately preceding 31 October, indexed.

7.3 Discontinuance or suspension of CPI

(a) If the Consumer Price Index (All Groups) Weighted Average of Eight Capital Cities is discontinued or suspended, such other index number that most closely reflects changes in the cost of living for the eight capital cities of Australia as is mutually agreed between Timbercorp Securities and the Participant Grower will replace it as the new "CPI" or, if they fail to agree, such alternative index number, as in the opinion of an expert appointed by the President for the time being of the Institute of Chartered Accountants (Victorian Division) at the request of either of them most closely reflects changes in the cost of living for the eight capital cities of Australia will replace it as the new "CPI".

(b) The cost of any expert determination carried out under this clause 7.3 must be borne equally between Timbercorp Securities and the Participant Grower.

7.4 Capacity

All Licence Fees and other amounts paid to Timbercorp Securities under this Agreement are paid to Timbercorp Securities in its personal capacity.

8. GROWER'S OBLIGATIONS

8.1 Permitted use

The Participant Grower must only use the Citrusiots solely for the purpose of the Citrusiot Operations.

8.2 Grower's duties

The Participant Grower must, at its expense:

(a) undertake the Citruslot Operations on the relevant Citruslots;

(b) use the relevant Citruslots solely for the purpose of Citruslot Operations;

(c) comply with Best Horticultural Practice;

(d) comply with all laws and regulations relating to the use and occupancy of the relevant Citruslots;

(e) take all reasonable steps to avoid interfering with the activities carried out on any neighbouring land by the owner or occupier of that land;

(f) maintain the relevant Citruslots in accordance with Best Horticultural Practice, including using soil management technique methods to reduce erosion and maintain soil quality;

(g) permit Timbercorp Securities and its employees, agents and contractors to enter upon the relevant Citruslots from time to time with or without equipment for the purposes of observing the state of the relevant Citruslots;

(h) permit Timbercorp Securities and its employees, agents and contractors to enter upon the relevant Citruslots from time to time with or without equipment for the purpose of performing its obligations under this Agreement and the Citruslot Management Agreement;

(i) permit OIML and its employees, agents and contractors to enter upon the relevant Citruslots from time to time with or without equipment for the purpose of performing its obligations under this Agreement;

(j) comply or procure compliance with the provisions of the Citruslot Management Agreement; and

(k) give such rights of way and free access to the occupiers of any other Citruslots adjoining the relevant Citruslots and their agents and contractors, as are necessary for their proper use and enjoyment of their Citruslots, but such rights of access are limited to the unimpeded use of any existing access roads, pathways or fire-breaks on or about the relevant Citruslots.

8.3 Delegation by the Participant Grower

The Participant Grower may, for the better performance of its obligations under this Agreement, engage any person as an agent and all rights granted and obligations imposed on the Participant Grower under this Agreement may be enjoyed by the

Participant Grower's agent.

8.4 Delegation does not limit Grower's liability

Any delegation by the Participant Grower under clause 8.3 does not release the Participant Grower from liability under this Agreement.

9. RIGHTS OF OIML AND TIMBERCORP

9.1 Rights of OIML

The Participant Grower agrees and acknowledges that OIML:

(a) is entitled to full and free access for the purposes of carrying out its obligations and exercising its rights under the Parent Lease with or without vehicles to the Citruslots along any road or track or any neighbouring land owned or occupied by Timbercorp Securities, OIML, Timbercorp, other Participant Growers or any other person which gives access to the Citruslots;

(b) is entitled to full and free access with or without vehicles to the relevant Citruslots for the purpose of accessing neighbouring land owned or occupied by Timbercorp Securities, OIML, Timbercorp, other Participant Growers or any other person.

9.2 Rights of Timbercorp

The Participant Grower agrees and acknowledges that Timbercorp:

(a) is entitled to full and free access for the purposes of carrying out its obligations and exercising its rights under the Sub-Lease with or without vehicles to the Citruslots along any road or track or any neighbouring land owned or occupied by Timbercorp Securities , OIML, Timbercorp, other Participant Growers or any other person which gives access to the Citruslots;

(b) is entitled to full and free access with or without vehicles to the relevant Citruslots for the purpose of accessing neighbouring land owned or occupied by Timbercorp Securities, OIML, Timbercorp, other Participant Growers or any other person.

10. TERMINATION OF AGREEMENT

10.1 Termination of Agreement by the Participant Grower

The Participant Grower may terminate this Agreement by notice in writing to Timbercorp Securities immediately, if:

(a) Timbercorp Securities goes into liquidation, other than for the purposes of reconstruction or amalgamation, or a Controller or Administrator is appointed in relation to the undertaking of Timbercorp Securities or any part of its undertaking;

(b) Timbercorp Securities ceases to carry on business; or

(c) Timbercorp Securities fails or neglects to pay any moneys due to the Participant Grower, or is in default of any material obligation under this Agreement and such default continues for a period of 3 months after receipt by Timbercorp Securities of written notice from the Participant Grower specifying the default and requesting that the default be remedied, except where Timbercorp Securities has advised the Participant Grower of a plan of remedial action to satisfy any such duty and has substantially completed such plan.

10.2 Termination of Agreement by Timbercorp Securities

(a) Subject to paragraph 10.2(b) and without prejudice to Timbercorp Securities rights under clause 12, Timbercorp Securities may terminate this Agreement in respect of all the Citruslots of the Participant Grower, with immediate effect, if the Participant Grower fails to make a payment within the time required under this Agreement in relation to any Citruslot of the Participant Grower or the Constitution or commits a material breach of this Agreement in relation to any Citruslot of the Participant Grower or the Constitution and fails to remedy the breach or make reasonable compensation in money within 30 days after Timbercorp Securities has served a written notice on the Participant Grower requiring the Participant Grower to remedy the breach.

(b) The written notice referred to in paragraph 10.2(a) must specify the breach and request the breach to be remedied.

(c) The Agreement will terminate if Timbercorp Securities exercises its rights under clause 12.

10.3 Damage to Citruslots

If, in respect of the relevant Citruslots:

(a) the whole or a substantial part of the relevant Citruslots is damaged or destroyed whether by fire or any other cause whatsoever; or

(b) an independent horticultural consultant jointly commissioned by the Participant Grower and Timbercorp Securities reasonably determines that the whole or a substantial part of the relevant Citruslots is no longer commercially viable,

the Participant Grower may terminate this Agreement in respect of the relevant Citruslots by giving not less than 4 months prior written notice of such termination to Timbercorp Securities. Termination under this clause takes effect on and from the 30 June next following the expiration of the period of notice.

10.4 Reduction of Citruslots

If, in respect of the relevant Citruslots:

(a) part of the relevant Citruslots is damaged or destroyed whether by fire or any other cause whatsoever; or

(b) an independent horticultural consultant jointly commissioned by the Participant Grower and Timbercorp Securities reasonably determines that part of the relevant Citruslots is no longer commercially viable,

the Participant Grower may terminate this Agreement in respect of that part of the relevant Citruslots which is damaged or destroyed, by giving not less than 4 months' prior written notice of such termination to Timbercorp Securities. Termination under this clause takes effect on and from the 30 June next following the expiration of the period of notice.

10.5 Effect of Termination

(a) Termination of this Agreement under clauses 10.1, 10.2 or 10.3 or reduction of the relevant Citruslots under clause 10.4 is without prejudice to any rights and obligations that may have accrued prior to the date of termination.

(b) Termination of this Agreement in respect of any number of all of the relevant Citruslots or part of the relevant Citruslots under this clause 10 does not affect the rights or obligations of the parties in respect of any other Citruslots or any other part of the reduced relevant Citruslots.

(c) If this Agreement is terminated under clause 10.2 in relation to all of the Citruslots of the Participant Grower, the Participant Grower loses all rights and interest as a participant in the Project, and the procedures for consequences of default and termination as set out in the Constitution and, if applicable, clause 12 of this Agreement, may be followed.

(d) The termination of this Agreement will terminate the rights and obligations of the parties under this Agreement except to the extent that those rights and obligations are expressed to survive termination.

10.6 Termination of Sub-lease

If the Sub-lease terminates before it would otherwise have expired by the effluxion of time, then the following provisions apply:

(a) OIML and the Participant Grower agree that this Licence Agreement will continue with all necessary modifications as if OIML were named as the licensor in lieu of Timbercorp Securities from the termination of the Sub-lease;

(b) In the event that the Participant Grower pays Licence Fees to Timbercorp Securities rather than OIML, then Timbercorp Securities must pay to OIML all Licence Fees so paid under this Agreement (on a GST exclusive basis) within 30 days after receiving the Licence Fees from the Participant Grower;

(c) To the extent that the amount paid to OIML under paragraph (b) and the Sub-lease is less than the rent that OIML would have otherwise received from Timbercorp under the Parent Lease for each anniversary from the commencement date of the Parent Lease, Timbercorp must pay to OIML the shortfall within 55 Business Days after OIML gives Timbercorp notice in writing requesting such payment to be made; and

(d) To the extent that at any given time the amount paid by Timbercorp Securities to OIML under paragraph (b) and the Sub-lease is more than the rent which OIML would have otherwise received from Timbercorp under the Parent Lease for each anniversary from the commencement date of the Parent Lease at that time, OIML must refund the excess to Timbercorp Securities within 5 Business Days.

11. EXCUSES FOR NON PERFORMANCE

11.1 Force Majeure

Timbercorp Securities will not have any obligation to observe or comply with the terms of this Agreement to the extent that the observance of, or compliance with, those terms is prevented by Force Majeure.

11.2 Lack or unavailability of funds

Performance or fulfilment of an obligation is not to be taken to be prevented by Force Majeure if it is prevented by lack of funds or by inability to use available funds resulting from Force Majeure.

11.3 Liability

Timbercorp Securities' failure to observe or comply with the terms of this Agreement will not give rise to any liability to any party for any direct or indirect consequential or special loss or damage of any kind to the extent that the failure to observe or comply with those terms is attributable to Force Majeure.

12. LICENCE FEES AND EXPENSES

12.1 Failure to Pay

If the Participant Grower fails or neglects to pay:

(a) the Licence Fees payable under this Agreement; or

(b) any amount due and payable by the Participant Grower under the Citruslot Management Agreement; or

(c) any amount due and payable by the Participant Grower under the Constitution in respect of the Citruslots,

by the due date, Timbercorp Securities may, after giving the Participant Grower 30 days' prior written notice, terminate this Agreement under clause 10.2 and exercise either of the remedies set out in clauses 12.2 and 12.3 (in addition to and without prejudice to any other rights of Timbercorp Securities).

12.2 Timbercorp Securities may pay on Behalf of Defaulting Grower

If the Participant Grower fails or neglects to make payment of any amount under clause 12.1, Timbercorp Securities may pay on behalf of the Participant Grower, from its own funds, any such expense owing by the Participant Grower and Timbercorp Securities will be entitled to be reimbursed out of any Proceeds to which the Participant Grower is entitled, the amount of such payment together with interest at a rate of interest for the time being fixed under section 2 of the Penalty Interest Rates Act 1983 (Victoria), calculated from the date that the payment fell due until Timbercorp Securities has been reimbursed in full.

12.3 Defaulting Participant Grower's Interest may be dealt with under the Constitution

If the Participant Grower fails or neglects to make payment of any amount under clause 12.1 then Timbercorp Securities may deal with the interest of the Participant Grower by exercising any of its powers and rights under the Constitution.

13. ASSIGNMENT

13.1 Assignment by Timbercorp Securities

Subject to clause 13.2, Timbercorp Securities may freely assign any of their rights and interests under this Agreement so long as Timbercorp Securities does not assign its interest in this Agreement in any way without first entering a deed with the person with whom Timbercorp Securities is dealing ("the Grantee"). The deed must contain a covenant by the Grantee in favour of the Participant Grower to observe and perform all or any of the covenants:

(a) contained or implied in this Agreement and the Citruslot Management Agreement; and

(b) required to be observed or performed by Timbercorp Securities.

13.2 Agreements with Contractors

Timbercorp Securities may only assign its rights and interests in this Agreement to the Grantee if, at the same time, it assigns to the Grantee all its rights and interests in any

contract under which it has delegated some or all of its obligations under this Agreement, and for this purpose, Timbercorp Securities has obtained the written consent to the assignment from the contractor.

13.3 Timbercorp Securities or Grantee to pay for deed

The cost of any deed required under clause 13.1 must be paid by Timbercorp Securities or the Grantee, but not the Participant Grower.

13.4 Assignment by the Participant Grower

(a) Subject to the requirements of the Constitution, the Participant Grower may only assign its rights under this Agreement if the Participant Grower:

(i) first obtains a deed of covenant signed by the proposed assignee in favour of Timbercorp Securities and the Responsible Entity stating that the assignee will at all times during the remainder of the Term observe and perform all and any of the terms and conditions of this Agreement, the Constitution and the Citruslot Management Agreement applying to the Participant Grower's Citruslots being assigned; and

(ii) is not in default of any of its obligations under this Agreement, the Constitution and the Citruslot Management Agreement applying to the relevant Citruslots or any other agreement to which the Participant Grower is a party in respect of the Project.

(b) The proposed assignee is deemed to have entered into a Citruslot Management Agreement and this Agreement, with the same terms and conditions as those applying to the Citruslots being assigned to it by the Participant Grower immediately before the date of the assignment, on and from the date of the assignment.

13.5 Release of liability of Grower

Once the Participant Grower has perfected an assignment of its interest in this Agreement in accordance with clause 13.4, the Participant Grower no longer remains liable under this Agreement in respect of any act done or omitted to be done after the assignment is effected in respect of the Citruslots assigned.

14. GOODS AND SERVICES TAX

(a) If any supply made by a party ("Supplier") to the other ("Recipient") under this Agreement is a taxable supply (according to GST Law) so that the Supplier is liable to GST, the parties agree that the consideration payable for that taxable supply represents the value of the taxable supply (the "GST Exclusive Amount") and not the price for that taxable supply.

(b) In addition to the GST Exclusive Amount for a taxable supply under this Agreement, the Recipient must pay to the Supplier a further amount in respect of the taxable supply calculated as an amount equal to the GST Exclusive Amount multiplied by the GST Rate.

(c) The GST payable under paragraph 14(b) is payable by the Recipient without deduction or set-off of any other amount, at the same time and on the same basis as the GST Exclusive Amount is payable by the Recipient under this Agreement.

(d) The right of a Supplier to payment under this clause is subject to a valid tax invoice, which complies with GST Law, being issued and delivered by the Supplier to the Recipient.

(e) If a payment to satisfy a claim or a right to a claim under or in connection with this Agreement, for example, a claim for damages for breach of contract, gives rise to a liability to pay GST, the payment is the GST Exclusive Amount and an additional amount must be paid to the Supplier in accordance with paragraph 14(b).

(f) If a decision making body orders that a payment be made to a party to satisfy a claim under or in connection with this Deed, and such payment will give rise to a liability to pay GST, the parties authorise the decision making body to order that a further amount, calculated as an amount equal to the payment multiplied by the GST Rate, be paid to the party in whose favour the order is made.

(g) If a party has a claim under or in connection with this Agreement for a cost on which that party must pay GST, the claim is for the cost plus all GST, except any GST for which that party is entitled to an input tax credit, including a reduced input tax credit or an adjusted input tax credit.

(h) If a party has a claim under or in connection with this Agreement and the amount of the claim depends on actual or estimated revenue or lost revenue, revenue must be calculated without including any amount received or receivable as reimbursement for GST, whether that amount is separate or included as part of a larger amount.

15. LIMITATION OF LIABILITY OF GROWER

Subject to clause 12.2, in no circumstances will the Participant Grower be obliged to incur any liability under this Agreement in excess of the annual Licence Fees payable under this Agreement, the fees and expenses payable by the Participant Grower under the Citruslot Management Agreement in relation to the relevant Citruslots and its Participating Interest in the Proceeds.

16. NOTICE

16.1 Form of Notice

Any notice to be given under or in connection with this Agreement must be in writing and may be signed by an authorised representative of the party giving the notice. The notice may be served by:

(a) hand delivery;

(b) post or registered or certified mail; or

(c) fax,

to such address or fax number of the party to whom the notice is directed as the addressee may notify prior to such notice being given.

16.2 Receipt of Notice

Any notice will be effective and will be deemed to be received:

(a) if hand delivered, then upon delivery;

(b) if posted, then 48 hours after the notice has been properly posted if that falls on a Business Day, and if not, on the first Business Day afterwards; and

(c) if sent by fax, then at the date and time of transmission as shown by the confirmation report from the sender's fax machine indicating that the notice has been received in full by the recipient's fax machine.

17. PROPER LAW

This Agreement is governed by, and to be interpreted in accordance with, the laws of South Australia and the parties to this Agreement submit to the non-exclusive jurisdiction of the courts of South Australia and courts of appeal from them for determining any dispute concerning this Agreement or the transactions contemplated by this Agreement.

18. AMENDMENTS

(a) This Agreement may be amended by another document in writing and duly signed by the parties to this Agreement.

(b) Subject to paragraph 18(c), Timbercorp Securities, may amend the provisions of this Agreement to such extent as may be required to:

(i) satisfy the requirements of any statute, ordinance, rule, regulation or by-law which may be passed and which affects the Project;

(ii) comply with the effect of any judicial decision; or

(iii) enable the provisions of this Agreement, or the Project, to be more conveniently, advantageously, profitably or economically administered or managed.

(c) Before Timbercorp Securities may amend the Agreement as provided under paragraph 18(b), the Responsible Entity must be reasonably satisfied that the amendment does not adversely affect the rights of all the Participant Growers.

(d) Subject to the Corporations Act, Timbercorp Securities may make the amendments on behalf of itself and the Responsible Entity, on behalf of the Participant Grower. To give effect to this clause, the Participant Grower appoints the Responsible Entity as its attorney to make amendments to this Agreement.

(e) If the Responsible Entity cannot be satisfied that it can consent to the amendments in accordance with paragraph 18(c), then amendments may only be made in accordance with paragraph (a).

19. DISPUTE RESOLUTION

19.1 Referral by the Participant Grower

(a) Any dispute or difference whatsoever in connection with this Agreement must be dealt with by the Participant Grower as follows in the event that the dispute or difference is unable to be resolved by Timbercorp Securities to the Participant Grower's satisfaction:

(i) if the dispute or difference falls within the rules of the Financial Industry Complaints Service (FICS) or Insurance Brokers Disputes Limited (IBD), the Participant Grower may refer the dispute or difference to FICS or IBD, for determination in accordance with FICS' or IBD's rules, as the case requires; or

(ii) if:

(A) the dispute or difference does not fall within the rules of FICS or IBD; or

(B) the Participant Grower does not wish to refer the dispute or difference to FICS or IBD in accordance with paragraph 19.1(a)(i),

the dispute or difference must be submitted by the Participant Grower to arbitration in accordance with, and subject to, the Institute of Arbitrators and Mediators of Australia Expedited Commercial Arbitration Rules, and to the extent permitted under those rules:

(C) the Arbitrator will be a person recommended by the Victorian Chapter of the Institute of Arbitrators and Mediators of Australia; and

(D) the arbitration will be conducted in Melbourne, Victoria.

(b) The Participant Grower and Timbercorp Securities:

(i) subject to any right of appeal contained in the rules of FICS or IBD, agree to accept the determination of FICS, IBD or the arbitrator, as the case requires, in accordance with paragraph 19.1(a) as final and binding; and

(ii) submit to the non-exclusive jurisdiction of the Courts in Victoria for the enforcement of any such determination.

19.2 Timbercorp Securities

(a) Clause 19.1 is for the benefit of Timbercorp Securities only, and it does not prevent Timbercorp Securities from:

(i) commencing proceedings against the Participant Grower in any relevant jurisdiction;

(ii) submitting any dispute or difference whatsoever with a Participant Grower in connection with this Agreement to arbitration in accordance with, and subject to, the Institute of Arbitrators and Mediators of Australia Expedited Commercial Arbitration Rules, and to the extent permitted under those rules:

(A) the Arbitrator will be a person recommended by the Victorian Chapter of the Institute of Arbitrators and Mediators of Australia; and

(B) the arbitration will be conducted in Melbourne, Victoria.

(b) The Participant Grower and Timbercorp Securities:

(i) agree to accept the determination of the arbitrator in relation to any dispute or difference referred to arbitration in accordance with paragraph 19.20, as final and binding; and

(ii) submit to the non-exclusive jurisdiction of the Courts in Victoria for the enforcement of any such determination.

(c) Timbercorp Securities must ensure that it has an internal complaints handling procedure that conforms where reasonably possible to the procedure set out in clauses 25.2, 25.3 and 25.4 of the Constitution.

20. CONSTITUTION

The rights and obligations of the parties under this Agreement are subject to the terms and conditions of the Constitution.

21. STATUTORY PROVISIONS

To the extent permitted by law, all provisions implied by statute are expressly excluded from this Agreement and the licence granted under this Agreement, including all provisions implied in licences by the Real Property Act 1886 (SA).

22. INSURANCE

Each party agrees that it will not do or permit or suffer to be done any act, manner or thing which may prejudice or render void or voidable any insurances in respect of the Citrusiots or the Citrus Trees taken out by Timbercorp Securities, OIML, Timbercorp or any Participant Grower or result in the premiums for such insurances being increased.

23. FURTHER ASSURANCES

Each party agrees to sign such documents and do all such acts, matters and things as may be reasonably required by any other party to give effect to this Agreement.

24. SEVERABILITY

If any provision of this Agreement is or becomes void or unforeseeable, that provision will be severed from this Agreement to the intent that the remaining provisions of this Agreement will continue in full force and effect.

Executed as an Agreement

EXECUTED by TIMBERCORP SECURITIES LIMITED in accordance with section 127 of the Corporations Act:)

Signature	Signature
Full Name	Full Name
Position Held	Position Held

EXECUTED by TIMBERCORP SECURITIES LIMITED as agent and attorney for and on behalf of each several Participant Grower by authority of its directors in accordance with section 127 of the Corporations Act:)

Signature	Signature
Full Name	Full Name
Position Held	Position Held

EXECUTED by ORCHARD INVESTMENTS MANAGEMENT LIMITED in accordance with section 127 of the Corporations Act:)

Signature	Signature
Full Name	Full Name
Position Held	Position Held

EXECUTED by TIMBERCORP LIMITED in accordance with section 127 of the Corporations Act:)

Signature	Signature
Full Name	Full Name
Position Held	Position Held

SCHEDULE

Participant Growers' Details