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2001 007A

SUBLEASE

Timbercorp Securities Limited

Almond Land Pty Ltd

NM TAYLOR

LAWYERS

Level 7
350 Collins Street
MELBOURNE VIC 3000

Telephone: 9600 3525
Facsimile: 9600 3527

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Details of this Sublease

Date of the Sublease:

This Sublease is made on

1 Mool

At Date Of Stamping This
Instrument Is Not Liable To
Stamp Duty, Rent Less Than \$130 PA
Trn:990709 11-APR-2001
Stamp Duty Victoria, BX10

1. TIMBERCORP SECURITIES LIMITED

ACN 092 311 469
Level 5, 95 Queen Street
Melbourne, Victoria, 3000

(Sublessor)

2. ALMOND LAND PTY LTD

ACN 091 460 392
Level 5, 95 Queen Street
Melbourne, Victoria, 3000

(Sublessee)

The Parties Agree as Follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Sublease, unless the context or contrary intention appears, the following words and expressions have the meanings set opposite them:

Almondlot Management Agreement:	the agreement of that name as defined in the Constitution;
Business Day:	any other day other than a Saturday, Sunday or a public holiday on which banks are open for business with the public in Melbourne;
Constitution:	the Constitution of the Project as constituted by deed made on 18 January 2001 between the Sublessor and the Grower;
Grower:	the Grower as defined in the Constitution;
GST:	has the meaning given in A New Tax System (Goods and Services Tax) Act 1999 (as amended);
GST Law:	the same as in the A New Tax System (Goods and Services Tax) Act 1999 (as amended);

Head Lease:	the lease between Almond Land Pty Ltd as lessor and the Responsible Entity as lessee;
Land:	the whole of the land described in the Schedule;
Licence and Joint Venture Agreement:	the agreement of that name as defined in the Constitution;
Project:	the 2001 Timbercorp Almond Project;
Responsible Entity:	the responsible entity for the time being under the Constitution, currently the Sublessor;
Tree Supply and Planting Agreement:	the agreement of that name, as defined in the Constitution.

1.2 Interpretation

In this Sublease, 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 Sublease;
- (i) if a party comprises two or more persons, this Sublease binds them jointly and each of them severally
- (j) if any of the persons comprising the Grower is a trustee, this Sublease 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 Sublease.

2. TERM

The Sublessor grants this Sublease to the Sublessee for a period commencing on the date of this Sublease and, subject to clause 8, expiring on 29 June 2019.

3. RENT

If demanded by the Sublessor, the Sublessee must pay to the Sublessor an amount of \$1.00 per annum for the term of this Sublease.

4. USE OF LAND

4.1 Use of Land by Sublessee

The Sublessee must only use the Land in accordance with the Constitution, the Almondlot Management Agreement, the Licence and Joint Venture Agreement and the Tree Supply and Planting Agreement. The Sublessee may only use the Land in any other manner with the prior and express written consent of the Sublessor, which consent may be given or refused at the absolute discretion of the Sublessor.

4.2 No warranty as to use

The Sublessor does not warrant that the Land is suitable for all or any of the purposes referred to in this Sublease or for any other purpose and the Sublessee must take such steps and do all necessary acts, matters and things to enable the Land to be used for the purpose for which the Land is leased.

5. QUIET ENJOYMENT

The Sublessee may, during the term of this Sublease, possess the Land without interruption from the Sublessor or any person claiming through it, except to the extent that the interruption is expressly permitted by this Sublease.

6. ASSIGNMENTS, SUBLEASES, MORTGAGES AND LICENCES

6.1 Assignments, subleases, mortgage and licences by Sublessee

Subject to clause 6.4, the Sublessee must not under any circumstances assign this Sublease or transfer, sublet or part with possession of the Land or any part of the Land without the prior written consent of the Sublessor, which may be granted or refused at the absolute discretion of the Sublessor.

6.2 Where the Sublessee is a company

Where the Sublessee is a company, other than a company listed on any recognised stock exchange, any change in the principal shareholding of or any change in the principal shareholding of any holding company of the Sublessee altering the effective control of the Sublessee, will (for the purpose of this clause), be deemed to be an assignment of this Sublease and must require the written consent of the Sublessor.

6.3 The Sublessee must not mortgage its interest

The Sublessee must not under any circumstances mortgage, charge or otherwise encumber its estate or interest in this Sublease without prior written consent of the Sublessor, which consent may be granted or refused at the absolute discretion of the Sublessor.

6.4 Right to occupy

The Sublessor acknowledges the right granted to Growers each to occupy and use a portion of the Land under the Licence and Joint Venture Agreements. That right is subject to each Licence and Joint Venture Agreement and the terms of the Constitution. Execution of this Sublease is deemed to be the written consent of the Sublessor required under clause 6.1.

7. DEFAULT AND RE-ENTRY

7.1 Default and Re-Entry by Sublessor

The Sublessor and the Sublessee covenant that the Sublessor will have the right to re-enter upon the Land if:

- (a) the rent remains unpaid for a period of 28 days after payment was demanded by the Sublessor under clause 3.1; or
- (b) the Sublessee commits, permits or suffers to occur any breach or default in the due and punctual observance and performance of any of its obligations of this Sublease or the Constitution; or
- (c) an order is made or a resolution is effectively passed for the winding up of the Sublessee (except for the purpose of reconstruction or amalgamation with the written consent of the Sublessor which consent must not be unreasonably withheld); or
- (d) the Sublessee goes into liquidation or makes an assignment for the benefit of or enters into an arrangement or composition with its creditors or stops payment or is unable to pay its debts within the meaning of the Corporations Law; or
- (e) execution is levied against the Sublessee and not discharged within thirty (30) days.

7.2 Remedies not waived

Should the Sublessor exercise its right under clause 7.1, it will do so without prejudice to any action or other remedy which the Sublessor has for arrears of rent or breach of covenant or for damages as a result of any breach of the terms of this Sublease by the Sublessee.

7.3 Discharge of Sublessor

Where the Sublessor exercises its rights under clause 7.1, and upon re-entry by the Sublessor, the Sublessor will be freed and discharged from any action, suit, claim or demand by, or obligation, to the Sublessee under or by virtue of this Sublease.

7.4 Sublessee not to remove fixtures

As long as any rental or other money is due by the Sublessee to the Sublessor, or the Sublessee has committed any breach of the terms of this Sublease which has not been

made good or remedied and whether the Sublessee is still in possession or not, the Sublessee must not remove any of its fixtures, fittings or plant from the Land and is not entitled to enter upon the Land for the purpose of removing any of its fixtures, fittings or plant.

7.5 Waiver by Sublessor

No waiver by the Sublessor of a breach of any covenant, obligation or provision contained or implied in this Sublease will operate as a waiver of another breach of the same or of any other covenant, obligation or provision contained or implied in this Sublease. The only waiver by the Sublessor having any effect will be a waiver in writing by the Sublessor.

8. TERMINATION

8.1 Termination of the Project

If the Project ends then:

- (a) this Sublease is automatically terminated; and
- (b) both the Sublessor and the Sublessee give to the other of them a power of attorney to do all things and sign all documents necessary to give effect to a termination under this clause only.

8.2 Termination of Head Lease

If the Head Lease comes to an end for whatever reason then this Sublease is automatically terminated.

9. SUBLESSEE WILL ASSUME ALL RISK

The Sublessee will, to the entire exclusion of the Sublessor, assume all risk of loss, damage or injury by fire or otherwise to person or property by reason of the condition of the Land or any plant, equipment, fixtures or fittings at the Land, or by reason of the use, management, control or operation of any plant, equipment, fixtures or fittings and the Sublessee releases the Sublessor from all claims of such loss, damage or injury, including any loss of profits or other outgoings sustained by the Sublessee or by any person whatsoever. The Sublessee will indemnify the Sublessor from and against all actions, claims, demands, losses, damages, costs and expenses, either direct or indirect, for which the Sublessor shall or may be or become liable in respect of or arising from:

- (a) the negligent use, misuse, waste or abuse by the Sublessee of the water, gas, electricity, oil, lighting and other services and facilities of the Land;
 - (b) overflow or leakage of water (including rain water) into or from the Land from whatever cause;
 - (c) loss, damage or injury from any cause whatsoever to property or person caused or contributed to by the use of the premises by the Sublessee.
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10. LEGAL COSTS

10.1 Sublessee to pay legal costs

The Sublessee must pay the reasonable costs of the Sublessor's solicitors of and incidental to the preparation, execution, stamping and registration of this Sublease including all registration fees and stamp duty payable and including the cost of obtaining any necessary consents.

10.2 Sublessee to pay legal costs in connection with litigation

The Sublessee must pay to the Sublessor all reasonable legal fees and disbursements incurred by the Sublessor in connection with any litigation commenced by or against the Sublessee (other than litigation between the Sublessor and the Sublessee) arising directly or indirectly out of the Sublessee's occupancy of the Land. The Sublessee must also pay all costs, expenses and reasonable legal fees that may be payable by the Sublessor in connection with the giving of any notice or consent or in enforcing or attempting to enforce the covenants and agreements in this Sublease.

11. CAPACITY AND LIABILITY OF THE SUBLESSOR

11.1 Capacity of Sublessor

The parties acknowledge that:

- (a) the Sublessor has entered into this Sublease only in its capacity as Responsible Entity under the Constitution; and
- (b) the Sublessor has full and valid authority and power to enter into this Sublease pursuant to the terms of the Constitution.

11.2 Benefit to Sublessor

Each of the parties to this Sublease acknowledges and agrees that every agreement and condition in this Sublease for the benefit of the Sublessor benefits the Sublessor personally and in its capacity as Responsible Entity under the Constitution.

11.3 Limitation of Liability

The parties agrees that the Sublessor will in no circumstances be required to satisfy any liability of the Sublessee for breach of any obligation pursuant to or in respect of this Sublease out of any funds, property or assets other than the assets held as the responsible entity under the Constitution under the Sublessor's control and in its possession and available to be properly resorted to by the Sublessor.

12. NOTICES

12.1 Any notice to be given under or in connection with this Sublease 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.

12.2 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.

13. PROPER LAW

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

14. SEVERANCE

This Sublease, so far as possible, must be constructed to give validity to all of its provisions. Any provision found to be prohibited by law will be ineffective so far as it is prohibited without invalidating any other part of this Sublease.

15. ENTIRE AGREEMENT

Each party acknowledges that this Sublease is not entered into in reliance on any representation or warranty, expressed or implied, whether oral, in writing or contained in any brochure, advertisement or otherwise, except as may be specifically set out in this Sublease.

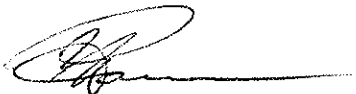
16. GST

- (a) If any supply made by the Sublessor ("Supplier") to the Sublessee ("Recipient") under this Sublease is a taxable supply (according to GST Law) so that the Sublessor 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 Sublease, the Sublessee must pay to the Sublessor 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 (b) is payable by the Sublessee 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 Sublessee under this Sublease.

- (d) The Sublessor must, in respect of a taxable supply made by it under this Sublease, issue to the Sublessee a valid tax invoice in the prescribed form, for the amount of GST referable to that taxable supply, in order that the Recipient may obtain an input tax credit for the amount of GST payable on the taxable supply.

Executed


EXECUTED by TIMBERCORP)
SECURITIES LIMITED by authority)
of its directors:)



Signature
Robert J Hance

Full Name
DIRECTOR

Position Held




Signature
Sol Rabinowicz

Full Name
DIRECTOR

Position Held

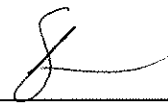
EXECUTED by ALMOND LAND)
PTY LTD by authority of its)
directors:)



Signature
Wayne David Overall

Full Name
DIRECTOR

Position Held



Signature
Sol Rabinowicz

Full Name
DIRECTOR

Position Held

SCHEDULE

Description of Land (Clause 1.1)

The land described as Hattah-Robinvale Road, Liparoo in the State of Victoria and comprising:

1. Crown Allotment 6 and being all of the land more particularly described in Certificate of Title Volume 9861 Folio 747; and
2. Lot 2 on Plan of Subdivision 442837A and being all of the land described in Certificate of Title Volume 10554 Folio 880.