



GlobalForestry
INVESTMENTS

INVESTING IN TEAK FORESTRY



THE OPPORTUNITY

Property Market Revolution

The past year has seen an unprecedented revolution in global property markets. In many parts of the world the market for commercial, residential and tourist property, which had been booming, has stagnated or is falling, and while experts may differ on the extent of the likely fall they are virtually unanimous in believing that prices will not start to rise substantially for many years. With a Teak purchase you are likely to experience high returns normally associated with more high-risk or speculative investment but without the speculation and high risk. Your asset grows in value every year regardless of the volatility in the stock market. Unlike real estate, a Teak purchase does not require ongoing maintenance payments, capital improvements, headaches or management fees.

Sustained Price Rise

Although as with any asset the price of timber is prone to speculative rises and falls. The great news about timber is that it is the only commodity that has had a steadily rising price over 200 years, 100 years, 50 years and 10 years.

Timber is the only reliable negatively correlated asset class when it really needs it to be. This is because timber owners can withhold the forest. If they find that the price of lumber is too low they simply don't harvest. There is no cost of storage and the tree continues to grow and increase in value.

Growing demand for Teakwood coupled with limited geographical growing areas and shrinking international supply suggest that increases in Teak prices should continue, further driving up the value of your asset.

Unique Investment

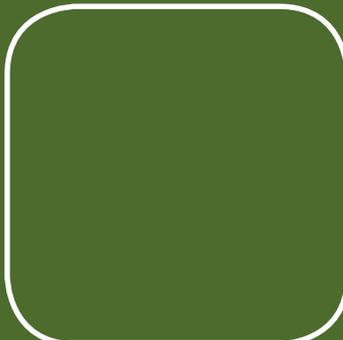
The largest returns for investment in Forestry are in developing countries where land prices remain low, and where it is being brought into production or improved. But it is very difficult for outside Investors to access that land. Typically there are legal constraints on ownership and buying and selling land is through private networks. There are then considerable problems in arranging efficient and profitable management and cultivation. GFI offers Investors a unique opportunity of acquiring Teak Forests globally which GFI will manage on their behalf.

“Invest in the
lungs of our
Planet, invest in
the Future”

WHAT DO WE DO?

GFI Investments plant and grow many of the finest species of exotic tropical hardwood in Ecuador.

GFI Investments are growing trees to harvest as profit for ourselves, companies and individuals. We believe that ethical profit can co-exist with environmental conscience, helping to create a better world for all of us and future generations. The cultured hardwoods we grow and produce will help reduce the pressure on the world's natural rainforests, at the same time we are carefully protecting thousands of acres of previously threatened tropical rainforests. Once all the trees have been harvested the fields are replanted with perpetual forestry, which means they will be protected forever.



WHY CHOOSE TROPICAL HARDWOOD TREES AS AN INVESTMENT?

Demand - World consumption of tropical hardwoods has multiplied nearly 25 times in just the last four decades. More than 100 billion board feet of tropical hardwoods are now being consumed each year.

At the same time the world's supplies of tropical rainforests are being destroyed at the rate of 35 to 50 million acres each year and along with them the world's supply of tropical hardwoods. At this rate there will be very little left in 30 years and as a result prices of tropical hardwoods will continue to escalate. Every second a piece of rainforest the size of a football pitch is lost forever.

The Food and Agriculture Organization (FAO) estimates that each year about 13 million hectares of the world's forests are lost due to deforestation. From 2000 to 2005 the net forest loss was 125 square miles per day.

WHAT CAN YOU DO TO HELP?

By investing in GFI reforestation projects you will be helping to reforest Ecuador and gaining a healthy ethical profit. Like many other countries Ecuador have had their rainforests 'cut and slashed' to provide pastures for crops. As a consequence, they have lost tens of thousands of acres of long standing natural rainforests.

GFI Investments are actively replanting previously deforested land with plantation timber for ourselves, individuals and investors. For every unit of trees we plant for investors, we plant the same amount of buffer stock. The investor does not own these trees, but the investment helps to fund the regeneration of the rainforests and as a consequence helps to create stability for the surrounding communities previously decimated.



WHAT SPECIES ARE AVAILABLE?

Teak

Teak (*Tectona grandis*) is a durable hardwood suitable for outdoor applications where resistance to the elements is required. It has qualities unlike any other wood and is rich in oil. It's traditionally used on boats, outdoor furniture and has also been widely used for flooring/decking due to its superior ability to withstand the elements.

Teak is one of the most valuable hardwoods. With an international boycott on cutting down Teak trees from existing natural forests, the only alternative source of supply is cultivated plantations. It is an ideal species for plantations because it grows relatively quickly and with demand out-stripping supply prices will therefore continue to rise, thus driving up the value of your asset. Teak trees also have one of the highest carbon sequestration rates, this is the process of removing carbon from the atmosphere and storing it in wood. At just six months Teak

trees are already approximately 10 feet high. By year two they are well established as young durable trees. By year three the girth and height has grown significantly with the trees starting to gain considerable canopy mass. Teak reaches maturity at the age of 25 years when being grown on our plantations.

BALSA - Coming soon

Balsa is a large, fast growing tree that can grow up to 30m (100ft) tall, native to the tropical South and North America. Its natural range extends south from Guatemala, through Central America, to the north and west coast of South America as far as Bolivia. However, the small country of Ecuador, on the western coast of South America is the primary source of model aircraft grade balsa in the world.

Balsa needs a warm climate with plenty of rainfall and good drainage. For that reason, the best stands of balsa usually appear on the high ground between tropical rivers. Ecuador has the

ideal geography and climate for growing balsa trees. The scientific name for balsa wood is *Ochroma lagopus*. The word balsa itself is Spanish meaning raft, in reference to its excellent flotation qualities. In Ecuador it is known as Boya, meaning buoy.

In addition Ecuador is also the largest shipper of Balsa wood supplying 98% of demand and is sent to over 45 countries for model making and industrial use.

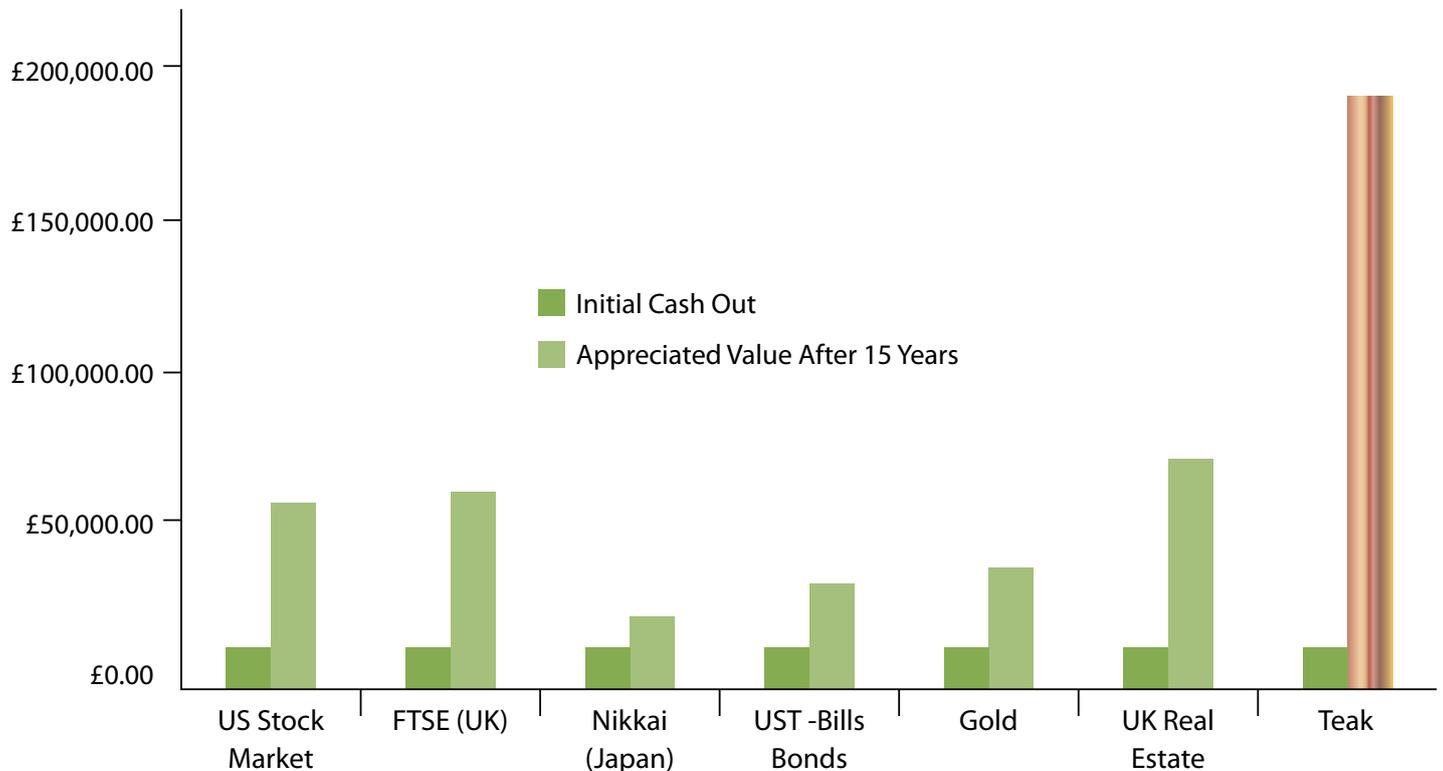
BIO DIESEL - Coming soon

Jatropha curcas (Kattamanakku) is an oil plant. The botanic name *Jatropha* is derived from the Greek words, "Jatras" meaning Doctor and "trophe" meaning Nutrition. It is significant to point out that, the non-edible vegetable oil of *Jatropha curcas* has the requisite potential of providing a promising and commercially viable alternative to diesel oil since it has desirable physicochemical and performance characteristics comparable to diesel. Cars could be run with *Jatropha curcas* without requiring much change in design.



TEAK VS. TRADITIONAL INVESTMENTS

How does buying Pacific Teak compare with conventional investments?



In comparison, real estate, gold, stocks, and mutual funds have historically shown to experience considerable volatility. Comparatively, Teakwood has demonstrated much less fluctuation with consistent and sustained increases in value over long periods of time. Savings bonds are safe and predictable, but returns historically have been very low.

With a Teak purchase, you will likely experience high returns normally associated with more high-risk or speculative investments but without the speculation and high risk. Your asset grows in value every year, regardless of volatility in stock market. Unlike real estate, a Teak purchase does not require ongoing maintenance payments, capital improvements, headaches or management fees.

The global Teakwood market is driven by growing demand and shrinking supply, making your asset more valuable each year as it grows to maturity.

“A small investment, equal’s a huge contribution”

HOW THE INVESTMENT WORKS AND PAYS OUT

Global Financial Investment (GFI) is proud to offer three carefully structured investment package as a means for private investors to acquire and profit from plantations in Ecuador.

10% return per annum

Although the maximum returns are projected by waiting to harvest your trees at 25 years, clients can resell their Units at any time on the open market and GFI offers to directly purchase your trees any time after 5 years with a return of 5%.

All investments include full management of your Forestry by GFI.

Streamline Package

Suitable for individual RETAIL investors
Minimum investment £5,000 equalling 100 trees

Premium Package

Suitable for Companies and CORPORATE investors
Minimum Investment £20,000 - equalling 500 trees

GFI Incentives

All clients who invest in the Premier package, automatically qualify for a FREE Farmland Pack worth £2500 equalling (5 acre Parcels) this will give you a minimum return of 10% pa. Therefore you will receive a combined return on your Forestry and Farmland investment.

Optimum Package

Suitable for Consortiums and Funds Investments
Minimum investment £100,000 – Equalling 2000 trees

GFI Incentives

All clients who invest in the Optimum package, automatically qualify for a FREE Farmland Pack worth £5000 equalling (10 acre Parcels) this will give you a minimum return 10% pa, Therefore you will receive a combined return on your forestry and farmland investment.

IT'S SIMPLE:

YOU INVEST AND WATCH YOUR INVESTMENT GROW.

Investments start from £5,000. When you purchase your trees, the saplings are planted and nurtured until they grow into mature trees that are then harvested. As Teak grows it needs 'thinning', which is the process of harvesting some of the trees to allow the stronger ones to grow.

The harvesting process happens in stages. Once a year you will receive a foresters report giving you various options of what to do and detailing the conditions of your specific trees, or simply logon to your back office for current updates.

At each thinning and harvest, we can sell your hardwood for you and send you the proceeds (minus our harvest and profit share (see Payouts), which are accounted for in the projection inserts of this brochure) - should you so choose.

HOW DO WE WORK OUT OUR PROJECTIONS?

Our Projections are based on two primary factors; the value of the trees/product at sale and the rate at which it can be grown. We try to project harvest maturities realistically.

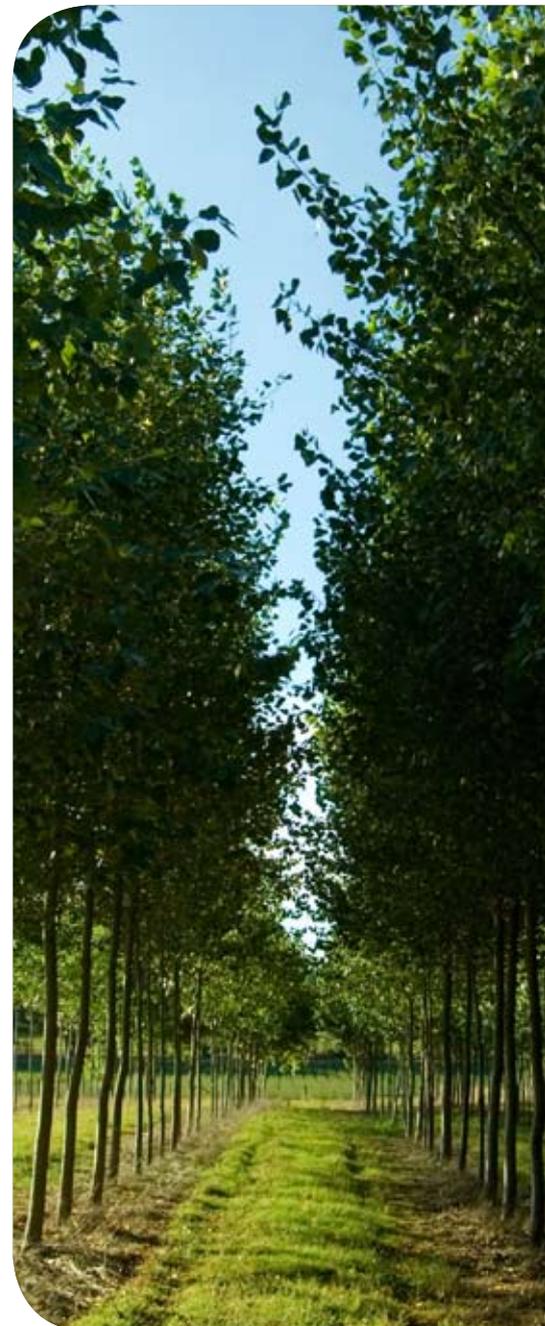
This means we look at today's average harvest values for each type of wood. We then look retrospectively at the annual increases during the last ten years and use these as a guide when projecting potential future maturities - as it is often said that "in predicting the future it is helpful to study the past"

Past growth rates are by no means a guarantee of those in the future, they are however the only "yardstick" one has in looking forward and should therefore be viewed realistically. The positive viewpoint here is that market values have consistently risen over the years and one would hope this trend would continue!

HOW SAFE IS MY INVESTMENT ?

The security of your investment is of paramount importance. We have endeavored to make owning your own plantation as secure as possible by:

- Providing you with a full lease on the land upon which your trees are planted. This lease is registered with the Land Registry for the full period your trees are growing.
- Providing you with a Forestry Title Deed, giving you full title over your trees.
- Using our plantation partners years of experience in forestry backed up by the scientific advisory.
- Our resident foresters living on your land to help monitor and protect it.
- Using very conservative independent figures in our projections to ensure we meet your expectations.
- Protecting you from any potential crop loss by undertaking to replace any trees of yours which do not reach maturity with our own trees.



TREE GROWTH

Watch your Teak grow as fast as your investment!

By using the most advanced methods of cultivation in all our plantations, including the use of tissue culture, we ensure that all your trees are grown from the highest quality stock. This means that your trees grow faster, stronger and straighter, thus providing consistent high quality stock which in turn maximizes your harvest returns.

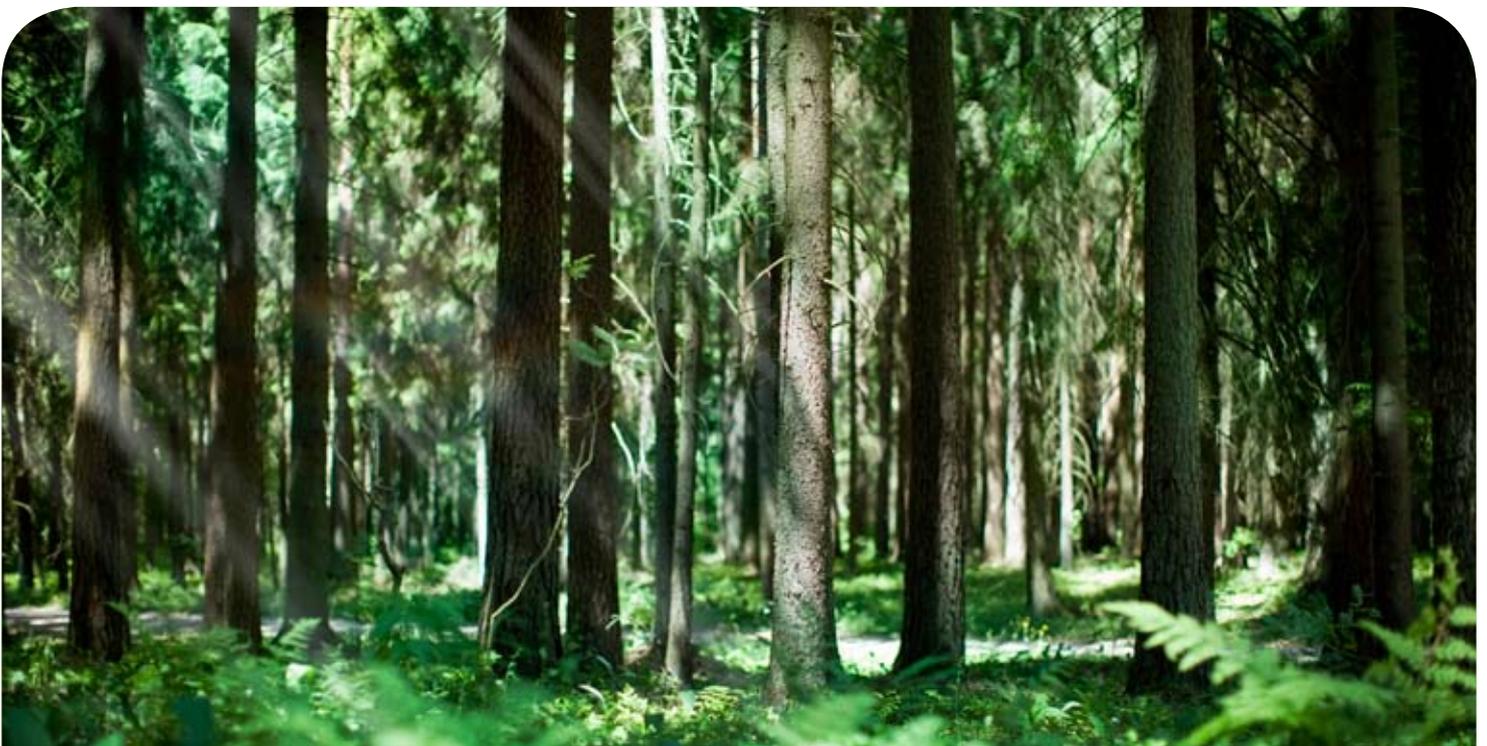
TEAK PROJECTIONS

The following projections will help illustrate the likely harvest schedule and yields from growing 100 Teak trees on our tree farms. The price projections are based on historical data and the growth projections are based on planting Teak on average sites. Of the many species of tropical hardwoods that we are growing on our tree farms, Teak is the only species for which sufficient historical data exists to allow us to make reasonably detailed projections of potential harvests and yields. In practice, our Teak is planted on first class sites and as a result our Teak growth is very much ahead of these projections.

Like a stock that pays dividends, an added benefit to investing in Teak is periodic returns. Through the course of the life of a Teak tree (approximately 25 years), there are five crop thinnings (years 7, 10, 13, 17, and 21). Thinnings are required as they allow room for the remaining trees to grow to full potential. With each thinning, investors have two primary options by which to handle lumber:

- Keep lumber for personal use, or
- Sell lumber for profit.

If selling is the desired option, investors can sell independently or have GFI sell on your behalf to its network of individual and industrial buyers (this is recommended). Profits can either be retained or re-invested in more trees.





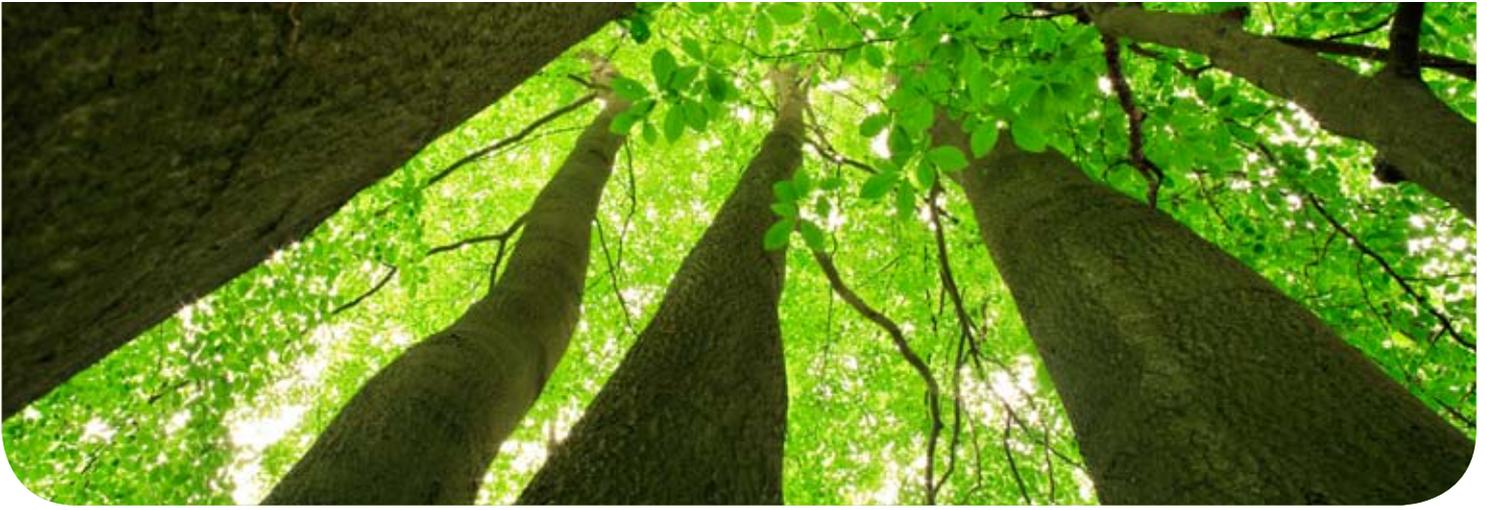
This table shows the projected growth, harvests and yields from planting 100 Teak trees. These projections are based upon a lumber price of \$2.51 and \$3.16 per board foot respectively for the first and second thinning. There will be an additional increase of \$3.00 per board foot at an annual rate of 6% for the subsequent thinning and the final harvest. The harvest and processing costs for the first two thinning are shown at actual cost percentage and for the subsequent thinning at actual cost of \$0.29 per board foot, increasing at the same annual rate as the value of the lumber.

The harvest and processing costs are the costs for milling your trees and we have allowed a generous 10%. The actual costs are lower than this. The Care and Management fees are the fees we charge for growing and managing your trees.

Table 1: This table below shows a typical scenario for the payouts on 100 trees received from an investment of £5,000

Tree Age	# of Trees Pre- Harvest	# of Trees Harvested	Usable Tree Height - Feet	Tree Diameter - Inches	Volume Per Tree - Cubic Feet	Marketable Wood Per Tree - Board feet	Value Per Tree	Gross Harvest Proceeds	Harvest Processing Costs	Net Harvest Proceeds	Care and Management Fee	Net - Profit Per Harvest	Cumulative Net Profit
	100	15											
7	85	25	22	7	3.8	29	\$73	\$1,825	\$210	\$1,615	\$0	\$1,165	\$1,615
10	60	18	29	10	10.3	56	\$176	\$3,168	\$364	\$2,804	\$0	\$2,804	\$4,419
13	42	15	35	12	17.9	118	\$755	\$11,325	\$1,094	\$10,231	\$879	\$9,352	\$13,771
17	27	10	40	15	31.9	268	\$2,165	\$21,650	\$2,093	\$19,557	\$1,173	\$18,384	\$32,155
21	17	6	44	18	50.5	425	\$4,330	\$25,980	\$2,511	\$23,469	\$1,408	\$22,061	\$54,215
25	11	11	44	20	63.8	536	\$6,902	\$75,922	\$7,339	\$68,583	\$4,115	\$64,468	\$118,684

The projections in Table 1 above are based upon the price of Teak increasing at 6% per year. However, according to the United Nations FAO publication 'Forest Products Prices', the median export/import prices of Teak actually rose at an average rate of 9.7% per year for 18 years from 1970 to 1988 (the last year of the report), and 13.2% per year for the last four years of the report. Teak prices have been rising at a rate greater than the 6% used in these projections.



Cull:

The projections above for Teak planted from seed include mortality and cull loss of 15%. Our actual mortality and cull loss is lower, but we have left it at 15% to be conservative. During the first three years any tree that is not healthy or in any way not growing properly will be replaced at no charge to you. Once the trees are past the age of their first thinning the mortality and cull loss will likely be 0% because we will have removed all of the culls in the first thinning, and if a tree is lost after the first thinning, we will simply mill it into lumber, either for your use or to be sold.

Thinning & Harvest:

Both the timing and number of trees harvested for the first two thinning are based upon actual practices on the plantations. For the subsequent thinning and final harvest, a combination of the plantations experience and the latest published silvicultural practices from experience in Teak plantations will be used.

Professional foresters who monitor the growth profiles of your trees in the plantations will determine the actual thinnings and harvests of your trees.

NOTE: If you elect to have us sell your hardwoods for you, several additional months after any thinning or harvest, we will be required to mill, dry, grade and prepare your lumber for the international export market. (see Net Harvest Proceeds)

Value of Wood (per tree):

This figure is arrived at by multiplying the number of marketable board feet per tree times the price per board foot at the time of harvest.

Gross harvest proceeds:

The estimated gross value of the lumber from each harvest is arrived at by multiplying the estimated value per tree by the number of trees harvested in that thinning or harvest.

Net Harvest Proceeds:

This figure is arrived at by subtracting the estimated harvest and processing costs (the direct costs of harvesting your trees, milling your logs into marketable lumber, and drying your lumber) from the gross harvest proceeds.

Net-Profit Per Harvest:

This is your estimated net cash flow from each harvest, arrived at by subtracting the farm's care and management fee from the net harvest proceeds.

“Creating
wealth
naturally”

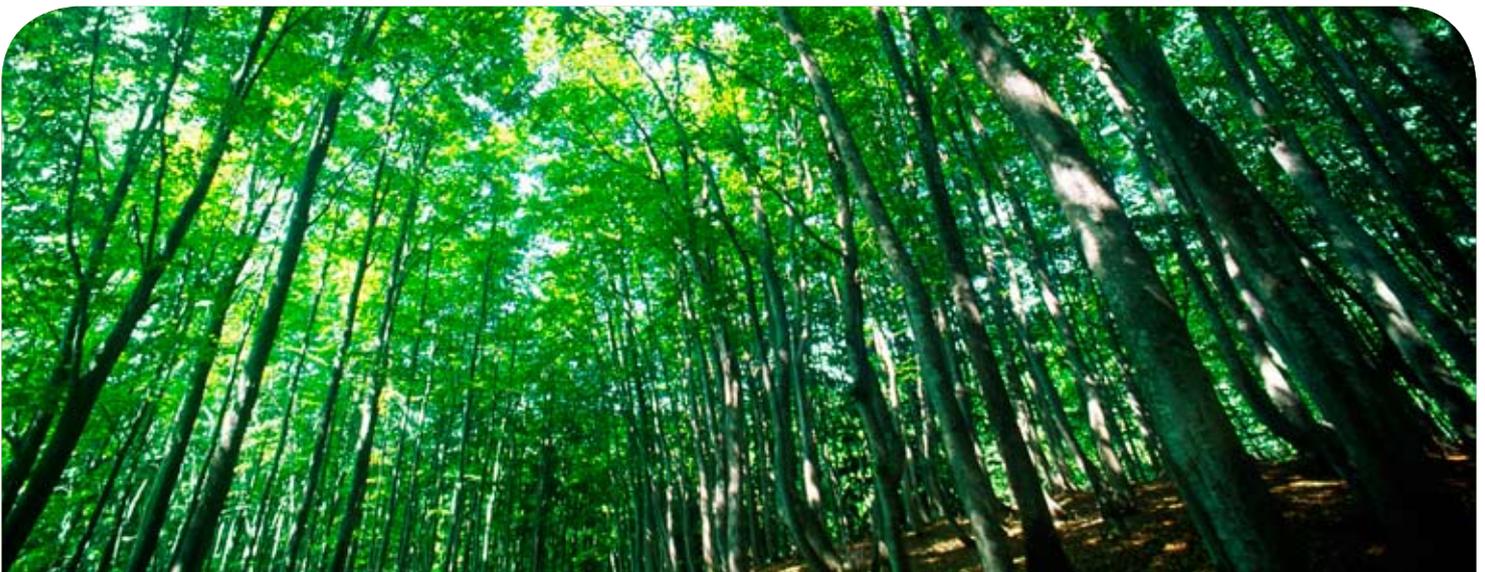
Table 2: The table below is based upon the yields and costs for Teak from seed shown in Table 1 and illustrates the effect of different annual increases in Teak prices, ranging from 0% (no increase) to 10% per year, on the profits and internal rate of return (IRR). These projections also assume that harvest and processing costs will increase at the same rate as the increase in the price of Teak.

Table 2

Tree Age	Annual Increase In Teak Prices						
	0%	5%	6%	7%	8%	9%	10%
7	\$1,615	\$1,615	\$1,615	\$1,615	\$1,615	\$1,615	\$1,615
10	\$2,804	\$2,804	\$2,804	\$2,804	\$2,804	\$2,804	\$2,804
13	\$4,244	\$8,231	\$9,352	\$10,600	\$11,988	\$13,555	\$15,268
17	\$6,827	\$15,650	\$18,384	\$21,568	\$25,262	\$29,550	\$34,508
21	\$8,490	\$18,076	\$22,061	\$26,864	\$32,663	\$39,637	\$48,018
25	\$15,019	\$50,869	\$64,468	\$81,523	\$102,866	\$129,524	\$162,738
Total Proceeds	\$36,999	\$97,244	\$118,684	\$144,974	\$177,198	\$216,686	\$264,970
IRR	12.7%	17.9%	18.9%	20%	21.1%	22.2%	23.3%

The internal rate of return, or IRR, is the calculation of the annual compound yield of the projected cash flow.

The projections in the tables, and the explanatory notes are provided for you to better understand the process of growing and harvesting Teak trees. Whilst we believe these estimates of growth, costs and yields to be fair and reasonable, we cannot guarantee the future value of your trees, nor the lumber proceeds you will receive from their harvest. We encourage you to seek the counsel of an independent professional who can evaluate the reasonableness and accuracy of these projections.





- Our professional foresters, who monitor the growth profiles of your trees in the plantations, will report on the condition of your trees and help you determine the actual harvests of your trees.
- The useable height and diameter growth estimates are based upon growth rates obtained from GFI plantations and also independent Caribbean and Central America plantations. Our actual Teak growth rates exceed these projections, we have removed 1.5 inches in diameter and 30% in length to allow for wastage.
- Our estimated volume per tree is calculated by multiplying the diameter of the tree by the (diameter ²) times the usable height of the tree. These projections are based upon the volume of the trunks and include the additional wood volume that may be obtained from the larger branches in the later harvests.
- The amount of marketable wood per tree is stated in board feet, a standard measure of wood used in the U.S. One board foot of wood is one square foot by one inch thick (1' x 1' x 1"). There are 12 board feet in a cubic foot of lumber and 424 board feet in a cubic meter of lumber.
- The estimated amounts of marketable wood are based upon the estimated volume per tree in cubic feet, multiplied 12 times to obtain the number of board feet, and then reduced by the estimated amount of processing waste (this includes sawing losses and damage to the logs while being harvested, transported and processed). The inefficiency of smaller diameter

logs results in greater sawing loss on younger, smaller trees. We will likely achieve more efficient yields than those projected since everything is milled on the farms, using the latest thinnerf, (high-yield band mill technology)

- The value per tree is arrived at by multiplying the number of marketable board feet per tree by the price per board foot at the time of harvest.
- Net harvest proceeds - The estimated net value of the lumber from each harvest is arrived at by multiplying the estimated value per tree by the number of trees harvested in that thinning or harvest.
- The value per tree is arrived at by multiplying the number of marketable board feet per tree by the price per board foot at the time of harvest.
- Net harvest proceeds - The estimated net value of the lumber from each harvest is arrived at by multiplying the estimated value per tree by the number of trees harvested in that thinning or harvest.
- Fees are the costs of harvesting your trees, milling your logs into marketable lumber, drying your lumber, care, maintenance and sale of your trees.
- Cumulative net proceeds is a running total of your estimated cash flow from the harvests of your trees.

“It’s great to have an investment that grows with your children, pays out at important times in their lives and, at the same time, helps create a better world for them”

INVESTING IN OUR CHILDREN'S FUTURES



Figures show a 12% per annum premium based on a capital investment of £10,000

Capital

Years

COMPOUNDED PROJECTED RETURNS FROM TEAK AND FARMLAND COMBINED

Compounded Return on Investment

TEAK		Returns On Investment		FARMLAND	
Investment	ROI	Investment	Returns On Investment	Investment	ROI
£5000	£18,987	£10,000	£187,978	£5000	£27,799
		£20,000	£375,956		
		£30,000	£563,934		
		£40,000	£751,912		
		£50,000	£894,890		
		£100,000	£1,789,780		

NON COMPOUNDED RETURNS FROM TEAK AND FARMLAND COMBINED

Return on Investment

TEAK	FARMLAND
Investment	Return on Investment
£10,000	£32,000
£20,000	£64,000
£30,000	£96,000
£40,000	£128,000
£50,000	£160,000
£100,000	£320,000

Returns on investment are based after an 18 year period

INVEST VIA YOUR PENSION

SIPPS

Compliance

GFI complies with the laws relating to UK personal pensions, so it may be placed in a SIPP (Self Invested Personal Pension) or a SSAS (Small Self-Administered Scheme). GFI also complies with the laws relating to Irish Self-Managed Pensions. The arrangements for ownership overcome the legal and practical problems relating to the holding of overseas property in a pension.

Tax Exemptions and Reclaims

The advantages of investment through a SIPP arise from its tax exemptions and rebates. The Returns are exempt from UK Income Tax and Capital Gains Tax. Income Tax can also be reclaimed on the money invested through a SIPP: the SIPP Provider reclaims the standard rate, while Investors on the higher rate reclaim this directly in their tax return – so in effect a £20,000 investment costs only £12,000.

Transfers

The majority of SIPP investments are financed by transfer from existing managed pensions, many of which perform poorly. An IFA advises on transfer values, and the SIPP Provider administers the transfers.

IFA

An IFA is generally needed to help complete the very complex SIPP application forms, as well as advice on transfers. If an Investor wishes to invest in GFI through a SIPP, but does not have a suitable IFA, he/she should contact our in-house IFA.

SIPP Providers

The majority of SIPP Providers are not willing to hold property investments. However, our in-house IFA has arrangements with major SIPP Providers who are willing to hold GFI products. GFI can make arrangements for potential investors and their IFA's to explore the opportunity via our financial team.

Fees

While investment through a SIPP is very attractive there are fees, (all be it quite modest) payable to the SIPP Provider administering the SIPP and to the IFA.



DONATIONS & CHARITIES

GFI work with 3 major charities around the world. GFI give the investor an option to allocate each donation in their name to a preferred GFI affiliated charity.

GFI Group will donate 1% worth of crops via Global Farmland from your total investment to one of our charities we work with.

As an example, if an investor purchases a premier pack worth £20,000 we will donate £200 worth of crops to one of the charities below.

<http://www.actionagainsthunger.org/>

<http://www.plan-international.org/>

The investor also has an option to plant a tree in a poor village via the following charity:

<http://www.treeaid.org.uk/>

OUR COMMITMENT

GFI is committed to returning as much deforested land to its natural state. Therefore for every unit of trees we plant for investors we plant the same amount of buffer stock. The investor does not own these trees, but the investment helps to fund the regeneration of the rainforests and as a consequence, helps to create stability for the surrounding communities previously decimated.

“Invest with
peace of
mind”



INVESTMENT PROCESS

- We sell the trees (retail) to our clients through either our account managers or direct purchase through our website www.globalforestryinvestments.com. Minimum purchase is 100 trees at £5000. (Price reduction for purchasing in bulk.)
- **Day 1** - You pay a 10% non-refundable "Plot reservation fee". At this point the terms and conditions will become binding and a contract will be formed. (Please read the terms and conditions carefully)
- **Day 3** - You will be obliged to post or fax your signed contract back to us.
- **Day 7** - You pay the remaining balance.
- **Day 21** - You are sent 3 things: (1) Contract signed by the land owner (GFI). (2) The lease holder form for signature and posting. (3) Land Registry application form for signature.
- **Day 35** - You will receive a lease certificate from our solicitor.
- **Day 49** - You receive an official copy of the Land Registry deeds, evidencing your leasehold ownership.
- **Days 60-90** The trees are planted on GFI plantations depending on the season.
- After your trees have been planted, the tree ownership is established very specifically. The client is issued a certificate title stating the details of exactly where their trees are located (i.e. Country-Area-Farm-Field-Plot-Row-Tree-Number) Every tree is numbered and located by GPS (Global Positioning Satellite).
- Initial purchase price covers maintenance for the entire life of the trees.
- GFI guarantees the trees for 3 years. We will replace any problematic trees at no expense to the client. After three years the trees are established and very rarely encounter any problems.
- Although the maximum returns are projected by waiting to harvest your trees at 25 years, clients can resell their units at any time on the open market. GFI offers to purchase your units directly any time after 5 years with a return of 5%.The client has no ownership interest in the land, only trees.
- Harvesting (thinning) of the trees begins between years 5-7 and continues through to year 25.
- All the pioneer trees will be harvested by year 25. This timing is established by a licensed Forestry Engineer.
- As the trees are harvested the client is paid the profit from the sale of the lumber.

GFI offers private investors the opportunity to get involved in one of the best performing commodities of the last decade.

“ The track record of early investors and a slew of recent academic research indicate that timber is a near perfect asset.”

Smart Money Magazine

FAQs

Can my trees be uniquely identified in the field? Yes. Your trees are individually marked with your unique number.

How do you choose where to plant your trees? Before buying any new land, soil reports are taken by qualified professionals. The results studied to see the suitability of the soil for the trees we are planting.

Who owns the trees? As the tree owner, you do.

Is there a minimum Investment? Yes, £5,000.

When are the trees planted? GFI have a policy of continually planting their own stock during appropriate planting seasons, so if your trees are not already planted in your own plot initially they will be allocated in our nurseries.

Can I redeem my investment? You have the right to sell, harvest or transfer your trees after 5 years. We cannot guarantee the value of your trees, but because we are constantly in contact with tree investors and others interested in owning trees, it is possible that we may be able to help find a buyer for your trees.

Are you cutting down any existing forest to plant your trees? No. We are planting our trees only in areas which have been previously deforested. We are carefully preserving existing natural rainforest on our plantations.

Will too many plantations reduce the value of the timber? Plantations today produce less than 1% of the tropical hardwoods consumed in the world. Every year 50 million acres of rainforest are felled. It is unlikely that enough plantations can ever be established to keep timber prices from spiraling out of control.

What about flooding, disease and fire? Tropical rain forests are damp, humid places where fire risks

are low. Moisture is maintained in the soil and in the trees. It is very difficult to burn a standing forest but our staff are ever vigilant, trained and equipped for such a risk. However, we plan our plantations with appropriate fire breaks and have staff on site 24/7 that are trained to deal with a fire. All our plantations have pumped water and fire fighting facilities available. GFI use the best available seedlings which are strong and resistant. Disease in Teak is unusual and can be well managed. The most dangerous time is during the first three years during which we guarantee to replace any lost trees. Flooding is not considered a risk due to the topography and historical rainfalls.

Are there any Teak diseases? There are no known diseases but our foresters continually monitor the trees.

Is flooding or drought a problem? Water is a vital resource in managed forestry and it is the first consideration when constructing a new plantation. We build dams, reservoirs, and pumping equipment so that we can retain or release sufficient water at will.

Why do GFI need me? By inviting individuals and companies to invest in their own forestry units, we improve our future profits by increasing the number of plantations we can create, thereby demonstrating that ethical profit helps create sustainable forestry projects for the benefit of owners, local communities and the environment.

Where are the trees planted? Global Forestry Investments, plant the trees on deforested land which we purchase in tropical nations such as Ecuador, Costa Rica, Ethiopia, Brazil, Ecuador, Panama, Argentina, Trinidad, Ghana, Guinea, Madagascar, etc.

Which types of trees do you sell? Global Forestry Investments, grows Teak, Balsa, Jatropa and Agarwood. We also grow Mahogany. We plant 10% Mahogany within our Teak plantations in aid of growth.

Can I buy trees that are already planted?

Depending upon what time of the year you plan to purchase trees you may be buying trees that are already planted.

Why don't you sell the land with the trees?

To sell the land would be contrary to one of the main goals of GFI to reforest the land such that a permanent perpetual forest is created.

Can I see my trees from the Internet?

Yes via Google Earth on our website. This will give clients a view of exactly where their trees are planted. We can also send owners the latest pictures of the plantation.

Can we visit the plantations?

You are welcome to visit the plantations at any time. Please let us know in advance so we can take time out to show you your investments and our long term aim to save the environment.

Teak Trees - What would be the case if 10 of my trees suddenly died after 20 years worth of growth?

If your 10- to 20-year-old trees were to suddenly die, they would still have value as wood. You would not be out of any money, since the trees would be harvested and at the current market value.

How often are the plantations patrolled for poaching, vandalism, pest management, etc?

Theft almost never happens as each farm has a full-time live management team that is within earshot of any problems.

Farm managers and their crews are on the farms every day. Because of the rate the trees grow – and everything else (like weeds and bushes) – it's necessary to inspect the trees frequently to grow the best possible wood. They watch for diseases and if any develops (which is rare), they immediately deal with it.

They also keep (and build up) the wild areas between the trees. This provides natural barriers so that disease does not spread from one planted field to another. Hurricanes very, very rarely come that far south.

How do you guarantee this is happening?

GFI personally benefits from it – we ourselves own thousands of trees among those of our clients. We treat all trees equally and the workers do not know which ones are our trees and which ones belong to others.

What are the payment methods you utilize?

Card payments, money transfers, and cheques.

Are the years in which thinning harvests and final harvest take place fixed? Or are they dependent on the growth rate?

The year of thinning/final harvest is dependent on the growth rate of the trees and also the country you invest in. The typical pattern is at 5-7, 10, 13, 17, 21 and 25 years, depending on what the forestry engineers advise.

All these time scales are estimated due to the nature of growing trees and the GFI management programme which will take into account technical aspects and international markets and prices.

At the final harvest after the trees are grown and cut, there will be no replanting and no more cutting in the same area, except in ways that maintain the health of the new forest.

The wood harvested in this way will go to support the people caring for and guarding the forest. The land will be returned to perpetual forest after one plantation cycle.

Is the number of trees being thinned a fixed number?

The exact number will be determined at the time of thinning by a forestry engineer. A forestry engineer will inspect your trees regularly to monitor their growth and care.

“Indeed, as an asset class, timber – a renewable resource with constant product demand - stands out as a remarkably stable investment.”

THE INVESTMENT

How do the projected returns compare with leaving my money in a bank? Nobody knows what interest rates will be offered to savers in the future, but if we assume an average rate of 5% per year for the next 25 years, a £5,000 deposit would increase to £16,932 if the interest were compounded. This compares to the projected return of £56,849 (over 12% ROI) that you will receive by buying trees.

Do I have to pay tax? Each investor is responsible for their own tax arrangements and we advise you to check with an accountant or a qualified tax advisor.

Why would I invest with you? When you buy trees with Global Forestry Investments, you are making a permanent change in the amount of tropical forests in the world. The land under your trees will never again be pasture and will remain forest forever, thanks to an easement that rides in perpetuity with the property title.

What if my financial situation changes? GFI understands that 25 years is a long time and that people's circumstances change. Therefore should you require, GFI will assist you in selling your trees via the website and on the open market.

When would I get a return on my investment? The financial projections that we have provided in the returns section give a good indication of when you see a return on your investment.

Is there a minimum or maximum purchase? The minimum investment is £5,000 (equivalent to 100 trees). There is no maximum.

Can you be sure that the value of Teak will go up? There are no guarantees, but Teak has gone up every year for the past 20 years and timber is a very safe commodity. Demand is rising so we agree with many financial experts that timber is an excellent investment.

When is the rainy season and the dry season? Once again it depends on the country you're investing in, please check the section under countries on our website.

What reports will I get? You can review all your reports via your back office account, this will tell you the following: purchase details / date invested / amount invested / how many trees / estimate returns / dates on returns / growing records / thinning dates.

Are you planting trees that will not be harvested? Yes. We are committed to returning one hectare of deforested land to its natural state for every hectare of land we replant with your trees. This land will remain as natural forest.

How will I know which are my trees? Every tree is numbered and located by GPS (Global Positioning Satellite). After your trees have been planted you will receive a certificate stating where your trees are. We will send you photos of the plantation with your reports.



COMPANY BRANCHES

World Wide Head Quarters

Monarch Office Tower
9th Level, 1 Sheikh Zayed Road
P.O.Box 333840
Dubai, U.A.E

Tel: +9714 372 1212
Fax: +9714 372 1213

Email:

andrew@globalforestryinvestments.com

General Email:

enquires@globalforestryinvestments.com

China Representative Office

Room 1201
No.13 Xin An Tower
99 Tian Zhou Road
Shanghai
China

Email:

jerry@globalforestryinvestments.com

UK Representative Office

55 Old Broad Street
London EC2M 1RX
Tel: +44 (0)20 7754 0493
Fax: +44 (0)203 207 9100

Email:

john@globalforestryinvestments.com

General Email:

enquires@globalforestryinvestments.com

Antigua Representative Office

Caribbean and Private Clients

Email:

l.sheppard@globalforestryinvestments.com



