THE ECO RESOURCES FUND PCC plc

SUPPLEMENTARY MEMORANDUM

in relation to:

the Premier Eco Resources Sterling Sub-Fund

the Premier Eco Resources Euro Sub-Fund

the Premier Eco Resources US Dollar Sub-Fund

and

the Premier Eco Resources Singapore Dollar Sub-Fund

(the "Premier Sub-Funds")

Dated: 31st March 2014

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KEY FEATURES

These Key Features are extracted from the full text of the Scheme Particulars and this Supplementary Memorandum. Prospective investors should read and consider the full text of the Scheme Particulars and this Supplementary Memorandum and should not rely on these Key Features in isolation.

In particular, prospective investors should read and consider Section 29 of the Scheme Particulars and any specific risk factors set out or referred to in this Supplementary Memorandum in order, among other things: to familiarise themselves with the risks associated with an investment in the Premier Sub-Funds (including the risk of loss of their capital); and to ensure that such an investment is suitable for them in view of such risks.

Prospective investors should note that the Premier Sub-Funds are intended to be a long term investment and are not intended to be a short term investment.

(Terms defined in the Scheme Particulars or in this Supplementary Memorandum shall bear the same meanings in these Key Features.)

- A QUALIFYING FUND

The Fund is an open ended investment company incorporated in the Isle of Man designed for Qualifying Investors.

The Fund is a protected cell company and, as such, under Isle of Man law, the assets attributable to each Sub-Fund will only be available to the creditors of that Sub-Fund.

- INVESTMENT OBJECTIVE

Each of the Premier Sub-Funds aims to provide investors with long term growth by investing directly or indirectly in Sustainable Biological Assets (as defined in the Scheme Particulars and in this Supplementary Memorandum) and in associated processing facilities, including the land, buildings, plant and machinery required to convert raw Sustainable Biological Assets into a marketable product. If opportunities arise, the Premier Sub-Funds will also seek to profit from the sale of carbon rights.

The Premier Sub-Funds intend to achieve their objective through investment in loan notes and minority equity interests, the return on which is determined by the success of the underlying Sustainable Biological Assets. It should be noted that, if these are not grown to their full potential or harvested and exploited, this might result in a write down of the net asset value in the valuation of the Premier Sub-Funds.

- WHY SUSTAINABLE BIOLOGICAL ASSETS?

The Fund has selected Sustainable Biological Assets as an asset class on the grounds of strong demand for such assets giving rise to the potential for profitable investment. This demand is driven by: anticipated strong worldwide population growth; global economic growth with associated demand; and increasingly stringent protection measures and anti-logging regulations for natural forests.

- BAMBOO

The Fund has initially chosen to invest in sustainably grown bamboo. Bamboo has the following features:

- it is the fastest growing land plant in the world resulting in a higher yield per hectare than any tree species;
- the fibre of certain species can be used as a timber substitute in engineered and structural wood products as well as for, but not limited to, activated carbon and other bioenergy products, pulp, paper and textiles;
- certain species have the ability to tolerate a poor soil which makes it an ideal plant for

the reforestation of degraded land and the development of commercial plantations on land not suitable for food production;

- it is one of the best plants for carbon sequestration, absorbing and storing atmospheric carbon dioxide;
- it is very strong with some species having a higher tensile strength than steel; and
- it enables selective harvesting without killing the plant, which provides a sustainable solution to increasing demand for timber by offering all the properties of traditional timber species without the negative environmental impact of logging.

Bamboo offers a viable solution to meet the growing demand for timber.

The Fund intends to structure its investment in bamboo in association with EcoPlanet Bamboo Group.

- ECOPLANET BAMBOO GROUP

EcoPlanet Bamboo Group's principal activity is the establishment of commercial bamboo plantations within geographically strategic locations. At the date of this Supplementary Memorandum, these plantations, owned by EcoPlanet Bamboo Group, total 3,700 hectares located in Nicaragua and South Africa. All plantations will undergo sustainable harvesting and the pre-processing of bamboo for specific end markets.

Within certain locations, EcoPlanet Bamboo Group has also invested in and developed bamboo processing facilities.

All EcoPlanet Bamboo Group operations are built around a key focus on maximizing positive social and environmental impact through its internal standards and quantification against international certification regimes.

The management team of the EcoPlanet Bamboo Group has substantial experience in managing successful agribusinesses across multiple continents.

- ADMINISTRATOR

The Fund has appointed Moore Fund Administration (IOM) Limited as Administrator, which is a specialist fund administration business with offices in both Jersey and the Isle of Man.

- VALUER OF PLANTATION ASSETS

The Fund has appointed The Irland Group, Inc. as valuer of the Plantation Assets.

- SECURITY OF ASSETS

The Fund has appointed Kleinwort Benson (Guernsey) Limited as custodian to the Premier Sub-Funds.

- DEALING TERMS

A low minimum investment requirement of £10,000 for the Premier Sterling Sub-Fund, €15,000 for the Premier Euro Sub-Fund, US$15,000 for the Premier US Dollar Sub-Fund and Sing$20,000 for the Premier Singapore Dollar Sub-Fund, reducing to £5,000, €7,500, US$7,500 and Sing$10,000 respectively for investments by SIPPs, offshore life bonds and for incremental investments (or, in each case, such lesser amount as the directors and the Manager in their absolute discretion jointly may determine).

Monthly dealing: For specific dealing details please refer to section 12 of this Supplementary Memorandum.

1. PRELIMINARY

This Supplementary Memorandum, which is dated 31st March 2014 and which has been approved by the Manager as required by the Regulations, contains specific information in relation to the Premier Sub-Funds, each of which forms a separate Cell of The Eco Resources Fund PCC plc (the "**Fund**").

Although for ease of reference some of the contents of the Scheme Particulars dated 31st March 2014 issued by the Fund (the "**Scheme Particulars**", which expression will include those scheme particulars as amended, supplemented, modified or replaced from time to time) are repeated in this Supplementary Memorandum, this Supplementary Memorandum is supplementary to, and must be read in conjunction with, the Scheme Particulars.

2. DEFINITIONS

Except where expressly defined below, words and expressions defined in the Scheme Particulars will bear the same meanings in this Supplementary Memorandum.

In this Supplementary Memorandum, the following words and expressions shall have the following meanings:

Biological Assets	trees or crops that are grown, managed and harvested and may be processed into value added products before being sold for profit;
EBCA	EcoPlanet Bamboo Central America, LLC, a limited liability company incorporated in Delaware, which is wholly owned by EcoPlanet Bamboo;
EBCA II	EcoPlanet Bamboo CA II, LLC, a limited liability company incorporated in Delaware, which is ultimately wholly owned by EcoPlanet Bamboo;
EBCA IV	EcoPlanet Bamboo CA IV, LLC, a limited liability company incorporated in Delaware, which was previously wholly owned by EBCA, but has been acquired by EBIOM, as described in section 4 of Part 1 of the Schedule and which: owns Plantation Assets; establishes, maintains and harvests plantations for profit; establishes plantation building infrastructure; and purchases plant and machinery; brief details of EBCA IV are contained in section 4 of Part 1 of the Schedule;
EBIOM	EcoPlanet Bamboo IOM Limited, a company incorporated in the Isle of Man, which is the holding company of EBCA IV and EBSA II and brief details of which are contained in section 2 of Part 1 of the Schedule;
EBIOM Class A Loan Notes	Class A Secured Loan Notes issued and to be issued by EBIOM to ERF, brief details of which are contained in section 6 of Part 1 of the Schedule;
EBIOM Loan Notes	secured loan notes issued and to be issued by EBIOM to ERF (including EBIOM Class A Loan Notes);
EBIOM Principal Shareholders	together EcoPlanet Bamboo Series E and ERF, as the principal shareholders in EBIOM, having enhanced rights under the EBIOM Shareholders Agreement;
EBIOM Shareholders	together EcoPlanet Bamboo Series E, the Management Shareholder and ERF, as shareholders in EBIOM;
EBIOM Shareholders Agreement	the shareholders agreement dated 19th December 2013 between the Management Shareholder, EcoPlanet Bamboo Series E, ERF,

	EBIOM, ECM, EBCA IV and EBSA II in relation to EBIOM, brief details of which are contained in section 7 of Part 1 of the Schedule;
EBSA II	EcoPlanet Bamboo SA II, LLC, a limited liability company incorporated in Delaware, which was previously wholly owned by EBCA, but which has been acquired by EBIOM, as described in section 5 of Part 1 of the Schedule and which: owns Plantation Assets; intends to establish, maintain and harvest plantations for profit; intends to establish plantation building infrastructure; and intends to purchase plant and machinery; brief details of EBSA II are contained in section 5 of Part 1 of the Schedule;
ECM	EcoPlanet Capital Management, LLC, a limited liability company incorporated in Delaware, which is wholly owned by EcoPlanet Bamboo and acts as manager of EBCA, EBCA IV, EBSA II, EP PM and EPSAPM;
EcoPlanet Bamboo	EcoPlanet Bamboo Group LLC, a series limited liability company incorporated in Delaware, brief details of which are contained in section 1 of Part 2 of the Schedule;
EcoPlanet Bamboo Group	together: - EcoPlanet Bamboo; - any company which is a subsidiary of EcoPlanet Bamboo (excluding EBIOM and its subsidiaries); and - any company in which EcoPlanet Bamboo or any of its subsidiaries holds a 50 per cent or greater shareholding (excluding EBIOM and its subsidiaries);
EcoPlanet Bamboo Series E	EcoPlanet Bamboo Group, LLC Series E, which constitutes the series E class of units in EcoPlanet Bamboo, which has power to contract and to hold assets on its own behalf and which holds a 65 per cent shareholding in EBIOM;
Eco Resources US Dollar Sub-Fund	the Eco Resources US Dollar Sub-Fund of the Fund;
EP PM	EcoPlanet Plantation Management, LLC, a limited liability company incorporated in Delaware, which is wholly owned by EcoPlanet Bamboo and which provides services to EBIOM and EBCA IV;
EPSAPM	EcoPlanet South Africa Plantation Management, LLC, a limited liability company incorporated in Delaware, which is wholly owned by EP PM and which is to provide services to EBIOM and EBSA II;
ERF	ERF Limited, a company incorporated in the Isle of Man, which is wholly owned by the Fund, which is a special purpose vehicle to hold the investments of the Fund and brief details of which are contained in section 1 of Part 1 of the Schedule;
First Initial Offer	the initial offer of Shares in the Premier Sterling Sub-Fund and the Premier US Dollar Sub-Fund, as described in section 5 of this Supplementary Memorandum;
Investment Committee	the investment committee of the Fund with responsibility for overseeing and directing the investment policy and strategy of the Premier Sub-Funds, as described in section 6.3 of this Supplementary Memorandum;

MIGA	Multilateral Investment Guarantee Agency, which is a member organisation of the World Bank Group and offers political risk insurance;
Net Asset Value	net asset value as determined in accordance with Section 23 of the Scheme Particulars and section 11 of this Supplementary Memorandum;
Performance Fee	the performance fee (if any) payable by the Fund to the Promoter in accordance with section 15.2 of this Supplementary Memorandum;
Plantation Assets	trees or crops and the land on which they are grown;
Plantation Assets Valuer	The Irland Group, Inc, which has been appointed by the Fund to value Plantation Assets and brief details of which are contained in section 10 of this Supplementary Memorandum;
Premier Euro Sub-Fund	the Premier Eco Resources Euro Sub-Fund of the Fund;
Premier Singapore Dollar Sub-Fund	the Premier Eco Resources Singapore Dollar Sub-Fund of the Fund;
Premier Sterling Sub-Fund	the Premier Eco Resources Sterling Sub-Fund of the Fund;
Premier Sub-Funds	together the Premier Sterling Sub-Fund, the Premier Euro Sub-Fund, the Premier US Dollar Sub-Fund and the Premier Singapore Dollar Sub-Fund;
Premier US Dollar Sub-Fund	the Premier Eco Resources US Dollar Sub-Fund of the Fund;
Schedule	the schedule to this Supplementary Memorandum, which forms an integral part of this Supplementary Memorandum;
Second Initial Offer	the initial offer of Shares in the Premier Euro Sub-Fund, as described in section 5 of this Supplementary Memorandum;
Supplementary Memorandum	this document (including the Schedule), as the same may be amended, varied, supplemented or replaced from time to time;
Sustainable Biological Assets	Biological Assets that are grown managed and harvested in an ecologically sound manner while avoiding depletion of natural resources and maximising positive social impact through the provision of opportunities for long term employment for the local community and the plantation land on which they are grown; and
Third Initial Offer	the initial offer of Shares in the Premier Singapore Dollar Sub-Fund, as described in section 5 of this Supplementary Memorandum.

3. THE FUND

The Fund was incorporated in the Isle of Man as a public company limited by shares and as a protected cell company under the PCC Act. It is an open-ended investment company with unlimited duration and is a qualifying fund for the purposes of the Regulations. Only persons who are Qualifying Investors (as defined in the Scheme Particulars) are permitted to invest.

As a protected cell company, the Fund can create separate cells for the purpose of segregating and protecting the assets of each cell. Each of the Premier Eco Resources Sterling Cell, the Premier Eco Resources Euro Cell, the Premier Eco Resources US Dollar

Cell and the Premier Eco Resources Singapore Dollar Cell has been created as a separate cell. It is intended that a separate Cell will be created for each Sub-Fund created by the Fund in the future. This means that, under Isle of Man law and provided that the conditions of the PCC Act have been complied with, the assets attributable to each Sub-Fund will only be available to the creditors of that Sub-Fund.

The directors of the Fund are William Morris Burgoyne, Christopher Colin Myers, Antony John Parry, Michael John Richardson and David John Whitaker and the company secretary is Christopher Tushingham.

The members of the Investment Committee are John Bourbon, Jonathan Fogg, Antony Parry, Michael Richardson and David Whitaker.

The registered office and principal place of business is at International House, Castle Hill, Victoria Road, Douglas, Isle of Man IM2 4RB.

The Scheme Particulars contain information on the following service providers to the Fund:

Manager:	The Premier Group (Isle of Man) Limited;
Administrator:	Moore Fund Administration (IOM) Limited;
Custodian:	Kleinwort Benson (Guernsey) Limited;
Management Shareholder:	Premier Group Distribution Inc.;
Promoter:	The Premier Group (Isle of Man) Limited; and
Auditors:	Ernst & Young LLC.

4. THE PREMIER SUB-FUNDS

This Supplementary Memorandum relates to the Premier Sub-Funds, each of which forms part of a separate Cell.

The nominal value of the Shares in all of the Premier Sub-Funds will be denominated in US Dollars, but: the Shares in the Premier Sterling Sub-Fund will be priced, issued, sold, redeemed and repurchased in Sterling; the Shares in the Premier Euro Sub-Fund will be priced, issued, sold, redeemed and repurchased in Euro; the Shares in the Premier US Dollar Sub-Fund will be priced, issued, sold, redeemed and repurchased in US Dollars; and the Shares in the Premier Singapore Dollar Sub-Fund will be priced, issued, sold, redeemed and repurchased in Singapore Dollars.

Each of the Premier Sub-Funds intends to operate a currency hedging strategy appropriate to the underlying assets and the currency of the relevant Premier Sub-Fund.

Apart from the use of a currency hedging strategy and the currency used for pricing, the Premier Sub-Funds are the same.

It is intended that the majority of the assets of the Premier Sub-Funds will be utilised to invest directly or indirectly in Sustainable Biological Assets as outlined in Part 1 of the Schedule.

Switching between the Premier Sub-Funds and future Sub-Funds (when available) would be permitted, subject to the conditions set out in the Scheme Particulars.

Application has been made for the Premier Sterling Sub-Fund, the Premier Euro Sub-Fund and the Premier US Dollar Sub-Fund to be a Reporting Fund under the Reporting Fund regime as determined by the Offshore Funds (Tax) Regulations 2009 for United Kingdom tax purposes (or any similar such status as may be introduced instead of or in addition to the Reporting Fund regime). It is intended that such an application will also be made for the Premier Singapore Dollar Sub-Fund. The directors do not intend to declare dividends, but will do so if necessary and will, as far as practicable, establish a distribution and dividend policy, which meets the criteria for such status.

The requirements of the Reporting Fund regime include the disclosure of earned income to shareholders for the period in which they hold shares in the Fund. As a consequence, the Fund will operate an equalisation mechanism whereby the dealing price of the Shares is split into income and capital. Shareholders purchasing or selling shares during the financial year will thus be able to calculate the income per share required for their personal taxation returns, if required to do so. Shareholders of the Fund at a financial year end will be advised of the income per share for the financial year, as will, again in accordance with the Reporting Fund regime, the UK taxation authorities.

5. INITIAL OFFERS

An initial offer of Shares in each of the Premier Sterling Sub-Fund and the Premier US Dollar Sub-Fund took take place between 9 a.m. on 8th October 2012 and 5 p.m. on 19th October 2012.

During the First Initial Offer, Shares in the Premier Sterling Sub-Fund were made available for subscription at a price of £1 each (of which US$ 0.001 represented the nominal value and the remainder represented share premium) and Shares in the Premier US Dollar Sub-Fund were made available for subscription at a price of US$1 each (of which US$ 0.001 represented the nominal value and the remainder represented share premium).

An initial offer of Shares in the Premier Euro Sub-Fund took place from 9 a.m. on 8th March 2013 until 5 p.m. on 29th March 2013.

During the Second Initial Offer, Shares in the Premier Euro Sub-Fund were made available for subscription at a price of €1 each (of which US$ 0.001 represented the nominal value and the remainder represented share premium).

An initial offer of Shares in the Premier Singapore Dollar Sub-Fund took place from 9 a.m. on 2nd January 2014 until 5 p.m. on 9th June 2014 (or such later date as the directors may determine in their discretion).

During the Third Initial Offer, Shares in the Premier Singapore Dollar Sub-Fund were made available for subscription at a price of Sing$1 each (of which US$0.001 represented the nominal value and the remainder represents share premium).

If, during the period of the Third Initial Offer, aggregate subscription moneys of Sing$1 million or more are not received by the Fund, the directors reserve the right to return subscription moneys to applicants (without interest) and not to issue any new Shares in the Premier Singapore Dollar Sub-Fund.

6. INVESTMENT OBJECTIVE, STRATEGY, STRUCTURE AND RESTRICTIONS

6.1 Investment Objective

Each of the Premier Sub-Funds aims to provide investors with long term growth by investing directly or indirectly in Sustainable Biological Assets and in associated processing facilities, including the land, buildings, plant and machinery required to convert raw Sustainable Biological Assets into a marketable product. If opportunities arise, the Premier Sub-Funds will also seek to profit from the sale of carbon rights.

6.2 Investment Strategy

The primary investment strategy of the Premier Sub-Funds in order to achieve the investment objective is to invest indirectly in Sustainable Biological Assets in association with EcoPlanet Bamboo Group. The Premier Sub-Funds will achieve their objective through indirect investment in loan notes and minority equity stakes, the return on which will be determined by the success of the underlying Sustainable Biological Assets. This strategy will be overseen and directed by the Investment Committee. Further details of the proposed method of implementing this investment strategy are set out in Part 1 of the Schedule.

Notwithstanding the current investment strategy of the Premier Sub-Funds, there is no restriction on the Premier Sub-Funds investing in Sustainable Biological Assets owned or operated by third parties other than EcoPlanet Bamboo Group and the Investment Committee will consider such investment opportunities as and when they arise.

6.3 Investment Committee

The directors of the Fund have delegated responsibility for the investment policy and investment decisions in respect of the Premier Sub-Funds to the Investment Committee within parameters laid down by the directors of the Fund. As at the date of this document, the Investment Committee comprises John Bourbon, Jonathan Fogg, Antony Parry, Michael Richardson and David Whitaker. In exercising its responsibility, the Investment Committee will take professional advice in all circumstances where it considers it appropriate and desirable to do so. The Investment Committee also has the power to delegate its responsibilities. The Investment Committee will hold all of its meetings in the Isle of Man or in such location outside the United Kingdom as its members decide.

6.4 Investment Restrictions

None of the Premier Sub-Funds is permitted to invest more than 15 per cent in value of its assets in collective investment schemes. Apart from that, there are no restrictions on the investments, which may be acquired on behalf of the Premier Sub-Funds, provided that any investment made is consistent with their investment objective.

7. ECOPLANET BAMBOO GROUP

7.1 Investment Opportunity in Bamboo

The Fund has selected Sustainable Biological Assets as an asset class on the grounds of strong demand for such assets giving rise to the potential for profitable investment. This demand is driven by: anticipated strong worldwide population growth; global economic growth with associated demand; and increasingly stringent protection measures and anti-logging regulations for natural forests.

The Fund has initially chosen to invest in sustainably grown bamboo. Bamboo is the fastest growing land plant in the world resulting in a higher yield per hectare than any tree species. It can be used as a timber substitute in building materials and furniture as well as for, but not limited to, paper, textiles, food and biomass. Bamboo tolerates a poor soil, which makes it perfect as a plant for reforestation of degraded land and is one of the best plants for carbon sequestration. Bamboo is very strong with some species having a higher tensile strength than steel. In addition it provides a sustainable solution to increasing demand for timber by offering all the properties of traditional wood species without the negative environmental impact associated with harvesting and logging of natural forests.

More details of the investment opportunity in bamboo are contained in section 2 of Part 2 of the Schedule.

7.2 EcoPlanet Bamboo Group

EcoPlanet Bamboo Group's principal activity is the establishment of commercial bamboo plantations within geographically strategic locations. At the date of this Supplementary Memorandum, these plantations, owned by EcoPlanet Bamboo Group, total 3,700 hectares located in Nicaragua and South Africa. All plantations will undergo sustainable harvesting and the pre-processing of bamboo for specific end markets.

Within certain locations, EcoPlanet Bamboo Group has also invested in and developed bamboo processing facilities.

All EcoPlanet Bamboo Group operations are built around a key focus on maximizing positive social and environmental impact through its internal standards and quantification against international certification regimes.

The management team of the EcoPlanet Bamboo Group has substantial experience in managing successful agribusinesses across multiple continents.

Further details of the business of EcoPlanet Bamboo Group, including an outline of its business strategy and management team, are set out in Part 2 of the Schedule.

8. INVESTMENT BY THE PREMIER SUB-FUNDS

It is intended that the Premier Sub-Funds, the EcoEarth Resources Sterling Sub-Fund and the Eco Resources US Dollar Sub-Fund will invest indirectly in Sustainable Biological Assets through the special purpose vehicle, ERF.

The Fund, through ERF, will invest in equity and secured loan notes issued by EBIOM. EBIOM, through EBCA IV and EBSA II, will use the proceeds of the loan notes it issues to purchase Plantation Assets and to provide sufficient working capital to grow and maintain the Plantation Assets to the point where they can be harvested. It is intended that EBIOM will benefit from the trading profit arising from the underlying bamboo plantations and from the increase in the value of those assets.

Further details of the investment strategy of the Premier Sub-Funds are contained in Part 1 of the Schedule.

9. BORROWINGS

The Fund does not intend to enter into any borrowing arrangements.

10. PLANTATION ASSETS VALUER

The Fund has appointed The Irland Group, Inc. as the valuer of the Plantation Assets.

Lloyd Irland, President of The Irland Group, is a leading forestry finance and valuation expert having worked for various private clients and pension funds in the assessment of forest assets values. The Irland Group is one of the few forestry consulting firms with direct experience of bamboo plantations.

Valuations of the Plantation Assets will be conducted using a discounted cash flow methodology that utilitises projections of income from future harvests from the bamboo plantations net of operating expenses and an appropriate discount rate based on the Irland Group's experience and market practice.

The following valuations will be carried out:

(a) on acquisition of a site of land (including leasehold interests) for the development of a bamboo plantation: the following valuations would be produced:

- initial valuation of market value of site as acquired; and
- projected market value based on trading projections agreed with the Investment Committee, in consultation with EcoPlanet Bamboo, on the following dates: one year after the initial valuation date; two years after the initial valuation date; three years after the initial valuation date; four years after the initial valuation date; five years after the initial valuation date; and six years after the initial valuation date;

(b) for a bamboo plantation, a full assessment of market value every three years from the date the first valuation will be undertaken. The valuation will be based on previous three years actual trading and future trading projections agreed with the Investment Committee of the Fund, in consultation with EcoPlanet Bamboo. The following valuations would be produced:

- initial valuation of market value of site as acquired; and
- projected market value based on the previous three years actual trading (where applicable) and on trading projections agreed with the Investment Committee, in consultation with EcoPlanet Bamboo, on the following dates: one year after the initial valuation date; two years after the initial valuation date; three years after the initial valuation date; four years after the initial valuation date; five years after the initial valuation date; and six years after the initial valuation date; and

(c) for a bamboo plantation, six monthly assessments of market value will be undertaken. These will be desk top spreadsheet valuations at six monthly intervals and for all sites as at 31st December annually, other than the full valuations outlined in (a) and (b) above. The following valuations would be produced:

- initial valuation of market value of site as acquired; and
- projected market value based on actual trading data and on trading projections agreed with the Investment Committee, in consultation with EcoPlanet Bamboo, on the following dates: one year after the initial valuation date; two years after the initial valuation date; three years after the initial valuation date; four years after the initial valuation date; five years after the initial valuation date; and six years after the initial valuation date.

For each of the valuations, the projected market values will be based on the special assumption that funds are in place to ensure that the development of the relevant bamboo plantation will proceed to the first year of full harvesting.

The Fund has the power to appoint an additional or replacement Plantation Assets Valuer. The directors will negotiate the remuneration of any such additional or replacement valuer on an arms' length commercial basis.

11. NET ASSET VALUE

The Administrator will carry out the calculation, determination and production of the Net Asset Value for each of the Premier Sub-Funds.

The Administrator will determine the Net Asset Value of each of the Premier Sub-Funds in accordance with the principles contained in Section 23 of the Scheme Particulars and the additional principles outlined below.

The Net Asset Value of each of the Premier Sub-Funds will be calculated by deducting the liabilities (including accrued charges and expenses and provision for contingent liabilities as appropriate) of the relevant Sub-Fund from the value of its assets and the Net Asset Value per Share in the relevant Sub-Fund will be calculated by dividing the Net Asset Value of the relevant Sub-Fund by the total number of Shares in the relevant Sub-Fund in issue.

Under the Fund’s Articles of Association, the assets of the Fund will be valued in such manner as the directors may reasonably determine. The directors have determined that such assets will be valued in accordance with the following paragraphs of this section.

The following additional methodology to that outlined in the Scheme Particulars will be used in calculating the Net Asset Value of each of the Premier Sub-Funds:

(a) The value of each redeemable preference share in ERF will be calculated by determining the Net Asset Value of ERF after valuing its underlying investments and deducting provisions for all expenses and other liabilities which the Administrator in its absolute discretion sees fit, after taking appropriate advice, and dividing the result by the number of redeemable preference shares in ERF in issue. The underlying investments of ERF will be valued as follows:

(i) EBIOM Loan Notes held by ERF will be valued at nominal value plus accumulated and accrued interest;

(ii) The Net Asset Value of the equity holding in EBIOM will be calculated by uplifting the Net Asset Value of underlying investments of EBIOM to reflect the directors’ assessment of risk-adjusted value using the valuations of the Plantation Assets prepared by the Plantation Assets Valuer as a base and incorporating the forecast costs of growing and maintaining the bamboo to a mature state to allow harvesting, applicable overheads and future selling costs;

(iii) The Administrator is entitled to rely absolutely on the valuations provided by the Plantation Assets Valuer in determining the valuation of the assets of ERF and EBIOM;

(b) The amount of the preliminary expenses incurred in relation to the establishment of the Sub-Fund will be amortised over a period of five years; and

(c) The Performance Fee will be accrued monthly.

For the purposes of the statutory accounts of the Fund, an investment in Sustainable Biological Assets will be valued in accordance with the accounting principles adopted by the Fund. This may result in a significant disparity between the Net Asset Value for dealing purposes and the Net Asset Value in the audited financial statements.

12. DEALING PROCEDURES

12.1 Application Procedure

Applications for Shares in the Premier Sub-Funds must be made to the Administrator by 5 p.m. on or before a Valuation Day. Applications are conditional on the Administrator being in receipt of cleared funds before 5 p.m. on the fifth Business Day after the relevant Valuation Day (the "Dealing Day") and are subject to certain restrictions as set out below.

Applications should be made by completing the Application Form provided and sending it to the Administrator by post, email or by fax (followed by post in the case of email or fax) duly completed, including all required certifications. An acknowledgement of the investment will be made by the issue of a contract note, which will be sent to the applicant with a duplicate to the applicant's authorised agent, if one is appointed. Payment for Shares should be made by telegraphic transfer.

Applications made by persons who are not Qualifying Investors will be rejected.

Applications for Shares from anyone who is believed to be a a US Person (as defined by regulation S of the United States Securities Act of 1933) will not normally be accepted, but the directors reserve the right to accept such applications in their discretion, as long as such acceptance would not constitute a breach of any applicable legislation or regulations and such person is an Accredited Investor (as defined in Rule 501 of Regulation D promulgated by the United States Securities and Exchange Commission pursuant to the United States Securities Act of 1933).

12.2 Redemption Procedure and Redemption Penalties

Requests to redeem Shares in the Premier Sub-Funds should be made to the Administrator not less than ten days (or such shorter or longer period as the directors of the Fund may in their absolute discretion determine) prior to the relevant Dealing Day and may be made by telephone, facsimile or in writing. Telephone, email and facsimile requests must be immediately confirmed in writing. Each redemption request must specify the name and personal account number of the holder of Shares and the number of Shares to be redeemed.

Requests for redemption received not less than ten days (or such shorter or longer period as the directors of the Fund may in their absolute discretion determine) prior to a Dealing Day and accepted by the Administrator will, save as outlined below, generally be dealt with at the relevant Dealing Price ruling on the relevant Dealing Day upon which redemption is requested. Requests for the redemption of Shares received less than ten days (or such shorter or longer period as the directors of the Fund may in their absolute discretion determine) prior to the Dealing Day will be held over until the Dealing Day following the next Valuation Day and, on acceptance by the Administrator and subject to the limitations outlined below, will normally be dealt with at the Dealing Price ruling on that day.

In the first 12 month period following the initial issue of Shares in any of the Premier Sub-Funds to an investor and in each subsequent 12 month period thereafter, up to one redemption is permitted, subject to a maximum aggregate annual percentage of 5 per cent of the total number of Shares in the relevant Premier Sub-Fund held by the investor at the start of the relevant 12 month period, without deduction of any redemption penalty ("Penalty Free Redemption"). Investors are not permitted to carry forward any unused entitlement and each Penalty Free Redemption must be for a minimum amount of £500 for the Premier Sterling Sub-Fund, €750 for the Premier Euro Sub-Fund, US$750 for the Premier US Dollar Sub-Fund and Sing$1,000 for the Premier Singapore Dollar Sub-Fund.

Following redemption, the investor's remaining shareholding in the relevant Premier Sub-Fund must be at least the minimum shareholding of £2,000 for the Premier Sterling Sub-Fund, €3,000 for the Premier Euro Sub-Fund, US$3,000 for the Premier Dollar Sub-Fund or Sing$4,000 for the Premier Singapore Dollar Sub-Fund, save where the directors of the Fund in their absolute discretion determine otherwise. Any redemption request which would leave an investor with a shareholding which would be below the minimum amount will be treated as a request to redeem all of the relevant investor's shareholding.

All redemptions are on the terms set out below and (except in the case of Penalty Free Redemptions) must be for a minimum redemption amount of £2,000 for the Premier Sterling Sub-Fund, €3,000 for the Premier Euro Sub-Fund, US$3,000 for the Premier Dollar Sub-Fund or Sing$4,000 for the Premier Singapore Dollar Sub-Fund, save where the directors of the Fund in their absolute discretion determine otherwise.

Redemptions of Shares in each of the Premier Sub-Funds within five years of the issue of such Shares will be subject to an early redemption penalty, calculated as a percentage of the amount subscribed (where Penalty Free Redemptions have been taken previously, the amount treated as subscribed for this purpose will be increased on a pro-rata basis to take account of subscriptions for Shares redeemed as Penalty Free Redemptions). The redemption penalties will be applied by the directors of the Fund at their absolute discretion for the benefit of the relevant Premier Sub-Fund in respect of the amortised expenses suffered by it. The amount of the redemption penalty will be calculated by reference to the proportional aggregate original subscription regardless of Penalty Free Redemptions taken to the date of redemption. The redemption penalty commences at 8 per cent and reduces by 0.4 per cent per quarter to 0 per cent at the end of 5 years.

In addition to any redemption penalty as outlined above, redemptions of Shares in each of the Premier Sub-Funds may also be subject to a further additional redemption penalty in circumstances where the Fund incurs breakage costs on any hedging arrangements. In such circumstances, the directors of the Fund may apportion such costs or reimbursement amounts between redeeming shareholders as they reasonably consider appropriate.

In accordance with the Articles of Association of the Fund, the directors may in their absolute discretion determine that redemptions of Shares in any Sub-Fund or Sub-Funds should be subject to a redemption penalty in addition to the redemption penalties outlined above. Without in any way limiting their discretion, circumstances in which the directors may consider such an additional redemption penalty to be appropriate would include those where, in their opinion, the value of all or any of the assets of the Premier Sub-Fund ascertained in accordance with the Articles and this Supplementary Memorandum did not represent the realisable value of those assets.

The directors have the right in their absolute discretion to reject any redemption request. In exercising this right, they are obliged to act reasonably and bona fide in the interests of the Fund. If they exercise this right, they will notify the Shareholder who submitted the redemption request in question within five Business Days of the Dealing Day on which the redemption request would otherwise have been fulfilled.

Redemption of Shares in a Premier Sub-Fund will usually need to be financed by the withdrawal of capital from assets. This may not always be possible due to the illiquid nature of the Premier Sub-Fund's intended underlying investments. In particular, it is intended that substantially all of the assets of the Premier Sub-Funds will invest in special purpose vehicles which in turn invest in highly illiquid assets. If it is not possible for the Fund to realise capital to finance a redemption on a Dealing Day, the relevant redemption request may be held over until the next Dealing Day or until such time as the Fund is able to make such a realisation. In these circumstances, once a Premier Sub-Fund is once again able to realise underlying assets and to effect redemptions, the directors will determine what they consider to be the most equitable method of apportioning the funds available to meet redemptions between outstanding redemption requests.

The attention of prospective investors is drawn to the further details of the redemption procedure and additional penalties, charges and deductions which may apply, as set out in

Section 26E of the Scheme Particulars. It should be noted that interest will not be paid to investors on redemption moneys awaiting payment.

12.3 Special Redemption Terms for EBCA

In December 2013, EBCA subscribed for Shares in the Eco Resources US Dollar Sub-Fund having a value at the Dealing Price at the time of US$18,190,000 (the "**EBCA Shares**"). Under the terms of the agreements under which such subscription was made, EBCA is not permitted to redeem any of the EBCA Shares before 7th February 2014 and, after that date, its ability to redeem the EBCA Shares after that date is limited to 757,917 EBCA Shares on the Fund's 7th February 2014 Dealing Day and the same number on each subsequent Dealing Day, provided that the Fund will not be obliged to redeem any of the EBCA Shares at any time (whether or not within the limit referred to above) unless the directors of the Fund are satisfied that the Fund has sufficient liquidity after taking account of: (i) the amounts to be invested in EBIOM Class A Loan Notes to finance the establishment and maintenance of Plantation Assets by EBCA IV and/or EBSA II in accordance with the agreed business plan; and (ii) the anticipated liquidity requirements of the Eco Resources US Dollar Sub-Fund and the other Sub-Funds of the Fund.

12.4 EBCA Transfer Restrictions

In addition to restrictions on its ability to redeem the EBCA Shares, EBCA is subject to restrictions on its freedom to transfer them. EBCA is not permitted to sell, transfer or otherwise dispose of all or any of the EBCA Shares prior to 14th February 2016 without the prior written consent of the Fund. In any event, whether before or after that date, EBCA is not permitted to sell, transfer or otherwise dispose of all or any of the EBCA Shares sell, transfer or otherwise dispose of all or any of the EBCA Shares except in a transaction which complies in all respects with the United States Securities Act of 1933 and all applicable securities laws of all States of the United States of America.

13. MINIMUM INVESTMENT

For the Premier Sterling Sub-Fund, the minimum investment requirement is £10,000 (or such lower amount as the directors jointly with the Manager may determine in their discretion) reducing to £5,000 (or such lower amount as the directors jointly with the Manager may determine in their discretion) for investments on behalf of insurance company portfolio bonds, Self Invested Personal Pensions (SIPPs) and increments to existing investments.

For the Premier Euro Sub-Fund, the minimum investment requirement is €15,000 (or such lower amount as the directors jointly with the Manager may determine in their discretion) reducing to €$7,500 (or such lower amount as the directors jointly with the Manager may determine in their discretion) for investments on behalf of insurance company portfolio bonds, Self Invested Personal Pensions (SIPPs) and increments to existing investments.

For the Premier US Dollar Sub-Fund, the minimum investment requirement is US$15,000 (or such lower amount as the directors jointly with the Manager may determine in their discretion) reducing to US$7,500 (or such lower amount as the directors jointly with the Manager may determine in their discretion) for investments on behalf of insurance company portfolio bonds, Self Invested Personal Pensions (SIPPs) and increments to existing investments.

For the Premier Singapore Dollar Sub-Fund, the minimum investment requirement is Sing$20,000 (or such lower amount as the directors jointly with the Manager may determine in their discretion) reducing to Sing$10,000 (or such lower amount as the directors jointly with the Manager may determine in their discretion) for investments on behalf of insurance company portfolio bonds, Self Invested Personal Pensions (SIPPs) and increments to existing investments.

14. RISK FACTORS

The particular attention of investors and prospective investors is drawn to the risk factors set out in Section 29 of the Scheme Particulars.

Before making an investment in Shares in the Premier Sub-Funds, prospective

investors should carefully consider all of the information contained in the Scheme Particulars and in this Supplementary Memorandum. The risk factors in the Scheme Particulars and in this Supplementary Memorandum below are not exhaustive. There may be other risks that a prospective investor should consider that are relevant to his or its particular circumstances or generally.

Investment risk & currency risk

The ability of the Premier Sub-Funds to meet their investment objectives is dependent on the ability of the Investment Committee to source investments consistent with the investment objective and to manage the investments effectively. Any illiquidity of the Premier Sub-Funds may prevent concluding an investment transaction or arranging appropriate currency hedging on satisfactory terms. By way of example, if any of the Sub-Funds does not have sufficient liquidity to meet the margin requirements or cash calls required by the hedging provider, there will be an element of currency exchange risk.

The Fund will invest in EBIOM Loan Notes on which a proportion of the interest will be rolled into the principal on a quarterly basis until 2020, rather than paid to the Fund. Payment of the capitalised interest, future quarterly installments and repayment on maturity is dependent on the successful management and exploitation of the Sustainable Biological Assets by or on behalf of EBIOM.

Valuation risk

In determining the Net Asset Value of a Premier Sub-Fund, the value of the underlying assets will be determined in accordance with the Scheme Particulars and this Supplementary Memorandum. There is no guarantee that any underlying investments could be realised at the valuation used in determining the Net Asset Value. In addition, the unquoted nature of the underlying investments may make it difficult to realise the value of such investments in a timely manner or at all. Valuation of a number of the underlying assets is dependent on assessments prepared by, and information supplied by, third parties; although the Investment Committee will evaluate such assessments or information, it is not in a position to confirm the completeness, genuineness or accuracy of such assessments or information. There are only limited means by which valuations can be independently verified.

The valuation of the Sustainable Biological Assets is heavily dependent on the assets reaching maturity and there being sufficient liquidity for the assets to be managed and harvested effectively. The ability of the Fund to realise the assets in the short term could be delayed, only possible at a discounted value or not possible at all. The wind up of the Fund, particularly if it requires a fire sale of the underlying assets, could result in a substantial shortfall when compared to the valuation of the assets if held to maturity and sold in an orderly manner. A fire sale of the underlying investments is likely to realise moneys substantially below the Net Asset Value determined in accordance with the Scheme Particulars and this Supplementary Memorandum.

Liquidity risk

EBIOM and its subsidiaries are each highly dependent for their liquidity on the flow of funds from the sale of bamboo or processed bamboo. In the event that the Fund wishes to realise its investment in bamboo prior to the bamboo reaching full maturity for harvesting, EBIOM and its subsidiaries may not be able to meet requests to sell assets to provide liquidity or the sale could be at a heavily discounted level. This may result in the suspension of redemptions of shares in the Premier Sub-Funds.

Title risk

Land on which the Sustainable Biological Assets in which the Fund is ultimately investing are planted may be held jointly with a third party or fully on a leasehold or freehold basis. There may be an adverse impact on the valuation of the Sustainable Biological Assets if there is any dispute over title and ownership.

Legal, regulatory and tax risks

Legal and regulatory changes could adversely impact the Fund and the entities in or through which it invests. Changes in regulation of investment companies could adversely impact on the value of the Fund's investments and ability to successfully pursue its investment strategy.

Any change in the Fund's tax status, the tax status of any future subsidiaries of the Fund and any companies into which the Fund invests could inversely impact on the value of the Fund's investments and ability to successfully pursue its investment strategy. Statements in the Scheme Particulars and this Supplementary Memorandum concerning the taxation of the Fund and Shareholders are based upon information provided by professional third parties and may be subject to changes that could adversely impact on the value of the Fund's investments and ability to successfully pursue its investment strategy.

Country risk

The Fund and/or EBIOM invest and will continue to invest directly or indirectly in assets and investments located in various jurisdictions throughout the world, including emerging or developing countries, some of which are highly controlled by governmental authorities. Particularly in developing countries, laws governing transactions in investments (including land, buildings and plant) and contractual arrangements may be new and largely untested. Investments in developing markets may include risks of: less publicly available information; more volatile markets; less favourable tax provisions; higher risk of severe inflation; corruption; unstable currency; war and expropriation of personal property; inadequate investor protection; contradictory legislation; rudimentary, unpredictable, incomplete, unclear and changing laws; lack of established or effective avenues for legal redress; lack of standard financial and commercial practices; disclosure and confidentiality customs characteristic of developed markets; and lack of enforcement of existing laws and regulations.

Investing in developing markets creates greater exposure to economic structures that are generally less established, robust and mature. It may also be difficult to obtain and enforce a judgement in certain emerging countries. The level of investment of the Fund may also be restricted by legal limits on foreign investment and these could be subject to change. There can be no assurance that these difficulties in protecting and enforcing rights in relation to investments will not have a material adverse impact of the value of the investments of the Fund. There is also the risk of expropriation or confiscatory taxation, imposition of withholding and other taxes on dividends, interest, capital gains and other income, limitations on the removal of funds or other assets of the Fund, political changes, governmental regulation, social instability or diplomatic developments (including war), all of which could affect adversely the economies of such countries or the value of investments in those countries.

EcoPlanet Bamboo has taken out political risk insurance with MIGA from which the Fund and ERF will benefit in relation to plantations in Nicaragua, with a view to reducing these specific risks. However, there remains a risk that the coverage obtained may not be at a level that is sufficient to match the value of the underlying assets or the amount invested by the Fund. There is also a risk of non-payment of claims by MIGA or any other insurance provider as a result of either the failure of the insurer or the existence of an exclusion, dispute or breach of coverage terms by EcoPlanet Bamboo.

As at the date of this Supplementary Memorandum, no decision has been taken as to whether or not political risk insurance should be taken out with MIGA in relation to plantations in South Africa. However, if the Fund decides that it is desirable to do so, EcoPlanet Bamboo is under an obligation to apply for such insurance, from which the Fund and ERF will benefit. There remains a risk that coverage may not be obtained or may only be obtained at a lower level that is desired.

Physical risks associated with Sustainable Biological Assets

Natural causes such as fire, insect infestation, extreme weather, disease and other causes beyond the control of the Fund may have an impact on the timing of harvests, or reduce the volume and value of Sustainable Biological Assets harvested. This in turn may adversely impact on the value of the underlying investments of the Fund.

EcoPlanet Bamboo has taken out insurance with Forest Re from which the Fund and ERF will benefit in relation to plantations in Nicaragua, with a view to meeting the cost of replanting the

Sustainable Biological Assets destroyed. If a claim is made, the value of the underlying assets will be substantially written down following replanting to reflect the increase in time to harvest. It should be noted that the directors will review the insurance arrangements on an annual basis. There remains a risk that the coverage obtained may not be at a sufficient level to meet the actual cost of replanting. There is also a risk of non-payment of claims by Forest Re or any other insurance provider as a result of either the failure of the insurer or the existence of an exclusion, dispute or breach of coverage terms by EcoPlanet Bamboo.

As at the date of this Supplementary Memorandum, no decision has been taken as to whether or not insurance should be taken out with Forest Re in relation to plantations in South Africa. However, if the Fund decides that it is desirable to do so, EcoPlanet Bamboo is under an obligation to apply for such insurance, from which the Fund and ERF will benefit. There remains a risk that coverage may not be obtained or may only be obtained at a lower level that is desired.

Economic risks associated with Sustainable Biological Assets

The returns from the underlying investments of the Fund depend on the prevailing prices of the Sustainable Biological Assets. Prices can be impacted by the demand and supply of the assets especially in a particular geographic area. Changes in government regulations and policies could impact the prices of assets. Policies that could have an impact include: the sale of assets held on governmental lands; imposition of conservation and environmental restrictions that reduce the ability to harvest the assets; imposition of rules and regulations on the operation of the plantations including health and safety; and imposition of fines and penalties that were not foreseen.

Operational risks associated with Sustainable Biological Assets

There is a risk that operational costs associated with the plantations of Sustainable Biological Assets could substantially increase and materially impact on the value of the underlying investments of the Fund.

Counterparty risk

The investment structure of the Fund involves companies or other entities incorporated in other jurisdictions. Although the Fund, ERF and EBIOM have taken appropriate local legal advice, enforcement of legal rights against companies in other jurisdictions may prove difficult.

Concerns were raised by the Delaware lawyers acting for the Fund, ERF and EBIOM about the formation formalities in relation to EcoPlanet Bamboo Group, EBCA IV, ECM, EP PM, EBCA and EcoPlanet Bamboo Series E and the potential implications of defects in those formalities. Although the Delaware lawyers have advised that the defects in those formalities have now been rectified, there remained concerns regarding past actions and unknown issues. In light of the above, additional warranties and indemnities issues have been sought and obtained from EBG, EBCA IV, ECM, EP PM, EBCA and EcoPlanet Bamboo Series E in relation to these. However, as noted above, enforcement of such warranties and indemnities against entities in other jurisdictions may prove difficult and it may the entities in question may have little or nothing in the way of assets against which enforcement could be levied.

15. CHARGES AND EXPENSES

15.1 Promoter Remuneration

As remuneration for acting as Promoter of the Premier Sub-Funds, the Promoter is entitled to receive the following fees:

(a) for each of the Premier Sub-Funds, a maximum fee of 8 per cent of the subscription moneys for Shares in the relevant Premier Sub-Fund issued (the "Sales and Marketing Fee"), from which introductory fees may be paid to intermediaries. The treatment of the Sales and Marketing Fee for the purpose of calculating the Net Asset Value of the relevant Premier Sub-Fund is set out in Section 23 of the Scheme Particulars;

(b) a fee of 1.5 per cent per annum of the Net Asset Value of each Premier Sub-Fund. This fee shall accrue on each Dealing Day and be payable monthly in arrears by the relevant Sub-Fund; and

(c) a performance fee calculated in accordance with section 15.2 of this Supplementary Memorandum and payable by the relevant Sub-Fund.

15.2 Performance Fee

The Promoter will be entitled to a performance fee calculated by reference to the amount by which the increase in the Net Asset Value per Share in a Premier Sub-Fund in any year exceeds 10 per cent. The details of the calculation and treatment of the Performance Fee are set out in this section. For each Premier Sub-Fund, the performance fee will be calculated in the pricing currency and will be payable in that currency.

The Performance Fee (if any) to which the Promoter shall be entitled in respect of any Financial Period shall be 20 per cent of the Excess (if any) in respect of that Financial Period multiplied by the Average Number of Shares in the relevant Premier Sub-Fund in issue during the Financial Period, where:

"Actual NAVPS" means the Net Asset Value per Share in the relevant Premier Sub-Fund (before taking account of any Performance Fee paid or accrued) on the last Dealing Day of the relevant Financial Period;

"Average Number of Shares" means the sum of all participating redeemable preference shares in issue at each Valuation Day in the Financial Period, divided by the number of Valuation Days in the Financial Period;

"Benchmark NAVPS" means:

(a) in respect of the First Financial Period, an amount calculated by:

(i) multiplying 10p (in the case of the Premier Sterling Sub-Fund), 10 cents (in the case of the Premier Euro Sub-Fund), 10 cents (in the case of the Premier US Dollar Sub-Fund) or Sing$0.10 (in the case of the Premier Singapore Dollar Sub-Fund) by the number of full calendar months in the First Financial Period;

(ii) dividing the result by 12; and

(iii) adding 100p (in the case of the Premier Sterling Sub-Fund), adding 100 cents (in the case of the Premier Euro Sub-Fund), 100 cents (in the case of the Premier US Dollar Sub-Fund) or Sing$1 (in the case of the Premier Singapore Dollar Sub-Fund); and

(b) in respect of each subsequent Financial Period, 110 per cent of the higher of: the Actual NAVPS (less any performance fee payable) at the end of the immediately preceding Financial Period; and the Benchmark NAVPS in respect of the immediately preceding Financial Period;

"Excess" in respect of a Financial Period means the amount (if any) by which the Actual NAVPS at the end of such Financial Period exceeds the Benchmark NAVPS in respect of such Financial Period; and

"Financial Period" means, in relation to the Premier Sterling Sub-Fund and the Premier US Dollar Sub-Fund, the period from 19th October 2012 to 31st December 2012, in relation to the Premier Euro Sub-Fund, the period from the date following the final date of the Second Initial Offer period to 31st December 2013 and, in relation to the Premier Singapore Dollar Sub-Fund, the period from the date following the final date of the Third Initial Offer Period to 31st December 2014 (in each case, the "First Financial Period") and thereafter, in relation to each of the Premier Sub-Funds, each subsequent period of twelve months commencing on 1st January and ending on 31st

December.

If there is any dispute between the Fund and the Promoter as to the amount of any Performance Fee or whether or not any Performance Fee is payable in respect of any Financial Period, either the Fund or the Promoter may refer the matter in dispute to the Auditors for determination as experts and not as arbitrators and their determination shall (in the absence of manifest error) be final and binding.

The Performance Fee (if any) in respect of a Financial Period shall be paid by the Fund to the Promoter within ten Business Days of the amount thereof being calculated or determined in accordance with this section.

For the purpose of calculating Net Asset Value, the Performance Fee will be accrued monthly.

15.3 Plantation Assets Valuer Remuneration

Each of the valuations detailed in section 10 of this Supplementary Memorandum will be at a basic cost of US$1,500 each. Additional work will be charged on an hourly basis at a cost of US$200 an hour for the principal and US$75 an hour for an associate. These fees will be met by the Fund.

The above fees are exclusive of all travel and incidental expenses that will be met by the Fund.

The level of fees will be reviewed annually.

16. MATERIAL AGREEMENTS

The Fund and/or ERF have entered into the following material agreements in relation to the Premier Sub-Funds in addition to those listed in the Scheme Particulars:

(i) an agreement dated 5th October 2012 (as amended by a deed of variation dated 27th February 2013) between EBCA, EBCA IV, EBIOM and ERF in relation to, among other things, the acquisition by EBIOM of EBCA IV from EBCA and the subscription by EBCA for Shares in the Fund;

(ii) a plantation management agreement dated 5th October 2012 between EBIOM, EP PM and EBCA IV, under which EP PM will provide plantation management services to EBCA IV and EBIOM in relation to land in Nicaragua;

(iii) an agreement dated 5th October 2012 between the Plantation Assets Valuer and the Fund to provide valuations of the Plantation Assets;

(iv) the EBIOM Shareholders Agreement;

(v) an administration agreement dated 28th February 2014 (effective 31st March 2014) between ERF and the Administrator under which the Administrator will provide administration services to ERF;

(vi) a letter dated 5th October 2012 from EcoPlanet Bamboo, EB CA IV, ECM, EP PM, EBCA and EcoPlanet Bamboo Series E in favour of the Fund, ERF, the Management Shareholder and EBIOM containing warranties and indemnities in respect of EcoPlanet Bamboo, EB CA IV, ECM, EP PM, EBCA and EcoPlanet Bamboo Series E;

(vii) an agreement dated 19th December 2013 between EBIOM, EBCA, EBCA II, EBCA IV, ERF and the Fund in relation to, among other things, the acquisition by EBCA IV of the Rio Kama plantation from EBCA II and the subscription by EBCA for Shares in the Fund;

(viii) an agreement dated 19th December 2013 between EBCA, EBSA II, EBIOM and ERF in relation to, among other things, the acquisition by EBIOM of EBSA II from EBCA and the subscription by EBCA for Shares in the Fund;

(ix) a plantation management agreement dated 19th December 2013 between EBIOM, EPSAPM and EBSA II, under which EPSAPM will provide plantation management services to EBSA II and EBIOM in relation to land in South Africa;

(x) an undertaking dated 19th December 2013 from EcoPlanet Bamboo in favour of EBIOM under which EcoPlanet Bamboo undertakes to pay over to EBIOM the proceeds of any claim under the MIGA insurance to the extent that such claim relates to the value of EBCA IV's plantations in Nicaragua;

(xi) an undertaking dated 19th December 2013 from EcoPlanet Bamboo in favour of EBIOM under which EcoPlanet Bamboo undertakes to apply for MIGA insurance to cover EBSA II's plantations in South Africa, if so requested by the Fund, and, if such insurance is obtained, undertakes to pay over to EBIOM the proceeds of any claim under the MIGA insurance to the extent that such claim relates to the value of EBSA II's plantations in South Africa;

(xii) an undertaking dated 19th December 2013 from EcoPlanet Bamboo in favour of EBIOM under which EcoPlanet Bamboo undertakes to pay over to EBIOM the proceeds of any claim under the Forest Re insurance to the extent that such claim relates to the value of EBCA IV's plantations in Nicaragua and also undertakes to apply for such insurance with Forest Re to cover EBSA II's plantations in South Africa, if so requested by the Fund, and, if such insurance is obtained, undertakes to pay over to EBIOM the proceeds of any claim under the Forest Re insurance to the extent that such claim relates to the value of EBSA II's plantations in South Africa

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In addition, EBIOM has entered into an administration agreement dated 28th February 2014 (effective 31st March 2014) with the Administrator under which the Administrator will provide administration services to EBIOM for a fee of £25,000 per annum; this fee is subject to review with the agreement of the directors of EBIOM.

17. APPLICATION FORM

An application form for Shares in the Premier Sub-Funds is available as a separate document from the Administrator.

SCHEDULE

PART 1

THE FUND'S INVESTMENT IN SUSTAINABLE BIOLOGICAL ASSETS

1. OVERVIEW OF THE INVESTMENT STRUCTURE

It is intended that investment in Sustainable Biological Assets by the Premier Sub-Funds (alongside other Sub-Funds established by the Fund) will be made through a special purpose vehicle, ERF.

ERF is a company limited by shares incorporated in the Isle of Man and wholly owned by the Fund. Investment by the Fund in ERF (over and above the initial equity share capital) will be made by subscribing for redeemable preference shares. The redeemable preference shares will be denominated, issued and redeemed in US Dollars. At the time of the first investment by the Fund in ERF, the ERF redeemable preference shares were made available for subscription at a price of US$1 each (of which US$ 0.001 represented the nominal value and the remainder represented share premium). Subsequent subscription or redemption of the redeemable preference shares will be based on the Net Asset Value of ERF. Further details of the calculation of the Net Asset Value are set out in section 11 of this Supplementary Memorandum.

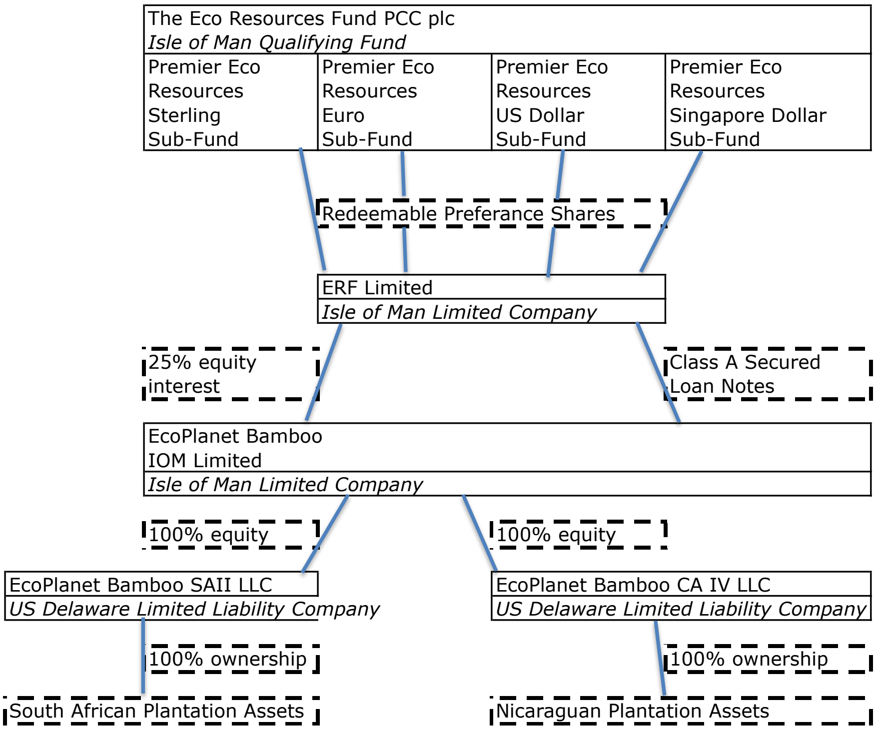
Each Sub-Fund will aim to retain around 2 per cent of assets in cash in order to defray on-going running expenses, but will otherwise be fully invested in ERF. ERF will aim to retain around 8 per cent of its net assets (or £10 million, if less) in cash or near cash instruments, but, subject to that, it intends to invest substantially all of its assets in EBIOM, another Isle of Man incorporated company, further details of which are set out in section 2 of this Part 1. This investment will include a 25 per cent equity participation in EBIOM at a cost of US$500 and otherwise will be entirely by way of subscription for EBIOM Class A Loan Notes. The level of uninvested cash is likely to fluctuate significantly from month to month, particularly at the outset.

EBIOM will use the investment from ERF to fund its wholly owned subsidiaries, EBCA IV and EBSA II.

EBCA IV owns Plantation Assets in Nicaragua and it is intended that it will acquire additional Plantation Assets in Nicaragua. As well as owning these Plantation Assets in Nicaragua, EBCA IV will; establish, maintain and harvest the plantations for profit; establish plantation building infrastructure; and purchase plant and machinery.

EBSA II owns Plantation Assets in South Africa and it is intended that it may acquire additional Plantation Assets in South Africa. As well as owning these Plantation Assets in South Africa, EBSA II will; establish, maintain and harvest the plantations for profit; establish plantation building infrastructure; and purchase plant and machinery.

A chart showing the investment structure is set out below and further details of the structure are contained in the remaining sections of this Part 1.



2. EBIOM

EBIOM has been established to generate trading profits from the direct or indirect acquisition and/or establishment of bamboo plantations.

The equity share capital of EBIOM is owned: as to 65 per cent, by EcoPlanet Bamboo Series E; as to 25 per cent, by the Fund through ERF; and, as to 10 per cent, by the Management Shareholder. The cost to the Fund of its equity shareholding in EBIOM was US$500. The relationship of EcoPlanet Bamboo Series E, the Management Shareholder and ERF as shareholders in EBIOM and the operation, management and cashflows of EBIOM and EBCA IV are governed by the EBIOM Shareholders Agreement, further details of which are contained in section 6 of this Part 1.

As at the date of this Supplementary Memorandum, EBIOM owns all of the limited liability company interests in EBCA IV and EBSA II. EBCA IV owns Plantation Assets in Nicaragua, further details of which are contained in section 4 of this Part 1, and EBSA II owns Plantation Assets in South Africa, further details of which are contained in section 5 of this Part 1. Both EBCA IV and EBSA II will aim to operate the plantations for profit. The funding for the activities of both EBCA IV and EBSA II will flow through EBIOM.

The directors of EBIOM are John Bourbon, Antony Parry, Mike Richardson, John Vogel, David Whitaker and Troy Wiseman. Brief biographies of Troy Wiseman and John Vogel are set out in section 4.2 of Part 2 of this Schedule. As US$10 million of EBIOM Loan Notes have now been issued by EBIOM to ERF, each of the directors is entitled to receive a remuneration of £12,500 per annum, payable quarterly in arrears.

EBIOM has entered into an administration agreement with the Administrator under which the Administrator will provide administration services to EBIOM for a fee of £25,000 per annum; this fee is subject to review with the agreement of the directors of EBIOM.

3. INITIAL INVESTMENT STRATEGY

As at 1st January 2014, the Fund had invested, through ERF, in 25 per cent of the equity of EBIOM for an aggregate subscription price of US$500 and US$28.2 million nominal of EBIOM Class A Loan Notes on the terms of the EBIOM Shareholders Agreement.

The future investment strategy of the Fund will be to invest, through ERF, in up to a further US$21.8 million nominal of EBIOM Class A Loan Notes on the terms of the EBIOM

Shareholders Agreement, giving a total potential investment in EBIOM Class A Loan Notes of US$50 million.

As at 1st January 2014, the US$28.2 million investment in EBIOM Class A Loan Notes had been utilised by EBIOM as follows:

(i) to finance the cost of acquisition of EBCA IV in October 2012, at which time EBCA IV owned 51 hectares of land fully planted with Guadua aculeata bamboo at Kukra Hill on the Atlantic side of Nicaragua, called the ERF Rio Kama plantation (which is now part of the larger Rio Kama plantation owned by EBCA IV);

(ii) to make additional investments in EBCA IV to finance the acquisition of additional Plantation Assets in Nicaragua as described in section 4 of this Part 1 and to finance the establishment and maintenance by EBCA IV of Plantation Assets in Nicaragua; and

(iii) to finance the cost of acquisition of EBSA II in December 2013, at which time EBSA II owned 323 hectares of land substantially planted with Bambusa balcooa bamboo, Oxytenanthera abyssinica bamboo and Bambusa long internode bamboo north of Port Alfred in South Africa called the Kowie II plantation.

Future investment by ERF in EBIOM Class A Loan Notes will be utilised by EBIOM to finance:

(a) the further establishment, maintenance and harvesting of the plantations held as assets of EBCA IV for profit; the establishment of plantation building infrastructure by EBCA IV; and the purchase of plant and machinery by EBCA IV; and

(b) the further establishment, maintenance and harvesting of the plantations held as assets of EBSA II for profit; the establishment of plantation building infrastructure by EBSA II; and the purchase of plant and machinery by EBSA II.

The investment by EBIOM in EBCA IV has been and will continue to be by way of the purchase by EBIOM of limited liability company interests in EBCA IV. Likewise, the investment by EBIOM in EBSA II will be by way of the purchase by EBIOM of limited liability company interests in EBSA II.

Further investment by the Fund into future EBIOM Loan Notes will be subject to approval by the Investment Committee after consideration of a cost benefit analysis that will include a financial model and a valuation from the Plantation Assets Valuer.

4. EBCA IV

EBCA IV is a Delaware limited liability company and is wholly owned by EBIOM.

As at the date of this Supplementary Memorandum, EBCA IV owns:

- a 918 hectare Guadua aculeata bamboo plantation, called Rio Kama, at Kukra Hill on the Atlantic side of Nicaragua which is fully planted (51 hectares of this land was fully planted and owned by EBCA IV when EBIOM purchased EBCA IV in October 2012 and 867 hectares was purchased by EBCA IV fully planted in December 2013);

- a 455 hectare Guadua aculeata bamboo plantation, called ERF Rio Siquia, near Rama on the Atlantic side of Nicaragua which is fully planted (this land purchased by EBCA IV in November 2012 and has since been planted);

- 1,390 hectares of land that is being established as a Guadua aculeata bamboo plantation, called San Jose, near Rama on the Atlantic side of Nicaragua (this land was purchased by EBCA IV in July 2013 and since then planting has commenced).

EBCA IV has established or will establish, maintain and harvest these plantations for profit and has established or will establish plantation building infrastructure and has purchased or will purchase plant and machinery for these plantations.

These activities have been and will be financed by investment by the Fund via ERF and EBIOM in limited liability company interests in EBCA IV.

It is not intended that EBCA IV will have any employees. EBCA IV, EBIOM and EP PM have entered into an agreement for EP PM to provide plantation management services in Nicaragua at cost plus 15 per cent.

EBCA IV is wholly owned by EBIOM and, that being the case, any profits made by EBCA IV will flow back to EBIOM.

EBCA IV will undertake the following activities in establishing, maintaining and harvesting its bamboo plantations having purchased seedlings:

- Nursery: Seedlings are hardened off in the plantation nursery until ready for planting;
- Out planting: Holes are pre dug and fertilised ready for each plant. Once planted, mulch is applied to protect and stimulate growth;
- Pre-productive maintenance: In years one to four, the plants are fertilized and protected from disease and pests using an Integrated Pest Management plan which is ecologically balanced and in line with Forest Stewardship Council ("FSC") protocols;
- Productive maintenance: From year 4 the plants are cared for with between 35% and 50% of mature culms extracted each year; and
- Pre processing: Culms are cut into vertical strips chipped or left whole, treated in a solution to prevent rotting or pest attack and then air dried.

5. EBSA II

EBSA II is a Delaware limited liability company and is wholly owned by EBIOM.

As at the date of this Supplementary Memorandum, EBSA II owns a 323 hectare plantation that includes the bamboo species of Bambusa balcooa, Oxytenanthera abyssinica and Bambusa long internode, called Kowie II, in South Africa’s Eastern Cape, north of Port Alfred. This land was owned by EBSA II and was substantially planted when EBSA II was acquired by EBIOM in December 2013.

EBSA II will establish, maintain and harvest the plantation for profit which will also include the establishment of plantation building infrastructure and the purchase of plant and machinery. These activities will be financed by investment by the Fund via ERF and EBIOM in limited liability company interests in EBSA II.

It is not intended that EBSA II will have any employees. EBSA II, EBIOM and EPSAPM have entered into an agreement for EPSAPM to provide plantation management services at cost plus 15 per cent.

As a wholly owned subsidiary of EBIOM, any profits made by EBSA II will flow back to EBIOM.

EBSA II will undertake the following activities in establishing, maintaining and harvesting its bamboo plantations in South Africa having purchased seedlings:

- Nursery: Seedlings are hardened off in the plantation nursery until ready for planting;
- Out planting: Holes are pre dug and fertilised ready for each plant. Once planted, mulch is applied to protect and stimulate growth;
- Pre-productive maintenance: In years one to four, the plants are fertilized and protected from disease and pests using an Integrated Pest Management plan which is ecologically balanced and in line with FSC protocols;
- Productive maintenance: From year 4 the plants are cared for with between 35% and 50% of mature culms extracted each year; and

- Pre processing: Culms are cut into vertical strips or left whole, treated in a solution to prevent rotting or pest attack and then air dried.

6. EBIOM CLASS A LOAN NOTE TERMS

As mentioned above, investment by ERF in EBIOM has been and will be primarily by way of subscription for EBIOM Class A Loan Notes. The principal terms of the EBIOM Class A Loan Notes are as follows:

- the maturity date on which the principal amount must be repaid in full is 30th September 2027;
- the maximum principal amount is US$50 million;
- they bear interest at a rate of 12 per cent per annum, subject to some of the interest being accrued (as outlined below);
- they are secured (as outlined below);
- ERF is entitled to request early repayment of all or some of the EBIOM Class A Loan Notes at face value, but such redemption will be subject to EBIOM's consent;
- EBIOM is entitled to compulsorily repay all or some of the EBIOM Class A Loan Notes at any time between 30th September 2018 and 30th September 2027, but, if prepayment takes place before 30th September 2024, EBIOM is required to pay a prepayment charge in addition to the nominal amount of the EBIOM Class A Loan Notes to be repaid (together with accumulated and accrued interest), such prepayment charge being an amount equal to the nominal amount of EBIOM Class A Loan Notes (together with accumulated and accrued interest) to be repaid multiplied by a percentage equal to 5% for each full calendar year remaining to the maturity date of the EBIOM Class A Loan Notes (i.e. 30th September 2027) and pro rata for each part year; and
- an IPO or sale of EcoPlanet Bamboo will trigger an obligation on EBIOM to prepay the EBIOM Class A Loan Notes in full at a premium of 15 per cent to their nominal value; in the event of an IPO, subject to the satisfaction of certain conditions, ERF will receive an equivalent participation in IPO shares at the IPO share offer price rather than cash repayment.

Interest on the EBIOM Class A Loan Notes is payable by equal quarterly instalments on 31st December, 31st March, 30th June and 30th September in each year. However, during the periods to 30th September 2020, the amount of interest payable in each quarter will be reduced as follows and the balance of the interest that would otherwise be due will be rolled up quarterly into the principal amount outstanding on the EBIOM Class A Loan Notes:

Period	*Interest Payable*	*Interest rolled up*
Year to 30th September 2013	0.5% per quarter	2.5% per quarter
Year to 30th September 2014	0.75% per quarter	2.25% per quarter
Year to 30th September 2015	1% per quarter	2% per quarter
Year to 30th September 2016	1.25% per quarter	1.75% per quarter
Year to 30th September 2017	1.5% per quarter	1.5% per quarter
Year to 30th September 2018	1.75% per quarter	1.25% per quarter
Year to 30th September 2019	2% per quarter	1% per quarter
Year to 30th September 2020	2.5% per quarter	0.5% per quarter
Period from 1st October 2020 to 30th September 2027	3% per quarter	nil

As security for the performance of EBIOM's obligations under the EBIOM Class A Loan Notes, ERF, as the holder of the EBIOM Class A Loan Notes, will have the benefit of the following:

- a charge from EcoPlanet Bamboo over its holding of shares in EBIOM;
- a charge from the Management Shareholder over its holding of shares in EBIOM;
- a charge from EBIOM over the limited liability company interests in EBCA IV that it holds; and
- a charge from EBIOM over the limited liability company interests in EBSA II that it holds.

The payment of interest by EBIOM to ERF on the EBIOM Class A Loan Notes will provide the liquidity to enable ERF to redeem the ERF redeemable preference shares held by the Premier Sub-Funds. ERF has no other source of liquidity.

7. EBIOM SHAREHOLDERS AGREEMENT

ERF, the Management Shareholder, EcoPlanet Bamboo Series E, EBIOM, ECM, EBCA IV and EBSA II are parties to the EBIOM Shareholders Agreement, which is governed by Isle of Man law and which is intended to regulate matters relating to EBIOM and its subsidiaries.

Under the EBIOM Shareholders Agreement:

- ERF is entitled to subscribe for up to US$50 million nominal in EBIOM Class A Loan Notes in aggregate;
- EcoPlanet Bamboo Series E has the right to appoint and remove up to three directors of EBIOM and, similarly, ERF has the right to appoint and remove up to three directors (reducing to two directors when all of the EBIOM Loan Notes have been repaid or redeemed);
- neither EBIOM nor EBCA IV nor EBSA II are permitted to perform certain actions or to transact certain business without the prior written consent of both of the EBIOM Principal Shareholders, including:
    - increasing or altering its authorised or issued share capital;
    - amending its constitutional documents;
    - changing the nature or scope of its business;
    - entering into any material contract;
    - entering into any contract with a related party (including Eco Planet Bamboo and any of its related or associated entities);
    - modifying, amending, varying or terminating any agreement to which it is a party;
    - disposing of all or a substantial part of its undertaking and assets;
    - making any material acquisition;
    - paying any dividend or making any other distribution; and
    - making any expenditure or entering into any capital commitment not envisaged by an agreed annual business plan; and
- provisions are made to address:
    - the general operation and administration of EBIOM in relation to matters such as the frequency of board meetings & shareholders meetings, the keeping of accounting records, the maintenance of insurance etc;
    - the rights of the EBIOM Shareholders to receive financial and other information in relation to EBIOM and its subsidiaries;
    - the preparation and agreement of annual business plans;
    - restrictions on the transfer of shares in EBIOM;
    - regulation of and restrictions on the application of funds by EBIOM; and
    - the Fund's liquidity requirements.

The EBIOM Shareholders Agreement also provides for EBIOM to make a contribution to the central overheads of the EcoPlanet Bamboo Group. The amount of the contribution will be calculated by reference to the proportion that the number of hectares that EBIOM, EBCA IV and EBSA II have under cultivation bears to the total number of hectares that the EcoPlanet Bamboo Group has under cultivation.

The EBIOM Shareholders Agreement and the Articles of Association of EBIOM contain provisions intended to ensure that EBIOM remains resident for tax purposes in the Isle of Man and to avoid it being or becoming tax resident in the UK. These include: restrictions on the number of UK resident directors; requirements as to the location of board meetings; and limitations on the number of non-IOM resident directors present at such board meetings.

Under the EBIOM Shareholders Agreement, EBCA IV and EBSA II are required to pass all of their profits up to EBIOM (subject to such reasonable and proper reserves being retained by EBCA IV and/or EBSA II for working capital or other liabilities as ERF and EcoPlanet Bamboo Series E may consider appropriate) and EBIOM will meet specified agreed expenses as agreed by its directors. In terms of EBIOM's cashflow, EBIOM is required to apply its income in the following order:

- in paying specified essential operating expenses, such as audit fees, the agreed charges of EP PM and EPSAPM and the administration charges of the Administrator;

- in paying all interest due on the EBIOM Class A Loan Notes;

- from the issue date until 30th September 2018, in accumulating and maintaining sufficient funds to meet its interest payment obligations under the EBIOM Class A Loan Notes for the following twelve months;

- in paying director fees;

- from 30th September 2018, in financing a sinking fund to accumulate sufficient funds to repay the principal amount of the EBIOM Class A Loan Notes in full; and

- subject to all of the above payment requirements having been met, in paying dividends or other distributions to the EBIOM Shareholders and/or reinvesting funds.

8. WARRANTIES & INDEMNITIES

The EBIOM Shareholders Agreement, the agreement for the acquisition of EBCA IV and the agreement for the acquisition of EBSA II contain warranties and indemnities in favour variously of the Fund, ERF, the Management Shareholder and EBIOM. However, because of concerns about the formation formalities of EcoPlanet Bamboo, EB CA IV, ECM, EP PM, EBCA and EcoPlanet Bamboo Series E, additional comfort in relation to the historic position has been sought in the form of further warranties and indemnities contained in a legally binding side letter from EcoPlanet Bamboo, EB CA IV, ECM, EP PM, EBCA and EcoPlanet Bamboo Series E in favour of the Fund, ERF, the Management Shareholder and EBIOM.

9. FUTURE INVESTMENT STRATEGY

EcoPlanet Bamboo Group is currently assessing further bamboo plantation and processing opportunities within Central America and in other parts of the world, most notably West, East and Southern Africa as well as South East Asia. If the Investment Committee so determines, the Premier Sub-Funds may invest in these ventures on terms to be agreed.

In addition, the Premier Sub-Funds may, at the discretion of the Investment Committee, elect to invest in Sustainable Biological Assets owned, managed or issued by third parties not connected to EcoPlanet Bamboo Group.

10. POTENTIAL FOR AN IPO

The directors of the Fund envisage that, within five to seven years, there is the potential for an IPO of EBIOM, EBCA IV, EBSA II or one of the other entities connected with the Fund's investment arrangements or for a similar exit route to become available. In such circumstances, the directors and the Investment Committee will consider the options and opportunities available to the Fund with a view to maximising the benefit to investors in the Fund.

PART 2

ECOPLANET BAMBOO GROUP

1. ECOPLANET BAMBOO GROUP OVERVIEW

EcoPlanet Bamboo Group's objective is to maximise economic returns through the development of bamboo plantations and, at a minimum, the pre-processing of the raw bamboo for sale into selected markets as a timber substitute, as well as aiming to create positive social and environmental impact through integrating responsible capital and plantation development. Where possible, EcoPlanet Bamboo Group will also extract value from the carbon sequestration benefits of the plantations.

EcoPlanet Bamboo Group owns and operates around 3,700 hectares of bamboo plantations in Central America and South Africa via a number of subsidiaries.

EcoPlanet Bamboo Group currently employs an executive / management team of approximately 10 individuals as well as more than 350 skilled, semi-skilled and unskilled workers in Nicaragua and South Africa, including management positions.

EcoPlanet Bamboo Group combines over 40 years' experience in successful agribusiness across multiple continents, 22 years' experience of building businesses in remote areas of Latin America, 20 years' experience managing or as fiduciary of over US$300 million of assets for private investors.

As much as possible, EcoPlanet Bamboo Group has utilised leading experts to ensure that outputs from the plantations are optimised and meet the best standards.

EcoPlanet Bamboo is structured as a Delaware series LLC under which different share classes relate to different underlying plantation and management businesses. This structure has allowed shareholders to hold EcoPlanet Bamboo stock whilst having different profits interests in the different underlying businesses depending upon their level of involvement. The series E share class of EcoPlanet Bamboo will invest in projects using finance provided by ERF.

The principal shareholder in EcoPlanet Bamboo is the Wiseman Private Equity Fund LLC.

2. MARKET OPPORTUNITY

2.1 Bamboo

Bamboo is the fastest growing land plant on Earth and once the plant is mature, individual "culms" can reach their full height in just one year. Bamboo is an extremely fast growing plant, with some species exhibiting growth surges of 100cm per day. Over the following seasons the walls of each culm (or stem) dry and harden, reaching maturity for harvesting within 3 to 5 years, in comparison with the 15 - 20 years required for other sources of timber such as pine. Furthermore, due to the plant's ecological growth pattern as a grass, harvesting of individual culms does not kill the plant, but stimulates further growth, meaning that annual harvesting and productivity occurs. As a result, bamboo can create up to 10 times more timber per hectare than trees.

Many species of timber bamboo flower very infrequently, with intervals as long as 60 to 120 years. These species exhibit what is called 'mass flowering' where all plants in the population flower at the same time. During a mass flowering event after setting seed the bamboo plant dies, and new plants germinate from the seeds generated by the flowering. If seeds can be sourced from a mass flowering event for use on plantations, the risk of a mass flowering event devastating the plantation is removed for a considerable period.

Bamboo is one of the most versatile natural resources that includes use as a timber substitute. Using three principal technologies (lamination, strand weaving and composites) bamboo can be used in products that would otherwise use traditional timber, with a higher mechanical standard and lower environmental footprint. Despite its strength, bamboo, in its raw form, is extremely light and far easier, cheaper and fuel efficient to transport than other timbers. Applications include:

- In a laminated form: boards, flooring, panels, veneer, cabinetry, plywood, furniture, lumber, structural beams and architectural components. Particularly for uses associated with aesthetic finishes, bamboo offers greater strength, resistance, thermal tolerance and sheen than other timber options;
- In a strand woven form: decking, cladding, exterior furniture, flooring, lumber and panels;
- As bamboo composites: highly durable and weatherproof exterior applications such as decking and cladding;
- In an unprocessed form: use in building materials from canes to reinforced concrete. In some places the steel in reinforced concrete is replaced with bamboo because of its strength and seismic resistance;
- Pulp and paper: the unique linear fibre patterns in bamboo also mean that bamboo paper can be of a higher quality with a higher tear resistance than traditionally manufactured paper;
- Textiles: the fibre patterns also mean soft and comfortable clothing can be woven from bamboo;
- Cosmetics;
- Bioenergy in the form of pure biomass, torrefied pellets or charcoal; and
- Activated carbon for use in air and water purifiers as well as other anti-pollution uses.

2.2 Market size

Global demand for forest products is set to rise to US$1.2 trillion in 2015. Population and economic growth mean that there is a trend of substantial market growth, with The Timber Trade Federation stating “global demand for timber will increase 53% by 2020. Set against this increasing demand the supply of timber sources is dwindling. Today, only 10% of the World’s tropical forests are sustainably managed, meaning that much of the global trade in tropical timber relies upon illegal or unsustainable timber sources.”

The drivers for increased demand for wood based products include:

- Population Growth: growth is anticipated from 6.4 billion in 2005 to 10.6 billion by 2050 and there is a correlation with the demand for timber;

- Global Economic Growth: growth is anticipated from US$47 trillion in 2005 to US$100 trillion in 2030. It is likely that this growth will largely be driven by China, India and Brazil in particular. This economic growth is also correlated to the demand for timber, particularly from the developing economies of India, China and Brazil;

- Renewable Energy: energy policies using biomass (including wood) are increasingly encouraged by government incentives;

- Wood the Material of Choice: wood based products are increasingly being used in preference to other materials such as metals.

A number of global initiatives are in place to halt illegal logging and to protect the natural rain forests that are a major source of timber. These include:

- Clean development of mechanism of the Kyoto Protocol encourages afforestation and reforestation for emission reduction projects in developing counties;

- The United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN REDD) has been established;

- Forestry Stewardship Council advances responsible global forestry management;

- Verified Carbon Standard ("VCS") – formerly the Voluntary Carbon Standard is a global benchmark for green gas emission reduction projects.

The combination of the growing demand and the above initiatives leads to an even stronger growing demand for certified sustainable timber (see section 3.4 below for more about certification). This combination of material quality, diversity of applications and sustainability makes bamboo uniquely positioned to supply the world's sustainable timber needs.

In recognition of this, it is anticipated that the demand for bamboo will grow rapidly, with the world market set to quadruple to US$20 billion within the next four years.

2.3 Environmental Impact

In comparison to species commonly used within timber plantations, due to the fast rate of growth and the ability to maintain a continuous canopy cover while undergoing selective annual harvesting of culms, a bamboo plantation has the potential to sequester and store multiple times the carbon dioxide. There are numerous other ecosystem benefits. The fact that it produces so much raw material means that less land is required under plantation to satisfy the same market demands. On a local basis, bamboo's dense network of roots provides exceptional soil stability as well as helping to re-establish depleted water tables. It can grow on degraded land that would not be viable for other uses and actively rehabilitate the local environment and ecosystem. As a result it is likely that, over time, bamboo will continue to take market share from other forms of timber as demand for environmentally sustainable products grows.

2.4 Bamboo Species

The EcoPlanet Bamboo Group has selected Guadua aculeata bamboo, a clumping bamboo that grows natively in Central America for its plantations in that region. Guadua aculeata bamboo offers some unique qualities.

For its plantations in South Africa, the EcoPlanet Bamboo Group has selected a mix of bamboo species, Bambusa balcooa, Oxytenanthera abyssinica and Bambusa long internode, each a clumping bamboo. These species offer some unique qualities either for the local climate or for the production of activated carbon.

Due to China's dominance in the global bamboo market, the predominant species of bamboo found in commercial products is China's native Moso. More recently, species of the Guadua family of bamboo, the most important of the American Bamboos, have been developed commercially in Colombia and in conjunction with universities and scientists in Germany and Holland. In addition the EcoPlanet Bamboo Group has laboratories that have conducted tests with scientists in Holland on the use of Bambusa balcooa bamboo, Oxytenanthera abyssinica bamboo and Bambusa long internode bamboo that show that they are a high quality raw resource for the production of activated carbon and other carbonized products and are suited to the South African climate.

Clumping bamboo plantations are more productive than Moso as demonstrated in the table below:

Species	Location	Biomass/Hectare (Culm only)	Average Culm Weight (dry)
Moso	China	30 tonnes	15 kg
Guadua aculeata	Central America	100-120 tonnes	60 kg plus
Bambusa balcooa and Bambusa long internode	South Africa	80-100 tonnes	40 kg plus
Oxytenanthera abyssincica	South Africa	80-100 tonnes	20 kg plus

Source: Guadua Aculeata Biomass – Professor F Montagnini 2011; Moso Data – United Nations Food and Agricultural Organisation; Bambusa balcooa and Bambusa long internode Oxytenanthera abyssincica – EcoPlanet Bamboo Group analysis of clumps in the vicinity of the Kowie Bamboo Farm.

Each of Moso, Bambusa balcooa, Oxytenanthera abyssinica, Bambusa long internode and

Guadua aculeata are giant bamboos, which offer exceptional strength and hardness. The quality of finished products made from each of these bamboo types is largely comparable. Moso has the disadvantage of being more waxy and having a higher silicate content and therefore slightly more expensive and complex to process.

The Guadua aculeata bamboo plantations have been established with 300 to 400 plants planted per hectare depending on the end use of the bamboo with each plant expected to have 13 culms.

The Oxytenanthera abyssincica, Bambusa balcooa and Bambusa long internode bamboo plantation has been established with average density of 400 plants planted per hectare with each plant expected to have 6 to 10 harvestable culms per year.

In conclusion, the higher productivity of Guadua aculeata bamboo plantations in comparison to Moso offers greater commercial potential.

2.5 Location

EcoPlanet Bamboo Group has chosen Nicaragua to locate its Guadua aculeata bamboo plantations.

South Africa has been chosen for plantations of bamboo within the Bambusa genus and the African lowland bamboo, Oxytenanthera abyssincica.

At the date of this Supplementary Memorandum, the economics of Nicaragua look positive based on the following indicators:

- Growing Stable Economy: Nicaraguan GDP increased by 5.1% in 2011;
- Booming Foreign Direct Investment (FDI): this reached US$968m in 2011; a 90.5% increase on the year before; Nicaragua has registered an annual growth rate in Foreign Direct Investment of 35% between 2003 and 2011;
- A Safe Country in the Region: Risk Briefing Services, part of the Economist Intelligence Unit, in its Country Risk Evaluation ranks Nicaragua as the second safest country in Central America and third in Latin America; and
- Highest Level of Investor Protection: the 2011 World Bank “Doing Business” report ranked Nicaragua as the as the top location in Central America in the categories of protecting investors, enforcing contracts and resolving insolvency.

Nicaragua is ideally situated to support bamboo plantations and related businesses:

- Ideal climate for bamboo: the Atlantic coast offers the perfect tropical climate with ample sunlight and rainfall for ideal growing conditions;
- Land availability: as the largest country in Central America and one that suffered major deforestation during the 1970s and 80s, there is plenty of ideal land for growing bamboo;
- Logistics: located in the heart of Central America with an Atlantic and Pacific seaboard, it is a minimum 3 days shipping to major US ports compared to its biggest competitor China that takes circa 30 days by sea;
- Central America Free Trade Association (CAFTA): as a member of CAFTA, Nicaragua can export to the US market without import duty; and
- Costs relative to its major competitor China: labour is low cost, readily available in rural areas and used intensively to run bamboo plantations. This is combined with low costs for land and other inputs (e.g. fertilizer).

South Africa has been chosen for bamboo plantations and associated processing due to:

- Stability of government and political regimes;
- A suitable growing climate, and the availability of large tracts of unused agricultural land at relatively low cost;
- A significant domestic market for carbonized products, including activated carbon utilized for water treatment, and high value charcoal for retail use;
- Good infrastructure and roads for the transportation of finished product to market; and
- High availability of both skilled and unskilled labor.

3. ECOPLANET BAMBOO PLANTATIONS

3.1 Logistics

EcoPlanet Bamboo Group plantations in Nicaragua are selected with logistics in mind to provide cost advantage as well as reducing the Group's carbon footprint. The Nicaraguan plantations are located close to prime production facilities and Rama port from which container ships go direct to Miami. Bamboo can be transported from the plantation to the factory next to the port by either road or river.

EcoPlanet Bamboo Group plantations in South African are selected with logistics in mind. Located in Bathurst on the Eastern Cape, these plantations are connected by major highways to major industrial cities, East London to the north and Port Elizabeth from the south. From these, transportation networks exist to supply finished product across the South African market. Furthermore Port Elizabeth represents a major international port, with global shipping routes accessible only a 2 hour drive from the plantations.

3.2 Use of experts

As much as possible, EcoPlanet Bamboo Group has sourced experts to ensure that the plantations are optimised and meet the best industry standards.

3.3 Existing Plantations

As at the date of this document, EcoPlanet Bamboo Group operates plantations in Nicaragua and one in South Africa.

Rio Siquia, Rama, Nicaragua

Rio Siquia was EcoPlanet Bamboo Group's first plantation. The property is 890 hectares and located alongside the Siquia River, around 30km from Rama Port. The property has both road and river connections to Rama Port.

EBCA IV purchased 455.5 hectares of the Rio Siquia plantation in November 2012 and this is in the process of being planted.

The remaining 425 hectares owned by EcoPlanet Bamboo have 388 hectares planted with bamboo with the remainder consisting of plantation facilities, access ways, fire breaks and natural forest set aside as conservation areas. The property was planted between May and October 2011 and it is intended that the property will have its first harvest in 2017.

Rio Kama, Kukra Hill, Nicaragua

Rio Kama is currently EcoPlanet Bamboo Group's largest plantation. The property is 918 hectares and is located alongside the Kama River, around 40km from Rama Port. The property has both road and river connections to Rama Port.

In total, around 702 hectares of the property are planted with bamboo, with the remainder consisting of plantation facilities, nursery, access ways, fire breaks and natural forest set aside as conservation areas. The property was planted between June and December 2011 and it is intended that the property will have its first harvest in 2016.

EBCA IV owns the 918 hectare Rio Kama plantation.

San Jose, Rama, Nicaragua

San Jose will be EcoPlanet Bamboo's largest plantation, with a total area of 1,390 hectares of which 70-80% will be planted.

San Jose has large areas of existing natural forest, which will be set aside for conservation purposes, biodiversity and habitat corridors.

The San Jose plantation is owned by EBCA IV.

Kowie Farm, Eastern Cape, South Africa

Kowie Bamboo Farm is EcoPlanet Bamboo Group's pilot project for the development of commercial plantations of bamboo in South Africa's Eastern Cape for the purpose of supplying activated carbon to local and export markets. The property is located close to the port town of Port Alfred and has excellent highway access.

The property is 482 hectares and is currently being planted. In total, around 360 hectares will be planted with bamboo, with the rest reserved for biodiversity forest, accommodations, offices, processing areas, nursery, access ways with fire breaks and natural vegetation.

EBSA II owns 323 hectares of the Kowie Bamboo Farm, of which 251 hectares will be planted with bamboo.

3.4 Certifications

A critical part of EcoPlanet Bamboo Group's corporate philosophy is to create positive social and environmental benefits. To this end, EcoPlanet Bamboo Group operations are developed in line with international certification standards, and where applicable are subjected to verification and certification by external bodies. This provides independent confirmation of EcoPlanet Bamboo Group's environmental sustainability, and also provides the basis from which carbon credits can be obtained and certain end markets can be accessed.

Forestry Stewardship Council ("FSC")

The Rainforest Alliance has certified the 918 hectares of commercial bamboo plantation at Rio Kama at Kukra Hill, RAAS, Nicaragua and the 455 hectares of commercial bamboo plantation called ERF Rio Siquia, near Rama, Nicaragua, each of which belongs to EBCA IV, along with a further 430 hectares of bamboo plantations managed by EcoPlanet Bamboo (totaling 1,803 hectares) under the FSC's Forest Management category.

An application will be made for this FSC Forest Management certification to be extended to the 1,390 hectares at San Jose near Rama, owned by EBCA IV, once the bamboo plantation has been fully established.

It is not anticipated that an application will be made for this FSC Forest Management certification to be extended to the 323 hectares at the Kowie Farm in South Africa, owned by EBSA II. The rationale is that the bamboo that will be harvested from this plantation has already been pre-sold and the purchaser does not need the certification. It should be noted that, in any event, the management of the Kowie Farm will aim to adhere to the requirements of the FSC Management certification.

Once harvesting begins EcoPlanet Bamboo will apply for FSC Chain of Custody certification, which will allow the company to sell FSC certified timber bamboo to wood manufacturing and timber-based companies worldwide. Purchasing FSC certified bamboo will in turn allow certified clients of EcoPlanet Bamboo to label their products accordingly.

Verified Carbon Standard ("VCS")

The EBCA IV Rio Kama commercial bamboo plantation of 918 hectares at Kukra Hill, RAAS, Nicaragua has received carbon validation under the VCS along with a further 430 hectares of bamboo plantations managed by EcoPlanet Bamboo (totaling 1,347 hectares).

An application will be made for the 455 hectares at ERF Rio Siqua in El Rama, Nicaragua owned by EBCA IV, the 1,390 hectares at San Jose near Rama, Nicaragua also owned by EBCA IV and the 323 hectares at the Kowie Farm in South Africa, owned by EBSA II to receive the carbon validation through the VCS once the bamboo plantation has been established.

The validation was carried out by Rainforest Alliance. EcoPlanet Bamboo plantations received validation for an initial 816,000 tons of carbon dioxide sequestered over a 10 year period through the reforestation of 1,324 hectares of degraded lands with bamboo forests.

Climate, Community and Biodiversity Alliance ("CCBA")

The EBCA IV Rio Kama commercial bamboo plantation of 918 hectares at Kukra Hill, RAAS, Nicaragua has received CCBA gold level validation along with a further 430 hectares of bamboo plantations managed by EcoPlanet Bamboo (totaling 1,348 hectares).

EcoPlanet Bamboo's CCBA gold level validation indicates that these plantations have been developed and designed under best practices to deliver long-term social and environmental benefits that address climate change, support local communities and conserve biodiversity.

It is unlikely that a further application will be made for the 455 hectares at Rio Siquia in El Rama, Nicaragua, the 1,390 hectares at San Jose near Rama, Nicaragua and the 323 hectares at the Kowie Farm in South Africa to receive the CCBA certification once the bamboo plantation has been established because of the additional costs and the substantial time involved for a new application.

4 MANAGEMENT

4.1 Overview

The management of EcoPlanet Bamboo and its subsidiaries has all the necessary skills needed to implement this project, starting from plantation management, agro-forestry, carbon resource management and investment management along-side in-depth regional experience.

4.2 Career summaries of key executives in the EcoPlanet Bamboo Group

Troy Wiseman – Co-Founder & Chief Executive Officer of EcoPlanet Bamboo Group

Troy started his entrepreneurial career at 20 when he co-founded clothing manufacturing and retail company, best known for its B.U.M. Equipment label, for which he served as a Director and various executive roles during his career including COO, Executive Vice-President & Secretary. Over the next 7 years the Company's revenue grew from US$0 to US$120 million. In 1992 he sold the majority of his interest in the company & moved to Chicago to start a private equity & advisory firm. Mr. Wiseman was elected to serve as an independent Director and his new firm was hired as an advisor to the company through 1994.

He founded The InvestLinc Group in 1992, which managed and advised on a range of alternative investment funds and assets under management of US$210 million before he sold his controlling interest in February 2006.

Troy served as Vice Chairman of Legatum Global Development, part of Legatum, an international investment organization focusing on investment opportunities in sustainable development around the globe, based in Dubai.

He resigned to co-found TriLinc Global, a social impact investment firm focused on bringing scaleable private capital to SME entrepreneurs in developing countries with the goal of making money as well as creating social impact, primarily through job creation.

In 2006, Troy joined the ranks of Howard Hughes, Henry Ford II, Orson Welles and four U.S. Presidents when he was selected as one of the Ten Outstanding Young Americans. The Ten Outstanding Young Americans program ("TOYA") is one of the oldest and most prestigious recognition programs in America. Annually since 1938, the United States program has sought out the ten young men and women who best exemplify the best attributes of America's youthful achievers.

Troy is an active philanthropist through the Wiseman Family Foundation and was also the co-founder of World Orphans, which has helped fund the construction of over 500 orphanages in 47 countries.

John Vogel – President of EcoPlanet Bamboo Group

An agronomist by trade, John has managed plantation operations in Central America, Africa and Asia. John's experience in Latin America is extensive and encompasses the management of many indigenous and commercially viable species, as well as the often complex process of bringing these products to market. John has all necessary skills to ensure the long term success of the revegetation project activities within the chosen region.

Anthony Colletti - Chief Financial Officer, EcoPlanet Bamboo Group

Anthony is a Certified Public Accountant with fifteen years of experience in public accounting and tax. Anthony holds a BSc in Accounting from Bradley University and maintains his membership in the American Institute of Certified Public Accountants.

Dr Juan Carlos Camargo Garcia - Director of Research of EcoPlanet Bamboo Group

Juan Carlos is an expert on the growth dynamics of Guadua bamboo, predominantly in his native Colombia. Juan holds a PhD on silvicultural applications of Guadua bamboo and, as well as acting as Professor to graduate students in Colombia, he works with EcoPlanet Bamboo Group to carry out all inventory work, carbon fieldwork, assessment of growth dynamics and biomass and carbon assessments relating to the project activities. Juan Carlos will remain in charge of all on going monitoring of EcoPlanet Bamboo's plantations.

Sergio Sanchez – Forestry Engineer, EcoPlanet Bamboo Central Ameroca

Sergio Sanchez is an Agricultural Engineer with a specialization in forestry. A Nicaraguan national. Sergio has worked on forestry operations for both the public and private sector. He joined EcoPlanet Bamboo Group in 2012 and oversees the silvicultural aspects of all Nicaraguan plantations.

Darryl Howell – President, EcoPlanet Core Carbon and EPB Laboratories

Daryl has over a decade of experience in designing and managing the development of specialized thermodynamic machinery with Micron Laboratory Services. In 2012 Darryl joined EcoPlanet Bamboo Group, co-founding EcoPlanet Core Carbon and EPB Laboratories. Darryl's custom designed process at Core Carbon combines years of technical experience of best production practices.

Samantha Wilde, Managing Director, Southern Africa

Samantha Wilde is the Managing Director of EcoPlanet Bamboo Southern Africa and is responsible for managing the planning and execution of the South African operations.

Born and raised in the San Francisco Bay Area, Samantha has spent 8 years living, studying and working in Africa on environment and development projects.

Samantha holds a master's in development studies with a focus sustainable development from the University of London's School of Oriental and African Studies and an undergraduate degree in Environmental Studies with business and economics from Franklin College Switzerland.