

Blairlogie Pine Investment

Other Material Information

This Other Material Information Document (Document) has been prepared to meet the requirements of section 57(1)(b) of the Financial Markets Conduct Act 2013 (FMCA). In terms of clauses 48 to 50 of Schedule 5 to the Financial Markets Conduct Regulations 2014 (FMCR), it includes items not separately included on the Offer Register.

The Prospective Financial Information is provided separately.

20 September 2024

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Total Estimated Costs of Offer and Sale

The total of the amounts paid or agreed to be paid in connection with the offer and sale of shares in Blairlogie Pine Investment is \$235,000:

The total paid or agreed to be paid to external parties:

Grant Thornton New Zealand Audit Limited	\$6,000
Forme Consulting Group	\$3,000
Supervisor	\$5,000
Supervisor's Legal Advisors	\$24,000
Legal Fees for Property	\$22,000
PDS, Scheme Registration and FMA Levy	\$7,200
Total for External Parties	\$67,200

The fees and expenses charged to the Investment on its set-up by the Manager are:

Offeror's Fee	\$120,000
Internal Legal Fees	\$47,800
Total for Internal Parties	\$167,800

The above fees are payable by the Investment.

In respect of the legal fees and other expenses, the Manager may have already met these costs on behalf of the Investment prior to Settlement of the Properties and, accordingly, is entitled to reimbursement.

Other fees may be paid by the Manager between the dates of settlement and this PDS. Those fees will be reimbursed to the Manager. These fees will not change as they are incurred upfront and the Manager is responsible for any under or overs.



Summary of Prospective Income, Expenses & Returns

Prospective Financial Information

The purpose of the prospective financial statements is to assist Investors in assessing the viability of and return on funds invested. The Product Disclosure Statement (PDS) includes a cashflow summary year by year of the expected life of the investment extracted from financial statements prepared in accordance with Financial Reporting Standard 42: Prospective Financial Statements (FRS 42) which is available on the Offer Register.

Summary of Principal Assumptions in the Cashflow Projection on the Expected Life of the Investment

The Cashflow Projection has been derived from GAAP compliant Prospective Financial Information (available on the Offer Register). Although this information is of a long-term nature, it is, in the Manager's view, relevant for basing investment decisions on a forestry investment where there are continuing financial commitments over the life of the investment.

The best information that can reasonably be expected to be available to base the forest assumptions on is the Forest and Carbon Management Plan, which has been audited by Kevin Reardon of Forme Consulting Group Limited, a Registered Forest Consultant of the NZ Institute of Forestry. The Forest and Carbon Management Plan and audit report are both available on the Offer Register.

The Forest and Carbon Management Plan has assumptions about the timing of silvicultural work for the forest. In line with common forest practice, 2024 dollars have been used for the costs of the work programme and carbon prices use the 36-month average spot price to 30 June 2024.

Actual costs and timing will vary from the projections because of changes over time to the work program and prices. These changes may be material, although changes to the work program that have a material cost impact are subject to Investor vote.

Given the purpose and objective of the Prospective Financial Information is to give investors a sense of future costs and returns for the expected life of the Scheme in the context of this one rotation focused forestry investment, inflation of 2% per annum has been assumed from 1 January 2026 in the preparation of the projections. Historical inflation over the last 30 years and the present target of 1–3% support the use of 2% in the projections.

Carbon assumptions (also available in more detail in the Forest and Carbon Management Plan available on the Offer Register) include —

- \$67 per unit for the sale of carbon generated from the treecrop has been assumed. This is the 36-month average spot price for NZUs on the Jarden Commtrade Secondary Market.
- All trees will be sold as standing timber in the final year. There is no plan to harvest the trees unless it is economic to repurchase the required carbon units and harvest.

The anticipated pre-tax return based on 2024 dollars for a 200-share parcel is \$58,863. Assuming inflation of 2% per year this increases the pre-tax return in 2024 dollars for a 200-share parcel to \$99,614. Refer further to Page 4 of this document and page 28 of the PDS for Sensitivity Analysis and Return on Investment for expected returns arising from alternative NZU spot prices.

Other assumptions include —

- It is assumed that the Land will be sold in 2054 at the purchase price (adjusted for inflation). The final year of the investment is the year ending 31 December 2054.

NOTE: Future Calls and Distributions in the Cashflow Projection should be taken as a guide only.



Sensitivity Analysis of Log and Carbon Price Changes

Based on 36-month average NZU prices at 30 June 2024, the pre-tax return for a 200-share parcel without inflation is anticipated to be \$58,863, or \$99,614 with 2% inflation applied.

Forest operation costs and other investment costs could continue to rise in price and not be matched by increases in carbon prices. The following shows the impact of carbon price changes from 2024 prices.

Projected return on Investment

Projected return for a 200-share parcel (using \$67 per NZU) without inflation:

\$58,863 gross

This is the projected net revenue before tax calculated using 36-month average carbon prices (3 years) to 30 June 2024 and is the base case scenario. Costs to achieve this revenue are the application cost and ongoing calls, together totalling \$14,938 based on 2024 figures.

Projected return for a 200-share parcel (using \$67 per NZU) assuming inflation of 2% p.a.:

\$99,614 gross

This is the projected net revenue before tax calculated using 36-month average carbon prices (3 years) to 30 June 2024 with inflation at 2% p.a. Costs to achieve this revenue are the application cost and ongoing Calls, together totalling \$14,938 based on 2024 figures.

Internal Rate of Return (IRR)

The percentage return on a forestry investment is the calculated Internal Rate of Return (IRR). The IRR is the discount rate at which discounted costs equal discounted revenues — i.e. the discount rate at which present value cash flows equal zero. Provided all other factors are equal, the IRR provides a basis to compare forestry investments.

Based on the assumptions set out, assuming 36-month average price per NZU:

Gross IRR based on past 36-month NZU prices (\$67 per NZU)	7.73%
Gross IRR based on carbon price of \$80 per NZU, no inflation	8.79%
Gross IRR based on inflation adjusted 36-month NZU prices (\$67 per NZU)	9.79%

What happens if carbon price increases or decreases?

If the carbon price or costs change in value during the term of the investment, the projected return would change as follows:

Carbon Price Change Over Term	Projected pre-tax return based on 2024 dollars for a 200-share parcel	IRR
\$67 NZU price without Inflation (base case)	\$58,863	7.73%
Inflation 2%, \$67 NZU price	\$99,614	9.79%
\$80 NZU Price, no inflation	\$72,783	8.79%
\$50 NZU Price, no inflation	\$40,607	6.07%



Return Parameters

It is anticipated that carbon will be available to sell from 2029 and returns will be made to investors from 2034. All trees will likely be sold as standing timber in the year ending 31 December 2054, the final year of the Investment term.

Under the current taxation regime, carbon proceeds will be distributed before tax. Details of the management of carbon sales are set out in the Forest and Carbon Management Plan.

The return is dependent upon movements in NZU prices and land prices. The returns can only be projected at this time and are therefore not fixed or assured and variations from these projections will occur and may be material.



Summary of Income and Expenses over Expected Life of the Investment – 2% Inflation

No. Investment Units (200 Shares)	500															
Financial Year ending December	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Cumulative Hectares	237.0	349.4	497.9	641.2	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9
EXPENDITURE																
Capital Expenditure																
Non Depreciable																
Land and Improvements, Trees	5,237,373	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Preliminary Expenses	235,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Land Preparation	0	44,972	60,580	59,619	55,045	0	0	0	0	0	0	0	0	0	0	0
Deductible Expenditure																
Forestry Expenditure																
Establishment	0	231,691	319,390	316,970	293,248	8,922	0	0	0	0	0	0	0	0	0	0
Tending	0	1,781	0	14,260	39,492	55,177	120,085	42,122	0	124,485	167,688	165,028	152,367	0	0	0
Maintenance	2,371	3,495	5,079	6,672	8,181	8,345	8,512	8,682	8,856	9,033	9,213	9,398	9,585	9,777	9,973	10,172
Protection	1,185	1,748	2,540	3,336	4,091	4,172	4,256	4,341	4,428	4,516	4,607	4,699	4,793	4,889	4,986	5,086
Inventory	3,000	3,000	3,060	3,121	3,184	3,247	3,312	3,378	3,446	3,515	3,585	3,657	3,730	3,805	3,881	3,958
Mapping	485	2,393	3,938	2,853	2,064	1,825	2,459	2,420	2,234	0	0	0	0	0	0	0
Insurance	3,189	4,644	6,758	9,156	11,761	13,368	15,033	16,761	18,551	20,406	22,328	24,319	26,380	28,514	30,723	33,009
Rates	2,020	8,080	8,242	8,406	8,575	8,746	8,921	9,099	9,281	9,467	9,656	9,849	10,046	10,247	10,452	10,661
Other Expenditure																
Management	1,778	10,490	15,239	20,017	26,074	26,595	27,127	27,670	28,223	28,788	29,363	29,951	30,550	31,161	31,784	32,420
Investor Admin Fee	0	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951	12,190	12,434	12,682	12,936	13,195
Supervisor Fees	1,128	4,510	4,600	4,692	4,786	4,882	4,979	5,079	5,181	5,284	5,390	5,498	5,608	5,720	5,834	5,951
Audit Fees	6,500	6,500	6,630	6,763	6,898	7,036	7,177	7,320	7,466	7,616	7,768	7,923	8,082	8,244	8,408	8,577
Investment Update & Valuation	1,375	5,500	5,610	5,722	5,837	5,953	6,072	6,194	6,318	6,444	6,573	6,704	6,839	6,975	7,115	7,257
Borrowing Costs & Bank Fees	1,000	8,050	5,885	1,040	4,064	5,553	1,104	3,964	6,846	4,042	1,195	1,219	1,243	1,268	1,294	1,319
Industry Subscriptions & Levies	7,371	14,302	19,170	24,063	28,708	29,282	29,868	30,465	31,075	31,696	32,330	32,977	33,636	34,309	34,995	35,695
Disbursements	7,000	7,000	7,140	7,912	7,428	7,577	7,729	7,883	8,041	8,202	8,366	8,533	8,704	8,878	9,055	9,236
Investor Meeting Costs	500	500	5,100	520	531	541	552	5,631	574	586	598	609	6,217	634	647	660
Contingency	3,000	3,000	3,060	3,121	3,184	3,247	3,312	3,378	3,446	3,515	3,585	3,657	3,730	3,805	3,881	3,958
TOTAL EXPENDITURE	5,514,274	371,655	492,221	508,648	523,763	205,294	261,539	195,649	155,453	279,310	324,196	326,211	323,943	170,907	175,964	181,155
RECEIPTS																
Capital Receipts																
Net Current Assets	25,819	42,632	(271,164)	101,607	135,977	(214,491)	146,709	62,530	(8,883)	(121,556)	100,820	0	0	0	0	0
Sale of Land & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Income Receipts																
Land Rental	16,017	50,580	33,415	16,193	0	0	0	0	0	0	0	0	0	0	0	0
Replant Receipts	0	278,444	379,970	390,849	387,786	0	0	0	0	0	0	0	0	0	0	0
Carbon	0	0	0	0	0	69,785	114,831	133,120	164,335	400,866	692,682	750,242	935,258	1,128,577	1,438,098	1,879,728
TOTAL RECEIPTS	41,836	371,656	142,221	508,649	523,763	(144,706)	261,540	195,650	155,452	279,310	793,502	750,242	935,258	1,128,577	1,438,098	1,879,728
NET CASHFLOW	(5,472,438)	0	(350,000)	0	0	(350,000)	0	0	0	0	469,306	424,031	611,315	957,669	1,262,134	1,698,573
CASHFLOW FOR EACH INVESTMENT UNIT																
Calendar Year of Call Payment	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Cash Payable per Unit per Annum	(10,945)	0	(700)	0	0	(700)	0	0	0	0	0	0	0	0	0	0
NPV of Tending Payable on Application	(2,593)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Payable on Application																
Calls Payable	(13,538)	0	(700)	0	0	(700)	0	0	0	0	0	0	0	0	0	0
Cash Receivable per Unit per Annum	0	0	0	0	0	0	0	0	0	0	939	848	1,223	1,915	2,524	3,397
TAX ANALYSIS FOR EACH INVESTMENT UNIT																
Tax Year ending December	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Cashflow per Unit before Tax	(13,538)	0	(700)	0	0	(700)	0	0	0	0	939	848	1,223	1,915	2,524	3,397
Taxation Benefit at 33%	17	(2)	12			89	97	41	(6)	(80)	0	0	0	0	0	0
Taxation Payable at 33%	0	0	0	0	0	0	0	0	0	0	(243)	(280)	(403)	(632)	(833)	(1,121)
Cash Payable per Unit after Tax	(13,521)	(2)	(688)	0	0	(611)	97	41	(6)	(80)	0	0	0	0	0	0
Cash Receivable per Unit after Tax	0	0	0	0	0	0	0	0	0	0	695	568	819	1,283	1,691	2,276

Refer to assumptions on page 3.

Summary of Income and Expenses over Expected Life of the Investment – 2% Inflation (Continued)

No. Investment Units (200 Shares)																
Financial Year ending December	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	TOTAL
Cumulative Hectares	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9
EXPENDITURE																
Capital Expenditure																
Non Depreciable																
Land and Improvements, Trees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,237,373
Preliminary Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	235,000
Land Preparation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	220,216
Deductible Expenditure																
Forestry Expenditure																
Establishment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,170,221
Tending	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	882,485
Maintenance	10,376	10,583	10,795	11,010	11,231	11,455	11,684	11,918	12,156	12,399	12,647	12,900	13,158	13,422	13,690	306,768
Protection	5,188	5,292	5,397	5,506	5,616	5,728	5,843	5,960	6,079	6,201	6,325	6,451	6,580	6,712	6,846	153,394
Inventory	4,038	4,118	4,201	4,285	4,370	4,458	4,547	4,638	4,731	4,825	4,922	5,020	5,121	5,223	5,328	124,704
Mapping	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20,673
Insurance	35,374	37,820	40,350	42,827	42,821	42,511	41,027	39,466	37,828	36,103	28,434	26,919	25,333	23,671	21,931	806,811
Rates	10,875	11,092	11,314	11,540	11,771	12,006	12,247	12,492	12,741	12,996	13,256	13,521	13,792	14,067	14,349	329,810
Other Expenditure																
Management	33,068	33,729	34,404	35,092	35,794	36,510	37,240	37,985	38,744	39,519	40,310	41,116	41,938	42,777	43,633	969,087
Investor Admin Fee	13,459	13,728	14,002	14,282	14,568	14,859	15,157	15,460	15,769	16,084	16,406	16,734	17,069	17,410	17,758	405,681
Supervisor Fees	6,070	6,191	6,315	6,441	6,570	6,702	6,836	6,972	7,112	7,254	7,399	7,547	7,698	7,852	8,009	184,090
Audit Fees	8,748	8,923	9,102	9,284	9,469	9,659	9,852	10,049	10,250	10,455	10,664	10,877	11,095	11,317	11,543	270,193
Investment Update & Valuation	7,402	7,550	7,701	7,855	8,012	8,173	8,336	8,503	8,673	8,846	9,023	9,204	9,388	9,576	9,767	224,499
Borrowing Costs & Bank Fees	1,346	1,373	1,400	1,428	1,457	1,486	1,516	1,546	1,577	1,608	1,641	1,673	1,707	1,741	1,776	72,363
Industry Subscriptions & Levies	36,409	37,137	37,880	38,637	39,410	40,198	41,002	41,822	42,659	43,512	44,382	45,270	46,175	47,099	48,041	1,079,573
Disbursements	9,421	9,609	9,802	9,998	10,198	10,402	10,610	10,822	11,038	11,259	11,484	11,714	11,948	12,187	12,431	291,606
Investor Meeting Costs	673	6,864	700	714	728	743	7578	773	788	804	820	8367	853	871	888	56,565
Contingency	4,038	4,118	4,201	4,285	4,370	4,458	4,547	4,638	4,731	4,825	4,922	5,020	5,121	5,223	5,328	124,704
TOTAL EXPENDITURE	186,482	198,128	197,564	202,685	206,386	209,348	218,021	213,043	214,877	216,692	212,635	222,334	216,976	219,146	221,316	13,165,815
RECEIPTS																
Capital Receipts																
Net Current Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sale of Land & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8,752,317	8,752,317
Income Receipts																
Land Rental	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	116,205
Replant Receipts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,437,048
Carbon	2,185,832	2,449,354	2,656,970	2,821,408	2,952,759	3,056,509	3,142,549	3,204,397	3,247,646	3,293,674	3,345,743	3,402,748	3,459,899	3,502,522	3,534,469	53,963,997
TOTAL RECEIPTS	2,185,832	2,449,354	2,656,970	2,821,408	2,952,759	3,056,509	3,142,549	3,204,397	3,247,646	3,293,674	3,345,743	3,402,748	3,459,899	3,502,522	12,286,786	64,269,567
NET CASHFLOW	1,999,349	2,251,225	2,459,406	2,618,723	2,746,372	2,847,161	2,924,528	2,991,354	3,032,770	3,076,982	3,133,108	3,180,414	3,242,923	3,283,375	12,065,470	51,103,750
CASHFLOW FOR EACH INVESTMENT UNIT																
Calendar Year of Call Payment	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	TOTALS
Cash Payable per Unit per Annum	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(12,345)
NPV of Tending Payable on Application	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(2,593)
Payable on Application																
Calls Payable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(14,938)
Cash Receivable per Unit per Annum	3,999	4,502	4,919	5,237	5,493	5,694	5,849	5,983	6,066	6,154	6,266	6,361	6,486	6,567	24,131	114,552
TAX ANALYSIS FOR EACH INVESTMENT UNIT																
Tax Year ending December	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	TOTALS
Cashflow per Unit before Tax	3,999	4,502	4,919	5,237	5,493	5,694	5,849	5,983	6,066	6,154	6,266	6,361	6,486	6,567	24,131	99,614
Taxation Benefit at 33%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	169
Taxation Payable at 33%	(1,320)	(1,486)	(1,623)	(1,728)	(1,813)	(1,879)	(1,930)	(1,974)	(2,002)	(2,031)	(2,068)	(2,099)	(2,140)	(2,167)	(2,187)	(31,959)
Cash Payable per Unit after Tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(14,769)
Cash Receivable per Unit after Tax	2,679	3,017	3,296	3,509	3,680	3,815	3,919	4,008	4,064	4,123	4,198	4,262	4,346	4,400	21,944	82,593

Refer to assumptions on page 3.

Summary of Cashflow over Expected Life of the Investment – No Inflation

No. Investment Units (200 Shares)	500															
Financial Year ending December	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Hectares Planted	0.0	112.4	148.5	143.3	129.7	0	0	0	0	0	0	0	0	0	0	0
Cumulative Hectares	237.0	349.4	497.9	641.2	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9
EXPENDITURE																
Capital Expenditure																
Non Depreciable																
Land and Improvements	5,237,373	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Preliminary Expenses	235,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Land Preparation	0	44,972	59,392	57,304	51,870	0	0	0	0	0	0	0	0	0	0	0
Deductible Expenditure																
Forestry Expenditure																
Establishment	0	231,691	313,127	304,662	276,334	8,242	0	0	0	0	0	0	0	0	0	0
Tending	0	1,781	0	13,706	37,215	50,975	108,765	37,403	0	106,246	140,314	135,381	122,543	0	0	0
Maintenance	2,371	3,495	4,980	6,413	7,709	7,709	7,709	7,709	7,709	7,709	7,709	7,709	7,709	7,709	7,709	7,709
Protection	1,185	1,748	2,490	3,206	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855
Inventory	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Mapping	485	2,393	3,861	2,743	1,945	1,686	2,227	2,149	1,945	0	0	0	0	0	0	0
Insurance	3,189	4,644	6,625	8,801	11,083	12,350	13,616	14,883	16,150	17,416	18,683	19,950	21,216	22,483	23,750	25,016
Rates	2,020	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080
Other Expenditure																
Management	1,778	10,490	14,940	19,240	24,570	24,570	24,570	24,570	24,570	24,570	24,570	24,570	24,570	24,570	24,570	24,570
Investor Admin Fee	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Supervisor Fees	1,128	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510
Audit Fees	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500
Investment Update & Valuation	1,375	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500
Borrowing Costs & Bank Fees	1,000	8,050	5,770	1,000	3,830	5,130	1,000	3,520	5,960	3,450	1,000	1,000	1,000	1,000	1,000	1,000
Industry Subscriptions & Levies	7,371	14,302	18,794	23,129	27,052	27,052	27,052	27,052	27,052	27,052	27,052	27,052	27,052	27,052	27,052	27,052
Disbursements	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Investor Meeting Costs	500	500	5,000	500	500	500	500	5,000	500	500	500	500	5,000	500	500	500
Contingency	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
TOTAL EXPENDITURE	5,514,274	371,655	482,569	488,292	493,553	189,660	236,884	173,731	135,331	238,389	271,273	267,606	260,535	134,759	136,026	137,292
RECEIPTS																
Capital Receipts																
Net Current Assets	25,819	42,632	(272,710)	97,057	128,134	(224,811)	132,879	55,525	(7,733)	(103,747)	126,955	0	0	0	0	0
Sale of Land & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Income Receipts																
Land Rental	16,017	50,580	32,760	15,564	0	0	0	0	0	0	0	0	0	0	0	0
Replant Receipts	0	278,444	372,519	375,672	365,419	0	0	0	0	0	0	0	0	0	0	0
Carbon	0	0	0	0	0	64,471	104,006	118,206	143,064	342,135	579,605	615,460	752,194	889,875	1,111,697	1,424,599
TOTAL RECEIPTS	41,836	371,656	132,569	488,293	493,553	(160,340)	236,885	173,731	135,331	238,388	706,560	615,460	752,194	889,875	1,111,697	1,424,599
NET CASHFLOW	(5,472,438)	0	(350,000)	0	(0)	(350,000)	0	0	(0)	(0)	435,287	347,853	491,658	755,116	975,671	1,287,306
CASHFLOW FOR EACH INVESTMENT UNIT																
Calendar Year of Call Payment	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Cash Payable per Unit per Annum	(10,945)	0	(700)	0	0	(700)	0	0	0	0	0	0	0	0	0	0
NPV of Tending Payable on Application	(2,593)															
Payable on application	(13,538)	0		0	0		0	0	0	0	0	0	0	0	0	0
Calls Payable	0	0	(700)	0	0	(700)	0	0	0	0	0	0	0	0	0	0
Cash Receivable per Unit per Annum	0	0	0	0	0	0	0	0	0	0	871	696	983	1,510	1,951	2,575
TAX ANALYSIS FOR 200 SHARE EXAMPLE																
Tax Year ending December	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Cashflow per Unit before Tax	(13,538)	0	(700)	0	0	(700)	0	0	0	0	871	696	983	1,510	1,951	2,575
Taxation Benefit at 33%	17	(2)	12	26	50	83	0	0	(5)	(68)	0	0	0	0	0	0
Taxation Payable at 33%	0	0	0	0	0	0	88	37	0	0	(203)	(230)	(324)	(498)	(644)	(850)
Cash Payable per Unit after Tax	(13,521)	(2)	(688)	26	50	(617)	0	0	(5)	(68)	0	0	0	0	0	0
Cash Receivable per Unit after Tax	0	0	0	0	0	0	88	37	0	0	667	466	659	1,012	1,307	1,725

Refer to assumptions on page 3.

Summary of Income and Expenses over Expected Life of the Investment – No Inflation (Continued)

No. Investment Units (200 Shares)																
Financial Year ending December	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	TOTAL
Hectares Planted																770.9
Cumulative Hectares	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9	770.9
EXPENDITURE																
Capital Expenditure																
Non Depreciable																
Land and Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,237,373
Preliminary Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	235,000
Land Preparation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	213,538
Deductible Expenditure																-
Forestry Expenditure																-
Establishment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,134,057
Tending	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	754,328
Maintenance	7,709	7,709	7,709	7,709	7,709	7,709	7,709	7,709	7,709	7,709	7,709	7,709	7,709	7,709	7,709	225,405
Protection	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855	112,709
Inventory	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	93,000
Mapping	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	19,434
Insurance	26,283	27,550	28,816	29,636	29,394	28,609	27,068	25,528	23,989	22,446	17,331	16,086	14,842	13,596	12,350	583,377
Rates	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	8,080	244,420
Other Expenditure																-
Management	24,570	24,570	24,570	24,570	24,570	24,570	24,570	24,570	24,570	24,570	24,570	24,570	24,570	24,570	24,570	709,838
Investor Admin Fee	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	300,000
Supervisor Fees	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	136,428
Audit Fees	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	201,500
Investment Update & Valuation	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	166,375
Borrowing Costs & Bank Fees	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	59,710
Industry Subscriptions & Levies	27,052	27,052	27,052	27,052	27,052	27,052	27,052	27,052	27,052	27,052	27,052	27,052	27,052	27,052	27,052	794,007
Disbursements	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	217,000
Investor Meeting Costs	500	5,000	500	500	500	500	5,000	500	500	500	500	5,000	500	500	500	42,500
Contingency	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	93,000
TOTAL EXPENDITURE	138,559	144,326	141,093	141,912	141,670	140,885	143,845	137,805	136,265	134,722	129,607	132,862	127,118	125,872	124,626	11,572,998
RECEIPTS																
Capital Receipts																
Net Current Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sale of Land & Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4,928,538	4,928,538
Income Receipts																0
Land Rental	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	114,921
Replant Receipts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,392,054
Carbon	1,624,105	1,784,221	1,897,508	1,975,435	2,026,864	2,056,943	2,073,378	2,072,729	2,059,514	2,047,748	2,039,333	2,033,412	2,027,023	2,011,759	1,990,303	35,865,587
TOTAL RECEIPTS	1,624,105	1,784,221	1,897,508	1,975,435	2,026,864	2,056,943	2,073,378	2,072,729	2,059,514	2,047,748	2,039,333	2,033,412	2,027,023	2,011,759	6,918,840	42,301,099
NET CASHFLOW	1,485,546	1,639,896	1,756,416	1,833,523	1,885,194	1,916,058	1,929,533	1,934,925	1,923,249	1,913,026	1,909,726	1,900,550	1,899,906	1,885,887	6,794,215	30,728,102
CASHFLOW FOR EACH INVESTMENT UNIT																
Calendar Year of Call Payment	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	TOTALS
Cash Payable per Unit per Annum	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(12,345)
NPV of Tending Payable on Application																(2,593)
Payable on application	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(13,538)
Callis Payable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(1,400)
Cash Receivable per Unit per Annum	2,971	3,280	3,513	3,667	3,770	3,832	3,859	3,870	3,846	3,826	3,819	3,801	3,800	3,772	13,588	73,801
TAX ANALYSIS FOR 200 SHARE EXAMPLE																
Tax Year ending December	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	TOTALS
Cashflow per Unit before Tax	2,971	3,280	3,513	3,667	3,770	3,832	3,859	3,870	3,846	3,826	3,819	3,801	3,800	3,772	13,588	58,863
Taxation Benefit at 33%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	113
Taxation Payable at 33%	(980)	(1,082)	(1,159)	(1,210)	(1,244)	(1,265)	(1,273)	(1,277)	(1,269)	(1,263)	(1,260)	(1,254)	(1,254)	(1,245)	(1,231)	(20,893)
Cash Payable per Unit after Tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(14,825)
Cash Receivable per Unit after Tax	1,991	2,197	2,354	2,457	2,526	2,568	2,586	2,593	2,577	2,563	2,559	2,547	2,546	2,527	12,357	52,908

Refer to assumptions on page 3.

The Principal Assumptions Upon Which the Estimates of Fees and Expenses are Based

The fees and expenses charged by any person in respect of the Scheme fall into three main categories. These are “Set Up Fees and Expenses”, “Investor Fees if applicable” and “Ongoing Fees chargeable to the Investor”. These are set out in turn below.

All references to fees throughout the PDS are exclusive of GST (if applicable).

Set Up Fees

The fees and expenses charged to the Scheme on its set-up are:

Set Up Fees		
Manager and Associated Persons	Nature of Fee	For the Period 1 October 2024 to 31 December 2024
Offeror's Fee	Payable to FEG who will pay Issuer fees and costs including brokerage	\$120,000
Legal Fees	FEL internal Legal Fees for documentation	\$47,800
Other Party Fees		
Legal Fees	Supervisor Review of Scheme Documentation and external legal fees for transferring properties to the Investment	\$46,000
Supervisor	Set-up Fee	\$5,000
PDS, Scheme Registration & FMA Levy		\$7,200
Assurance Fees	Fees paid to Forme for their review of the Forest Plan and to Grant Thornton for their review of the Prospective Financial Information contained on the offer register	\$9,000
Total Fees		\$235,000

The above fees are payable by the Scheme. In respect of the legal fees and other expenses, the Manager may have already met these costs on behalf of the Scheme prior to Settlement of the Properties and, accordingly, is entitled to reimbursement.

Other fees may be paid by the Manager between the dates of settlement and this PDS. Those fees will be reimbursed to the Manager. These fees will not change as they are incurred upfront and the Manager is responsible for any under or overs.

Investor Fees if applicable

Possible fees chargeable to an Investor only apply if the particular non-routine service is used. These are:

Investor Fees (if applicable)	
Manager and Associated Persons	
Secondary Market Fees	The fees for selling on the secondary market are a \$375 listing fee plus brokerage of \$350 for sales values up to \$10,000 and an additional 2% over \$10,000.
Share Transfer Fees	A fee of \$150 applies to transfer of the investment into different names, after the initial application.
Default Fees	The Manager is entitled to recover from a Defaulting Investor all reasonable costs incurred as a result of the default. See further clause 20.4 of the Deed of Scheme Management.
Credit Card Fees	Investors must ensure that the annual Call amount received is the actual amount of the Call net of any charges deducted by any bank. If investors choose to pay by Visa / Mastercard, the Call amount will be grossed up by the bank charge, currently 0.90% for domestic credit cards and 2.70% for international credit cards.

The Investor fees may be either fixed or variable depending upon the nature of service being provided, and such fixed fees plus an hourly rate for variable fees shall be as approved by the Supervisor and reported annually in the Scheme's financial statements.

Ongoing Fees chargeable to the Investor

Annual Investor Administration Fee	Maximum fee - \$60 charged once per Investor in any investment per year, regardless of the size of the investment
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Ongoing Fees chargeable to the Scheme

The ongoing fees and expenses anticipated to be charged to the Scheme are:

Ongoing Scheme Fees	
Manager and Associated Persons	
Base Management Fee	\$30 per Potentially Plantable Area hectare per annum
Forest Activity Supervision Fee	20% of the actual cost of work actively supervised
Non-harvest Income Fee	Up to 10% of income actively coordinated and supervised
Fee on sale of NZUs	A coordination and supervision fee of 5% of sale proceeds net of brokerage received by the LP from the sale of NZUs managed by the Manager
Investment Update and Indicative Valuation Fee	A fee of 5.5 cents per share (\$5,500 per annum for whole Scheme)
Harvest Management Fee	If required, the market rate agreed between the General Partner and the Manager in advance of the commencement of harvest subject to prior approval by the Supervisor.
Other Fees and Expenses	
Direct Forestry Expenditure	The Manager is authorised to undertake work in accordance with the Forest Management Plan
Supervisor's Fees	Estimated \$4,510 per year
Audit Fees	Financial Audit estimated \$5,000 per year Forest Audit Estimated \$1,500 per year

For the avoidance of doubt, the Manager may incur and pay such fees, costs and expenses otherwise payable by the Scheme on the Manager's own account and claim recovery for such fees, costs and expenses from the Limited Partnership. In addition to the fees, the Manager may recover from the Limited Partnership reasonable disbursements.

Where it is commercially practical (and in the reasonable opinion of the Manager, not otherwise disadvantageous to the Limited Partnership) for the Manager to undertake work that could otherwise be contracted to a third party, and for which a coordination and supervision fee would be payable to the Manager, the Manager may undertake such work and charge a commercially reasonable fee plus disbursements for that work (hence the charge will be no more than that payable to a third party).

How the Manager's Fees can be changed

The Manager's fees may be reviewed from time to time with any variation in such fees to be approved by an Ordinary Resolution of the shareholder of the General Partner (subject to the Beneficial Shareholder Direction Process). The Supervisor may however approve the variation or modification of a fee charged to the Limited Partnership if it believes the variation or modification to be fair and equitable to both the Manager and the Limited Partnership and where in the Supervisor's opinion the variation does not warrant the time and expense of approval by Ordinary Resolution.

How Other Fees can be changed

External operational costs such as insurance and rates change subject to market conditions. Supervisor fees and other third-party costs like audit fees would change subject to agreement with the Manager. Notice of fee changes to external third parties will only be communicated via the financial statements each year.



Estimate of Ongoing Fees and Expenses

An estimate of ongoing fees and expenses for the period 1 October 2024 to 31 December 2024 and the year to 31 December 2025 is as follows:

Ongoing Investment Fees & Expenses				
Manager and Associated Persons	For the Period 1 October 2024 to 31 December 2024	% of Scheme Net Assets	Period ended 31 December 2025	% of Scheme Net Assets
Base Management Fee	\$1,778	0.03%	\$10,490	0.19%
Investor Admin Fee	\$0	0.00%	\$10,000	0.18%
Forest Activity Supervision Fee	\$2,934	0.06%	\$43,842	0.80%
Investment Update & Indicative Valuation Fee	\$1,375	0.03%	\$5,500	0.10%
Investor Meeting Costs	\$500	0.01%	\$500	0.01%
Disbursements	\$7,000	0.13%	\$7,000	0.13%
Other Fees and Expenses				
Direct Forestry Expenditure	\$5,867	0.11%	\$203,423	3.69%
Supervisor's Fees	\$1,128	0.02%	\$4,510	0.08%
Audit Fees	\$6,500	0.12%	\$6,500	0.12%
Insurance	\$2,658	0.05%	\$3,870	0.07%
Subscriptions and Levies	\$6,143	0.12%	\$11,918	0.22%
Rates	\$2,020	0.04%	\$8,080	0.15%
Interest Charges	\$1,000	0.02%	\$8,050	0.15%
Contingency	\$3,000	0.06%	\$3,000	0.05%
Total	\$41,901	0.8%	\$326,683	5.93%

Note: Direct Forestry Expenditure shown above is included with expenses for completeness. However, it more directly relates to increasing the value of the Scheme Property, not operating costs of the Scheme.

Subsequent Period Fees and Expenses

The Offer Register contains Prospective Financial Information for the expected life of the investment. The PDS includes a cashflow summary based on this information, where all fees and expenses are initially based upon 2024 costs, before applying inflation at 2% per annum.



Experts and Persons Making Endorsements

Forme Consulting Group Limited – Forest Auditor

An independent audit of the Forest and Carbon Management Plan was provided by Kevin Reardon, Director of Forme Consulting Group Limited.

Kevin Reardon is a New Zealand Institute of Forestry (NZIF) Registered Forestry Consultant.

Forme Consulting Group Limited's address is 173 Main Road, Tawa, PO Box 56-030 Tawa, Wellington 6230.

The estimated fee to be paid for the audit is \$3,000.

The audit of the Forest and Carbon Management Plan was for the purposes of the Blairlogie Pine Investment and for use by prospective investors in the Limited Partnership. The auditor has consented to the distribution of the audit report to prospective investors and, as at the date of the PDS, has not withdrawn that consent.

Grant Thornton New Zealand Audit Limited – Limited Assurance Review Engagement

A limited assurance review engagement of the Prospective Financial Information for the period 1 October 2024 to 31 December 2024 and year ending 31 December 2025 has been provided by Brayden Smith of Grant Thornton Audit New Zealand Limited.

Brayden Smith is a Chartered Accountant and a Qualified Auditor.

Grant Thornton New Zealand Audit Limited's address is Level 15, Grant Thornton House, 215 Lambton Quay, Wellington.

The assurance provider received \$6,000 for their review.

The review of the Prospective Financial Information was for the purposes of the Blairlogie Pine Investment and for use by prospective investors in the Limited Partnership. The assurance provider has consented to the distribution of their report to prospective investors and, as at the date of the PDS, has not withdrawn that consent.

Morice Limited – Valuation of Forest Land

An independent market valuation of the forest land (excluding the treecrop) has been provided by Mark Morice of Morice Limited at \$4,715,000 plus GST (if any) as at 23 May 2024 with reference to the International Valuation Standards and Property Institute of New Zealand Practice Standards and Guidance Notes. The valuation was prepared using a market approach.

Mark Morice's qualification is a B.Com.Ag (VFM), Dip.Fore., ANZIV, SPINZ, RMNZIF.

Morice Limited's address is 11 Ossian Street, Ahuriri, PO Box 12252, Napier 4144.

The company received \$5,000 for the land valuation component of the valuation.

The valuer made the valuation for the purposes of the Blairlogie Pine Investment and for use by the BNZ and prospective investors in the Limited Partnership. The valuer has consented to the distribution of the valuation report to prospective investors and, as at the date of the PDS, has not withdrawn that consent.

