

Amazonia Reforestation FAQ



September 2011

Who are we? We are an international company founded by a Canadian family that first became involved with reforestation projects in India in 1995. Since then we have worked on reforestation projects in Costa Rica and Nicaragua and started in Colombia in 2006. Our company is called *Planeta Verde Reforestación S.A.* (**Green Planet**). **Amazonia Reforestation** is our South American division. In 2009 we planted 137,750 tropical trees, in 2010 we planted 129,300 and in 2011 we have planted 405,079 trees. We have plans for planting some 270,000 trees in 2012. So far we have converted 583.4 hectares or 1,441 acres into forest at our tropical tree farm, as well as preserved over 1,000 hectares or 2,470 acres of existing riparian forest as a natural reserve. More information, including pictures, can be found in this web site or by downloading our **Capability Statement** from any page on our web site.

How does the reforestation program work? We invite people committed to improving the environment and providing expanded habitat for endangered wildlife to join us as Joint Venture Partners ("JVP") in our financially sustainable afforestation and reforestation program. As a joint venture partner you provide the money for us to plant trees you purchase in your name. We operate the tree nursery, prepare and fertilize the soil, plant the trees, care for and maintain them through to maturity, harvest and sale in 10 years' time. Tropical trees are a low risk high return **green investment** for the future.

What are the program's main eco-benefits? Our program expands habitat for endangered wildlife, does carbon sequestration (CO²) from the atmosphere, combats climate change facts, seeds clouds to cool the Earth, does nitrogen-fixing in poor soils and supports **green education** at a local and international level. We are committed to teaching both local people and visitors to the plantations and to our **La Pedregoza Natural Reserve** about the benefits of conservation and good forest management. Most important of all, the more plantation wood we produce and sell in international markets, the less old growth rain forest will be cut down.

How does this make money? In 10 years the tropical trees you purchased are mature and will be harvested and the hardwood lumber sold for you at a significant profit. The international hardwood products market has seen steady growth since the 1940's, with more people and less available wood fuelling global demand for everything from building materials to furniture and from pulp and paper to renewable fuel.

Why do we cut down our hardwood trees? Returning extremely poor soil to rain forest is a very long and difficult task, and it can take up to 50 years of structured forest management and tree planting before it even begins to look like true rain forest. Known as a primary ecology, these areas are sandy and nearly dead soil that lacks nutrients and organic layers. Our biology and forest management teams use specific hardwood trees, which are a mix of nitrogen-fixing trees, litter trees, fruit trees and native trees species, that all help to rebuild the organic layers and draw endangered wildlife back into the area, enhancing soil recovery. After 10 years the initial plantation species must be culled out to make room so that more delicate species can be planted. Many rain forest trees cannot survive in the current soil conditions and can only be introduced after soil and overhead shade cover is re-established in the area.

What is so special about 10 years? The primary plantation trees that we harvest from the tree farm, mainly *Acacia mangium* and *Eucalyptus pellita*, have such a fast growth rate they may begin to rot and break down after about 12 years, leaving the wood useless if left planted for any longer. *Acacia mangium* are good lumber trees, but are also very good at nitrogen-fixing in the soil. Both *Acacia mangium* and *Eucalyptus pellita* are most effective at carbon sequestration from the atmosphere within the first 10 years of their lives. The 10 year cycle we employ makes good biological and economic sense.

How does this protect old growth rain forest? Plantation grown hardwood trees are very important for protecting currently existing old growth rain forest. The more plantation hardwood lumber there is on the market, the less demand there is to cut down currently existing natural rain forest.

Can I come and see my trees? Our tropical tree plantation is open for you or your representative to come and visit. Please let us know your plans and we will help organize a trip to this amazing part of the world. Our subsidiary, *Plantación Amazonia El Vita S.A.*, is located on 3,100 hectares (approx. 7,657 acres) of land about 57 km out of Puerto Carreño, in Vichada, Colombia. Access is by air from Bogotá, Colombia's capital, and then by gravel road to the tree plantation. It is located around 06° 05' 51" North and 67° 43' 48" West. The tree farm lies along the banks of the *Rio El Bita* river, which flows into the mighty Orinoco River.

How do I become a joint venture partner? Our *Tree Purchase Joint Venture Agreement* ("TPJVA") can be sent to any interested person or business to read over. We can then assist you over the phone or by e-mail with any questions you may have and with instructions on how to become a joint venture partner. Purchases can be made by SWIFT wire transfer, or you can buy trees on-line by PayPal on this web site. To buy trees or to download a sample TPJVA in PDF format please go to our **tree purchase** page on the web site.

What are the returns like? Our smallest order is \$100 USD for 10 tropical trees, which we will buy back from you at maturity, harvest and sale in 10 years for \$34 USD per purchased tree. You can also buy trees in Euros, Canadian dollars or in another agreed upon currency. Any purchase over \$400 USD earns bonus trees. We will buy back bonus trees from you at the rate of \$24 per tree in 10 years' time. For example, when a joint venture partner purchases \$4,000 USD or 400 tropical trees, they earn 100 bonus trees. We will buy back the 400 purchased tropical trees upon maturity, harvest and sale in 10 years for \$13,600 USD, and the 100 bonus trees for \$2,400 USD, for a total of \$16,000 USD!

What are the risks like? Our risk factors are limited and manageable. The hardwood trees could be destroyed by acts of god, like a drought, flood, disease, or major fire. However, these risks have all been factored into our calculations, and can be greatly mitigated with modern forest management practices. For instance, our fire breaks are not just the largest recommended size, but are made with significant undergrowth control to eliminate fire risk. As a company, we gain nothing if our tree plantations are not successful, so we are dedicated to good forest management and profitable outcomes. Tropical trees are a low risk high return **green investment**. We practice self-insurance, which means that we plant more tropical trees than for which we have financial obligations.

Anything else I should know? Purchases can be made in United States funds (USD), Euros, Canadian dollars or in another agreed upon currency. If you wish to buy trees in another currency, please discuss it with us. We can accommodate you, but there are some special requirements. If payment is made directly by SWIFT wire transfer to our tree plantation accounts, then you can avoid the application of sales or state taxes, goods and services taxes (GST) or value added taxes (VAT) in your home jurisdiction. Shortly after you buy trees you will be issued a *Tree Ownership Certificate* ("TOC") which describes the number of tropical trees you purchased and their maturity date. A sample TOC is available for download in PDF format on our **tree purchase** page on the web site.

I have more questions! Please feel free to contact us directly at **Amazonia Reforestation**. Our contact information is on the **Contact** page of our web site.

Web Site: <http://www.myreforestation.com>