

The legal agreement

The Debenture Deed

This Deed is made on the 8 February as amended and restated on the Restatement Date (22 March 2022)

Between

(1) Carbon Plantations Limited, a company incorporated and registered in England and Wales with company number 12696598 and having its registered office at 11 Campion Road, Putney, London, England, SW15 6NN, as issuer (the **"Issuer"**); and

Abundance Investment Ltd, a company incorporated and registered in England and Wales with company number 07049166 and having its registered office at 16 Linen House, 253 Kilburn Lane, London W10 4BQ, in each of its capacities as agent and arranger (the **"Agent"** or the **"Arranger"**).

Background

(A) The Issuer has resolved, pursuant to a resolution of its board of directors on or around the date of this Deed, to create and issue the Debentures on the terms of this Deed.

(B) The Issuer has determined to constitute the Debentures in the manner set out in this Deed.

Now this Deed witnesses as follows:

1 Definitions and interpretation

1.1 In this Deed, unless the subject or context requires otherwise, the following expressions shall have the meanings set out opposite them below:

Abundance means Abundance Investment Ltd, a company incorporated and registered in England and Wales with company number 07049166 and having its registered address at 16 Linen House, 253 Kilburn Lane, London, W10 4BQ and which is authorised and regulated by the Financial Conduct Authority (**"FCA"**) with FCA registration number 525432.

Abundance Service means the website, services and the "Marketplace" operated by Abundance at www.abundanceinvestment.com.

Abundance Terms and Conditions means the terms and conditions governing the operation of the Abundance Service, from time to time, the latest copy of which can be found at www.abundanceinvestment.com/legal/terms-and-conditions but at all times only to the extent that such terms and conditions do not impose any obligations or restrictions on the Issuer except as stated in this Deed.

Acceleration Notice has the meaning given in clause 17.3.1.

Accounting Principles means the generally accepted accounting principles in the United Kingdom, including IFRS.

Adverse Tax or Regulatory Requirement means a Tax or Regulatory Requirement which Abundance or the Issuer, in its discretion (acting reasonably and in good faith and after consulting with the other) determines makes the issuance, holding or trading of the Debentures (or any obligation of the Agent or Security Trustee thereto) unlawful or prohibitively expensive.

Aether Energy means Aether Energy Limited, a company incorporated and registered in England and Wales with company number 07410280 and having its registered office at 11 Campion Road, Putney, London, England, SW15 6NN

Aether Trees Shareholder means Aether Trees Limited, a company incorporated and registered in England and Wales with company number 13680135 and having its registered office at 11 Campion Road, Putney, London, England, SW15 6NN

Affected Person means any person which Abundance or the Issuer, in its discretion (acting reasonably and in good faith and after consulting with the other), determines is ineligible to acquire or hold Debentures due to the additional costs or restrictions or a Tax or Regulatory Requirement.

Affiliate means in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

Agent means Abundance Investment Ltd, a company incorporated and registered in England and Wales with company number 07049166 and having its registered office at 16 Linen House, 253 Kilburn Lane, London, W10 4BQ, in its capacity as agent (which expression shall include any successor agent appointed in accordance with the Abundance Terms and Conditions).

Agreement for Lease means the agreement for lease relating to the land at Euston Estate, Thetford known as Block 1, Block 2, Block 3, Block 4, Block 5, Block 6, Block 7, Block 8 and Block 9 between (1) The Right Honourable Clare Amabel Margaret Fitzroy Countess of Euston and The Most Noble Henry Oliver Charles Twelfth Duke of Grafton and Euston Water Company Limited and Euston Estate Trust Company No.1 Limited and Euston Trust Company No.2 Limited (2) Euston Estate Trust Company No.1 Limited and Euston Trust Company No.2 Limited (3) The Most Noble Henry Oliver Charles Twelfth Duke of Grafton (4) Euston Estate Trust Company No.1 Limited and Euston Trust Company No.2 Limited and (5) the Issuer dated 2 February 2022.

Arrangement Fee means the fee payable by the Issuer to the Agent for the arranging of the issuance of debentures pursuant to this Deed as set out in the Engagement Letter.

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Authorisation means any consent, authorisation, registration, filing, lodgement, agreement, notarisation, certificate, permission, licence, approval, authority or exemption from, by or with any governmental, semi-governmental or judicial entity or authority (including any self-regulatory organisation established under statute or by a governmental or semi-governmental body).

Beneficiaries means each of the Agent, the Holders and each Delegate and the term “**Beneficiary**” means any one of them.

Business Day means a day, other than a Saturday, Sunday or public holiday in England, when banks in London are open for business.

Cash Return Date means the last Business Day of each Interest Period.

Cash Return Schedule means the schedule at Schedule 6.

Change of Control means the Aether Trees Shareholder ceases directly or indirectly to:

(a) have the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

(i) cast, or control the casting of, more than 51% of the maximum number of votes that might be cast at a general meeting of the Issuer;

(ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the Issuer; or

(iii) give directions with respect to the operating and financial policies of the Issuer with which the directors or other equivalent officers of the Issuer are obliged to comply; or

(b) hold beneficially more than 51% of the issued share capital of the Issuer (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital);

Conditions Precedent means the conditions precedent set out in Schedule 1 (*Conditions Precedent*).

Cooling-Off Period means the 14 day cancellation period in accordance with paragraph 8.6 of the Abundance Terms and Conditions.

Corporate Obligor means each of:

(a) the Issuer; and

(b) the Aether Trees Shareholder.

Date of this Deed means 8 February 2022.

Debenture means each debenture constituted by this Deed.

Debt Liabilities means all monies and obligations due, owing or incurred to the Agent and the Holders or any of them by the Obligors or any of them (whether present or future, actual or contingent and whether incurred as principal or surety) pursuant to any Finance Document.

Debt Service Reserve Account means the account designated as such by the Issuer and the Agent in accordance with paragraph 4 (*Reserve*) of Schedule 4 (*Positive Undertakings*) of this Deed.

Deed means this deed and the Schedules to this deed.

Deed of Amendment and Restatement means the deed of amendment and restatement, amending and restating the Original Debenture Deed between the Issuer and the Agent to which this Deed is appended.

Default Interest has the meaning given in clause 12 (*Default Interest*) of this Deed.

Delegate means any delegate, agent, attorney or co-agent appointed by the Agent in accordance with the Abundance Terms and Conditions.

Direct Agreement means each direct agreement entered into by the Issuer, the Security Trustee and the respective counterparty to:

(a) each Lease;

(b) the Management Services Agreement; and

(c) the Plant, Supply and Services Agreement; and

(d) each other agreement which is designated as a Direct Agreement by the Security Trustee and the Issuer.

Disruption Event means either or both of:

(a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Debentures (or otherwise in order for the transactions contemplated by any Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the parties to the relevant Finance Documents; or

(b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a party preventing that, or any other party to the relevant Finance Documents:

(i) from performing its payment obligations under the Finance Documents; or

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(ii) from communicating with other parties in accordance with the terms of the Finance Documents,

and which (in either such case) is not caused by, and is beyond the control of, the party whose operations are disrupted.

Drawdown Notice means any notice issued by the Issuer to the Agent instructing for the payment of the proceeds of the issuance of the Debentures.

Early Redemption Date has the meaning given in clause 14.1 (*Early Redemption*) of this Deed.

Early Redemption Fee means in respect of an early redemption of the Debentures made in accordance with clauses 14.1.1, 14.2 and 14.4 (*Early Redemption*), an amount equal to 6 months' of Interest calculated at the Interest Rate on the amount of Principal to be repaid.

Early Redemption Option Date means 1 April 2025.

Effective Date means the date of drawdown in accordance with clause 3.5.

Eligible EEA Country has the meaning given to it in the Abundance Terms and Conditions.

Enforcement Action means any formal legal action or formal legal step taken by or on behalf of any Beneficiary whatsoever to enforce its rights against an Obligor under a Finance Document including:

(a) to petition for (or take any other formal legal steps or action which are likely to lead to) the liquidation, winding up, administration, judicial management or dissolution of any Obligor; or

(b) to commence legal proceedings against any Obligor; or

(c) to demand, accelerate or require payment, repayment or prepayment of all or any part of the Debt Liabilities; or

(d) to enforce or make a demand under any guarantee or similar support given in connection with the Debt Liabilities; or

(e) to cancel any obligation to provide any financial accommodation under a Finance Document.

Engagement Documents means:

(a) the Term Sheet; and

(b) the Engagement Letter.

Engagement Letter means the letter of engagement between the Agent, the Security Trustee and the Issuer pursuant to which the services of the Agent and Security Trustee are retained for the purposes of issuing and managing the Debentures, dated 18 January 2022.

Environment means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

(a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);

(b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and

(c) land (including, without limitation, land under water).

Environmental Claim means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

Environmental Law means any applicable law or regulation which relates to:

(a) the pollution or protection of the Environment;

(b) the conditions of the workplace; or

(c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste.

Environmental Permits means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of any member of the Group conducted on or from the properties owned or used by any member of the Group.

Event of Default means any event or circumstances specified as such in clause 17 (*Events of Default*) of this Deed.

Finance Documents means

(a) this Deed,

(b) each Security Document;

(c) the Security Trust Deed;

(d) each Direct Agreement;

(e) any Subordination Agreement;

(f) any Drawdown Notice; and

(g) any document designated as such by the Agent and the Issuer.

Finance Parties means the Agent, the Arranger and each Holder.

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Financial Indebtedness means any obligation (whether incurred as principal or surety and whether present, future, actual or contingent) for the payment or repayment of any indebtedness in respect of money borrowed or debt balances at any financial institution or under any bond, note, loan, debenture, loan stock or similar instrument, finance or capital lease, acceptance credit or bill discounting facility or guarantee and/or counter-indemnity obligation in respect of any of the above.

Financial Model means the agreed base case financial model approved by the Agent and delivered in accordance with Schedule 1 (Conditions Precedent).

Group means the Issuer, its respective Subsidiaries and the Aether Trees Shareholder, from time to time.

Holder means the person entered in the Register as the holder of each Debenture from time to time.

Holder Representative means the Holders appointed as a committee to represent the interests of Holders in accordance with the Abundance Terms and Conditions.

Holding Company means in relation to a person, any other person in respect of which it is a Subsidiary.

Instructing Party means:

(a) if relating to directions or instructions in respect of a Reserved Matter, directions or instructions of the Holders made by way of Special Resolution; or

(b) if relating to directions or instructions in respect of a Non-Reserved Matter, directions or instructions of the Holders made by way of Ordinary Resolution.

Insurances means the insurances required under paragraph 13 of Schedule 4 (*Positive Undertakings*).

Intercreditor Agreement means any intercreditor agreement, entered into between the Issuer, the Agent and other parties as junior creditors from time to time

Interest means any amount of interest payable to a Holder in accordance with clause 11 (*Interest*) of this Deed.

Interest Period means each period starting on the last day of its preceding interest period and ending on 31 March and 30 September in each year and on the Maturity Date, with the first of such periods commencing on 1 April 2022 and ending on 30 September 2022 and the last of such periods ending on the Maturity Date.

Interest Rate means 8 per cent per annum.

Issue Amount means the total aggregate principal amount of all of the Debentures issued under this Deed, before the Issuer has redeemed any Debentures early in accordance with clause 14 (*Early Redemption*) of this Deed.

Launch means the Arranger making available the Offer Document through the Abundance website to Members.

Leases means each of:

(1) the lease of Property 1 to be entered into between (1) The Right Honourable Clare Amabel Margaret Fitzroy Countess of Euston and The Most Noble Henry Oliver Charles Twelfth Duke of Grafton and Euston Water Company Limited and Euston Estate Trust Company No.1 Limited and Euston Trust Company No.2 Limited and (2) the Issuer pursuant to the Agreement for Lease (**Lease 1**);

(2) the lease of the Property 2 to be entered into between (1) Euston Estate Trust Company No.1 Limited and Euston Trust Company No.2 Limited and (2) the Issuer pursuant to the Agreement for Lease (**Lease 2**); and

(3) the lease of the Property 3 to be entered into between (1) The Most Noble Henry Oliver Charles Twelfth Duke of Grafton, (2) Euston Estate Trust Company No.1 Limited and Euston Trust Company No.2 Limited and (3) the Issuer pursuant to the Agreement for Lease (**Lease 3**),

each a **Lease** and together the **Leases**

Longstop Date means 30 September 2022.

Management Services Agreement means the management services agreement relating to the planting, irrigation and other establishment and operational requirements of the Project between (1) the Issuer and (2) CP Operations Limited dated following the date of this Deed.

Marketplace has the meaning given to the term in the Abundance Terms and Conditions.

Material Adverse Effect means a material adverse effect on:

(a) the ability of any Corporate Obligor to perform their obligations under the Finance Documents; or

(b) the validity or enforceability of the Finance Documents against any Obligor or the rights or remedies of any of the Holders or the Arranger or the Agent against any Obligor under any of the Finance Documents.

Maturity Date means 31 March 2032.

Maximum Issue Amount means £4,700,000.

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Members has the meaning given in the Abundance Terms and Conditions.

Minimum Issue Amount means £2,200,000.

Non-Reserved Matters means any matter that is not a Reserved Matter or a matter deemed by the Agent to be of a formal, minor or technical nature that is exercisable by the Issuer and/or Agent without Holder consent in accordance with clause 20.1 (*Modifications, Waivers or Consents*).

Obligor means each of:

- (a) the Issuer; and
- (b) each Shareholder.

Offer means the offer of debentures to Members in accordance with this Deed, the Abundance Terms and Conditions and the Offer Document.

Offer Document means the document produced by the Issuer dated on or about the date of this Deed, relating to the Debentures as amended or updated from time to time.

Ordinary Resolution means a resolution passed at a meeting of the Holders of the Debentures duly convened and held in accordance with the Schedule to the Abundance Terms and Conditions by the relevant majority set out in paragraph 6.5 of the Schedule to the Abundance Terms and Conditions or passed by written resolution in accordance with paragraph 5.4 of the Schedule to the Abundance Terms and Conditions.

Original Debenture Deed means this Deed in the form as originally dated 08 February 2022.

Original Jurisdiction means, in relation to the Issuer, the jurisdiction under whose laws the Issuer is incorporated as at the date of this Deed.

Party means a party to this Deed.

Permitted Indebtedness means any Financial Indebtedness incurred by the Issuer as follows:

- (a) under the Finance Documents;
- (b) for any further issuance of debentures through the Agent under a new debenture deed; or
- (c) which is on terms that are not detrimental to the Holders and subordinated to the Debentures pursuant to a Subordination Agreement or an Intercreditor Agreement; or
- (d) with the consent of the Agent.

Permitted Loan means any credit granted, given or issued by the Issuer on arm's length terms and in the ordinary course of its business to suppliers, customers or partners.

Permitted Security means:

- (a) any Security created or expressed to be created pursuant to a Security Document;
- (b) any Security created or expressed to be created as security for any further issuance of debentures through the Agent under a new debenture deed on substantially the same terms as this Deed;
- (c) any netting or set-off arrangement entered into by the Issuer in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
- (d) any lien arising by operation of law and in the ordinary course of business of the Issuer; and
- (e) any Security over bank accounts or retention rights in respect of deposits granted in favour of the account bank as part of that bank's standard terms and conditions.

Pioneer Projects means the additional plantation projects located at (i) South Pickenham Estate (ii) West Acre Estate (iii) Hockwold Fens, Lakenheath (iv) Sluice Drove, Hockhold (v) Grange Farm, Thetford (vi) Breck Farm, Bodham (vii) Crane; Marsham, Norwich (viii) Croft; North Clifton, Newark, (ix) Raker; Croxton Park, Thetford.

Plant, Supply and Services Agreement means the supply, establishment and operational consultancy agreement relating to the Project between (1) the Issuer and (2) WeGrow AG (a company incorporated in Germany, registered in the Commercial Register of the Krefeld District Court under HRB 15848) (as guarantor) and (3) WeGrow CropTec GmbH & Co. KG (a company incorporated in Germany, registered in the Commercial Register of the Krefeld District Court under HRA 7063), dated 21 December 2021.

Principal means, unless the context requires otherwise, the aggregate principal amount of the Debentures or the principal amount of the relevant Debentures held by any Holder, in each case, for the time being outstanding (for the avoidance of doubt, where applicable, including all amounts of accrued Interest which have been capitalised with and added to the Principal).

Proceeds means all receipts and/or recoveries by the Agent pursuant to any Enforcement Action taken in respect of any Finance Document after deducting (to the extent not already deducted) all sums which the Agent is required by the terms of the Finance Documents or by applicable law to pay to any other person before distributing any such receipts or recoveries to any of the Beneficiaries.

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Project means the 195 hectare forestry plantation located at the Properties where hardwood trees will be planted to enable the sequestration of carbon dioxide and the sale of timber.

Project Documents means each of:

- (a) the Agreement for Lease;
- (b) the Leases;
- (c) the Management Services Agreement;
- (d) the Plant, Supply and Services Agreement;
- (e) the Woodland Carbon Guarantee Scheme Conditional Offer;
- (f) the Woodland Carbon Guarantee Scheme Novation Agreement (to the extent entered into);
- (g) the Woodland Carbon Guarantee Scheme Contract (as and when entered into); and
- (h) each other agreement which is designated as a Project Document by the Agent and the Issuer.

Properties means each of:

- (a) the freehold property at (1) Barningham Park Cottages and Park Farm Cottages Barningham and land at Rushford referred to as Block 1 in the Agreement for Lease forming part of the land registered at the Land Registry under title number SK332282 and (2) Sapiston Honington and Fakenham Magna referred to as Block 5 in the Agreement for Lease forming part of the land registered at the Land Registry under title number SK332379 (**Property 1**);

(b) the freehold property at (1) the north-west side of Heath Road Sapiston referred to as Block 2 in the Agreement for Lease forming part of the land registered at the Land Registry under title number SK343803 (2) Bardwell referred to as Block 7 in the Agreement for Lease forming part of the land registered at the Land Registry under title number SK359655 (3) Firsfield Farm Bardwell referred to as Block 8 in the Agreement for Lease forming part of the land registered at the Land Registry under title number S360971 and (4) Bardwell referred to as Block 9 in the Agreement for Lease forming part of the land registered at the Land Registry under title number SK359662 (**Property 2**); and

(c) the freehold property at (1) the north-east side of Bardwell Road Sapiston Bury St Edmunds referred to as Block 3a, Block 3b and Block 4 in the Agreement for Lease forming part of the land registered at the Land Registry under title number SK349972 and (2) on the west side of Thetford Road, Fakenham, Magna, Thetford Firsfield referred to as Block 6 in the Agreement for Lease forming part of the land registered at the Land Registry under title number SK350010 (**Property 3**),

each a Property and together the Properties

Register means the register of Holders of Debentures.

Repeating Representations means the representations and warranties in paragraph 1.1 (*Status*) to paragraph 1.6 (*Governing law and enforcement*), paragraph 1.8.1 (*No default*), paragraph 1.14 (*Financial information*), paragraph 1.22 (*Project Documents*) and Schedule 3 (*Representations and Warranties*) of this Deed.

Reserve Cash means an amount in free cash at least equal to the aggregate amount of:

(a) at all times from the Effective Date until (and including) the last day of the period specified in the Financial Model, Interest payable by the Issuer for the duration specified in the Financial Model (which is determined by the Issue Amount) in accordance with clause 11 (*Interest*) of this Deed;

(b) at all times from (and including) the date following the end of the period specified under limb (a) above, Interest payable by the Issuer on the next Cash Return Date, in accordance with clause 11 (*Interest*) of this Deed.

Reserved Matter has the meaning given in clause 20.3 (*Modifications, Waivers or Consents*).

Restatement Date means the date on which this Deed is amended and restated pursuant to the Deed of Amendment and Restatement.

Restricted Person means any person who does not fulfil any criteria of eligibility to invest and/or to hold Debentures set out in the Abundance Terms and Conditions from time to time including (without limitation):

(a) any US Person; or

(b) any person who is resident in, whose permanent place of business or whose jurisdiction of incorporation or establishment is in any of the Channel Islands or the Isle of Man; or

(c) any Affected Person.

Schedule means a Schedule to this Deed.

Schedule to the Abundance Terms and Conditions means the schedule to the Abundance Terms and Conditions as at the date of this Deed.

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Secured Parties means the Security Trustee, the Agent, the Holders and any Receiver (as such term is defined in the Security Documents) or Delegate (as such term is defined in the Security Documents).

Security means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person.

Security Agreement means the security agreement, dated on or about the Effective Date, granted by the Issuer in favour of the Security Trustee (for the benefit of the Secured Parties) over all of its assets.

Security Documents means each of:

(a) the Security Agreement;

(b) each Share Charge; and

(c) each other agreement which is designated as a Security Document by the Security Trustee and the Issuer.

Security Trust Deed means the security trust deed, dated on or about the Effective Date, entered into between the Issuer, each Shareholder, the Agent and the Security Trustee.

Security Trustee means Abundance Security Trustee Ltd, a company incorporated and registered in England and Wales with company number 09864672 and whose registered office is at 16 Linen House 253 Kilburn Lane, London, W10 4BQ, England.

Share Charge means each share charge, dated on or about the Effective Date, granted by each Shareholder in favour of the Security Trustee (for the benefit of the Secured Parties) over the entire issued share capital of the Issuer, together with security over all rights to any debts due from the Issuer to each Shareholder.

Shareholders means each of:

(a) the Aether Trees Shareholder;

(b) Nigel Couch of The Coach House, Culpits Farm, Hindolveston Road, Melton Constable, Norfolk, NR24 2NF; and

(c) John Purslow of Hall Farm Cottage Whitwell Norwich, Norfolk NR10 4RE,

each a **Shareholder** and together the **Shareholders**.

Special Resolution means a resolution passed at a meeting of the Holders of the Debentures duly convened and held in accordance with the Schedule to the Abundance Terms and Conditions by the relevant majority set out in paragraph 6.5 of the Schedule to the Abundance Terms and Conditions or passed by written resolution in accordance with paragraph 5.4 of the Schedule to the Abundance Terms and Conditions.

Sterling or **£** means the lawful currency for the time being of the United Kingdom.

Subordination Agreement means each of:

(a) the subordination agreement entered into between the Issuer, the Agent and each Shareholder as junior creditors; and

(b) any subordination agreement, entered into between the Issuer, the Agent and other parties as junior creditors (howsoever described) from time to time.

Subsidiary means a subsidiary within the meaning of section 1159 of the Companies Act 2006.

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

Tax or Regulatory Requirement means any Tax or law, regulation, rule, order, official directive or guideline of any governmental, inter-governmental or supranational body, agency, department or regulatory authority or organisation or any decision of a court (having the force of law) in any country or territory.

Term Sheet means the heads of terms agreed with the Arranger outlining the broad commercial terms upon which the Debentures will be issued.

UK means the United Kingdom.

US Person means any persons who are or deemed to be US Persons for the purposes of US tax laws or US securities laws (including (without limitation) the US Securities Act of 1933). The Issuer may determine (acting reasonably) whether a person acquiring or holding Debentures (or proposing to do so) is a US person in accordance with applicable law at the time it makes such determination. Further summaries of what constitutes a US Person are provided in the Abundance Terms and Conditions.

Woodland Carbon Guarantee Scheme Conditional Offer means the conditional offer relating to the Woodland Carbon Guarantee Scheme between (1) Aether Energy and (2) the Forestry Commission dated 3 July 2020 as such offer may be novated or replaced from time to time.

Woodland Carbon Guarantee Scheme Contract means the contract entered into pursuant to the Woodland Carbon Guarantee Scheme Conditional Offer between (1) the Issuer and (2) the Forestry Commission.

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Woodland Carbon Guarantee Scheme Novation Agreement

means the novation agreement to be entered into between (1) Aether Energy and (2) the Issuer novating the Woodland Carbon Guarantee Scheme Conditional Offer to the Issuer.

Written Resolution means a resolution in writing passed in accordance with the Schedule to the Abundance Terms and Conditions.

1.1 In this Deed unless the contrary intention appears:

1.1.1 terms defined in the Abundance Terms and Conditions have the same meaning in this Deed;

1.1.2 Clause, Schedule and paragraph headings shall not affect the interpretation of this Deed;

1.1.3 Words denoting the singular include the plural and vice versa and a reference to one gender includes the other gender;

1.1.4 A reference to a **“person”** means any individual, company, corporation, partnership, joint venture, association, unincorporated organisation, trust or other judicial entity;

1.1.5 A reference to a party or any other person includes its successors in title, permitted assigns and permitted transferees;

1.1.6 References to clauses, paragraphs and Schedules (including, for the avoidance of doubt, the Abundance Terms and Conditions and the Schedule to the Abundance Terms and Conditions) are to the clauses, paragraphs and Schedules of this Deed which form part of this Deed and shall have the same force and effect as if set out in the body of this Deed, with terms given the meanings set out in this Deed (unless the context otherwise requires) and any reference to this Deed shall include the Schedules;

1.1.7 A reference to this Deed or to any other deed, instrument, agreement or document shall, unless the context otherwise requires or unless the contrary intention appears, be construed as reference to this Deed or such other deed, instrument, agreement or document as the same may from time to time be amended, varied, supplemented or novated, in each case, in accordance with its terms;

1.1.8 A reference to an **“encumbrance”** shall be construed as a reference to a mortgage, charge, assignment by way of security, pledge, lien (save as arising in the ordinary course of business), hypothecation, right of set-off (save as arising under the general law for the protection of certain classes of creditors) or trust arrangement for the purpose of and having a similar effect to the granting of security, or other security interest of any kind;

1.1.9 A reference to a statute or statutory provision or other law is a reference to it as amended, or replaced and includes all legislation and regulations made under it;

1.1.10 A month shall be construed as a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month except that:

(a) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;

(b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and

(c) if an Interest Period begins on the last Business Day of a calendar month, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end;

1.1.11 The winding-up, dissolution or administration of a person shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such person is incorporated or of any jurisdiction in which such person carries on business;

1.1.12 All the provisions of this instrument are severable and distinct from one another and the illegality, invalidity or unenforceability of any provision of this instrument under the law of any jurisdiction shall not affect its validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision;

1.1.13 References to the Debentures include references to all and/or any of the Debentures;

1.1.14 The terms **including** and **include** or any similar expression shall be construed as illustrative and shall not limit the sense of words preceding those words;

1.1.15 Headings are inserted for convenience and do not affect the interpretation of this Deed;

1.1.16 A reference in this Deed to the exercise of any rights of a Holder Representative shall mean the exercise of such rights by a Holder Representative appointed pursuant to the Schedule to the Abundance Terms and Conditions;

1.1.17 A reference to an Event of Default continuing means that it has not been remedied or expressly waived; and

1.1.18 A reference to **“assets”** includes present and future properties, revenues and rights of every description.

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1.2 Other terms will have the specific meaning given to them in the relevant provisions of this Deed or the Schedules forming part of it.

2 Form, Title, Register and Arranger

2.1 Debentures will be held in electronic form, represented by book entries in the Register.

2.2 Holders will be issued with an electronic confirmation of their holding of Debentures via the Abundance Service in accordance with the Abundance Terms and Conditions.

2.3 The Issuer, the Arranger and the Agent will only recognise and treat each Holder as the absolute owner of his Debentures for all purposes and shall not be bound to take notice of any trust to which any Debenture may be subject and shall not be required to obtain any proof thereof or as to the identity of such Holder.

2.4 No notice of any trust, except as required by applicable law, will be entered on the Register in respect of any Debentures.

2.5 The Debentures will be registered only in accordance with the Abundance Terms and Conditions, the terms of which the Issuer hereby acknowledges and assents to.

2.6 The Debentures shall be held and transferred subject to the conditions set out in Schedule 3 (*Holder Restrictions*) of this Deed.

2.7 The Issuer shall maintain arrangements so that any changes to the Register required under this clause shall be made by Abundance in accordance with the Abundance Terms and Conditions.

2.8 Subject to clause 2.9, the personal representatives of a deceased Holder shall be the only persons recognised by the Issuer as having any title to, or interest in, that Debenture on the death of such Holder but will only be so recognised subject to their becoming Members in accordance with the Abundance Terms and Conditions.

2.9 Any person becoming entitled to a Debenture in consequence of the death or bankruptcy of any Holder or otherwise by operation of law, may, upon producing such evidence that he is so entitled as the Issuer may reasonably require, be registered himself as the Holder, subject to his becoming a Member of Abundance in accordance with the Abundance Terms and Conditions.

2.10 The Issuer may retain any payments paid upon any such Debentures which any person referred to in clause 2.9 is entitled to, until such person is registered as the Holder of such Debentures or he has duly transferred the Debentures.

2.11 In accordance with the Abundance Terms and Conditions and the Offer Document, the Holders appoint the Agent to act on their behalf.

3 Denomination, Issue and Status

3.1 The Debentures are issued in minimum amounts of five pounds Sterling (£5.00) and in multiple integral amounts of one pound Sterling (£1.00) in nominal amount in excess thereof.

3.2 The aggregate principal amount of the Debentures issued shall be limited to the Maximum Issue Amount.

3.3 As and when issued, the Debentures shall constitute direct, unconditional and secured obligations of the Issuer and will rank *pari passu*, equally and rateably without discrimination or preference with all other outstanding secured and unsubordinated obligations of the Issuer, without any preference among themselves (except for obligations mandatorily preferred by law applying to companies generally).

3.4 Should the Maximum Issue Amount not be issued, a revised Cash Return Schedule (updated on a *pro rata* basis) will be delivered promptly by the Agent to the Issuer.

3.5 The Holders will only subscribe for and the Debentures will only be issued once:

3.5.1 the Minimum Issue Amount has been raised; and

3.5.2 the Agent has received all the documents and evidence specified in Schedule 1 (*Conditions Precedent*) of this Deed in form and substance satisfactory to it. The Agent shall notify the Issuer promptly upon being so satisfied, provided that on the date of issuance all the representations and warranties in Schedule 3 (*Representations and Warranties*) are true.

3.6 Where the Conditions Precedent have not been satisfied by the Longstop Date, the Agent may at its absolute discretion withdraw the Offer whereupon its obligations pursuant to this Deed shall be cancelled.

3.7 The Debentures are issued to, and can only be held by, Members in accordance with the Abundance Terms and Conditions.

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4 Covenant to pay

4.1 The Issuer will on any date when any Principal and/or Interest or any other amount becomes due pursuant to this Deed, pay to or to the order of the Agent, in accordance with Clause 13 (*Payments*), in Sterling in immediately available funds such amount(s) due on that date together with any applicable Early Redemption Fee payable in accordance with Clause 14 (*Early Redemption*) and will, subject to Clause 12 (*Default Interest*), from the due date for such amount until (but excluding) the date of actual payment, after as well as before judgment, unconditionally so pay to or to the order of the Agent, in accordance with Clause 13 (*Payments*), Default Interest on such unpaid amounts, provided that payment of any sum due in respect of the Debentures made to or to the order of the Agent as provided in this Deed shall, to that extent, satisfy such obligation. The Agent will hold the benefit of this covenant on trust for the Holders.

4.2 Any payment to be made in respect of the Debentures by the Issuer may be made as provided in this Deed and any payment so made will, to that extent only, be a good discharge to the Issuer.

5 Assignment and transfer

5.1 The Debentures may only be transferred in accordance with the Abundance Terms and Conditions or, if applicable, in accordance with clauses 2.8 and 2.9 (*Form, Title, Register and Arranger*) of this Deed.

5.2 No Obligor may assign any of its rights or transfer by novation any of its rights and obligations under this Deed or any Finance Document without the consent of the Agent, and neither may the Agent without the consent of the Issuer.

6 Back-up Service Provider

6.1 If, for any reason:

6.1.1 Abundance ceases to provide the Abundance Service and it is not provided by the Back-up Service Provider (as defined in the Abundance Terms and Conditions);

6.1.2 Abundance ceases to maintain the Register;

6.1.3 Abundance resigns as Agent in accordance with the Schedule to the Abundance Terms and Conditions without appointing a substitute; or

6.1.4 there is any other material change to the nature of the Abundance Service or the involvement of Abundance which has a material adverse effect on any of the Holders' rights under the Debentures,

then for the avoidance of doubt the obligations of each Obligor under the Finance Documents will remain valid and binding subject to clause 6.2 (below).

6.2 In the circumstances set out in clause 6.1 (above), the Issuer may make such arrangements as they reasonably consider appropriate and may amend any Finance Document by a deed expressed to be supplemental to that Finance Document (but only so far as is reasonably necessary to incorporate the revised arrangements for the matters listed in clauses (6.2.1) - (6.2.4) (inclusive) below). The Issuer shall take reasonable steps as soon as practicable to inform the Holders of any changes to:

6.2.1 the arrangements for maintaining the Register;

6.2.2 the procedures for making any payments (but not the amount of any payment or how such amount is calculated) to Holders;

6.2.3 the procedures for transfer (including acceptance of any instrument in common standard form) of Debentures; and/or

6.2.4 how notices or other information can be given to Holders.

7 Representations of the Issuer

The Issuer makes each of the representations and warranties set out in Schedule 3 (*Representations and Warranties*) of this Deed on the days and at the times stipulated therein.

8 Undertakings of the Issuer

So long as the Debentures are outstanding, the Issuer agrees to comply with each of the undertakings given by it that are set out in Schedule 4 (*Positive Undertakings*) and Schedule 5 (*Negative Undertakings*) of this Deed.

9 Use of Proceeds

9.1 The Issuer may only use the proceeds raised from the Debentures issued under this Deed to:

9.1.1 finance the capital expenditure and the operational expenditure of the Project for the period specified in the Financial Model which is determined by the Issue Amount;

9.1.2 fund any fees due from the Issuer to the Agent and the payment of Interest;

9.1.3 finance development costs in relation to the Pioneer Projects as defined in the Financial Model;

9.1.4 pay the costs and expenses (including, without limitation, the Arrangement Fee and legal fees) incurred by the Issuer in connection with the negotiation, preparation and execution of the Finance Documents and the Offer Document; and

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9.1.5 any other purpose agreed by the Agent in writing.

9.2 Neither the Arranger, the Agent nor any Holder is bound to monitor or verify the application of any net proceeds of a Debenture issued pursuant to this Deed.

10 Repayment of Principal

10.1 The Issuer shall repay the Principal in instalments on each Cash Return Date in the amounts stipulated in accordance with the Cash Return Schedule and all remaining Principal will be repaid in full on the Maturity Date, together with all accrued but unpaid Interest and any and all amounts due and outstanding under the Debentures pursuant to this Deed.

11 Interest

11.1 The Debentures shall bear and accrue interest daily on the Principal at the Interest Rate in respect of each Interest Period.

11.2 On each Cash Return Date:

11.2.1 50 per cent. of accrued Interest shall be paid, as more particularly stipulated in Schedule 6 (*Cash Return Schedule*); and

11.2.2 the remaining 50 per cent. of Interest not payable in accordance with clause 11.2.1 shall be capitalised, accrue Interest as Principal and be repayable in full on the Maturity Date.

11.3 If any Cash Return Date is not a Business Day, payment shall be made on the preceding Business Day.

11.4 The Interest payable on each Cash Return Date shall be paid to the Agent (for the account of the Holders) by credit transfer and in immediately available, freely transferable, cleared funds.

11.5 Interest shall be calculated and accrue on a daily and simple basis and on the basis of the actual number of days elapsed in the relevant period and a 365-day year.

12 Default Interest

12.1 In the event the Issuer fails to make any payment of Principal, Interest or any other amount due pursuant to this Deed on the date on which such Principal, Interest or other payment is due and payable, Default Interest shall accrue on such unpaid amount from (and including) the due date for such amount until (but excluding) the date of actual payment (both before and after judgment) at a rate which is 3 per cent. per annum higher than the rate which would have been payable if the overdue amount had, during the period of non-payment, attracted Interest at the Interest Rate.

12.2 Default Interest shall accrue on a daily basis and on the basis of a 365-day year, and shall be compounded with the overdue amount at the end of each Interest Period.

13 Payments

All payments pursuant to this Deed are to be made in accordance with clause 15.1 (*Application of repayment amounts*) and subject to clause 14 (*Early Redemption*) including, without limitation, provisions detailing the priority of payments under this Deed.

14 Early Redemption

14.1 Subject to clause 14.3, the Issuer shall:

14.1.1 at its election, promptly following a Change of Control;

14.1.2 immediately following the promulgation of an Adverse Tax or Regulatory Requirement; and

14.1.3 immediately following the identification of any Affected Person,

redeem all of the Debentures or, in the case of the Debentures held by an Affected Person, redeem the Debentures held by such Affected Person (in each case, an **Early Redemption**), by issue of a notice to the Agent (who shall, in turn, promptly notify the Holders via the Abundance Service), giving not less than 20 Business Days' notice of its intention to effect such redemption (a **Notice of Redemption**). Each Notice of Redemption will specify the last Business Day of the Interest Period ending on or following the expiration of the 20 Business Days' notice period as the date on which such redemption will take place (such date being, the **Early Redemption Date**).

14.2 Subject to clause 14.3, the Issuer shall be entitled to redeem all of the Debentures in full on any Cash Return Date on or after the Early Redemption Option Date by the issuance of a Notice of Redemption to the Agent (who shall, in turn, promptly notify the Holders via the Abundance Service) giving not less than 20 Business Days' prior written notice of its intention to redeem all of the Debentures on the relevant Early Redemption Date.

14.3 On each Early Redemption Date, the Issuer shall redeem and repay all Principal outstanding under all of the Debentures in full (or, in the case of clause 14.1.3, redeem and repay all Principal outstanding under the Debentures held by such Affected Person), together with any and all accrued Interest outstanding and payable under the Debentures to (and including) the Early Redemption Date (as applicable) and, in respect of clauses 14.1.1 or 14.2, pay the Early Redemption Fee.

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14.4 The Issuer shall be entitled to redeem the Debentures in part on any Cash Return Date on or after the Early Redemption Option Date, together with any accrued Interest outstanding and payable under the Debentures that are to be redeemed to and (including) the Early Redemption Date and payment of the Early Redemption Fee, if:

14.4.1 any Financial Indebtedness being used to redeem the Debentures in part meets the criteria of Permitted Indebtedness and is not detrimental to the Debentures; or

14.4.2 the partial redemption of the Debentures is financed from the revenue of the Project, the amount of surplus free cash remaining after the partial redemption of the Debentures must be sufficient to meet the forecast net operating cashflow deficit of the Project up to but not including the next expected timber sales, together with a 30 per cent. buffer added to the forecast net operating cashflow deficit,

by the issuance of a Notice of Redemption to the Agent (who shall, in turn, promptly notify the Holders via the Abundance Service) giving not less than 20 Business Days' prior written notice of its intention to redeem the Debentures in part on the relevant Early Redemption Date.

15 Application of repayment amounts

15.1 Payments

15.1.1 Subject to clause 15.1.2, any payments required to be made by the Issuer under the Finance Documents shall be made not later than 10:00 a.m. (London time) on the relevant date required for payment (the "**Payment Date**") and on such Payment Date, the Issuer shall transfer or cause to be transferred such an amount in respect of the payment to the account directed by the Agent (such account being directed

in writing at least five (5) Business Days prior to the relevant Payment Date).

15.1.2 Any amounts payable under clause 15.1.1 shall be transferred by the Issuer or on behalf of the Issuer to the above-mentioned account or accounts unconditionally by credit transfer and in immediately available, freely transferable, cleared funds. All such amounts shall be made without set-off, counterclaim, deduction or withholding, unless otherwise required by law.

15.1.3 Subject to clause 15.2, any amounts payable by the Issuer to Holders under the terms of the Debentures shall be apportioned by the Agent into the relevant pro rata proportions and such apportioned payments shall be directed by the Agent to the Cash Account (as defined in the Abundance Terms and Conditions) to be held for and/or paid to Holders in accordance with the Abundance Terms and Conditions.

15.1.4 If the Issuer is required by applicable law to make any withholding or deduction in relation to any amount payable under this clause 15.1, it shall be entitled to make such deduction or withholding and account to the relevant authority in respect of the amount withheld or deducted. The Issuer shall not be required to increase or gross-up any amount payable to the Beneficiaries under the Finance Documents as a result of any such deduction or withholding.

15.1.5 Any amounts payable under this clause 15.1 are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment.

15.1.6 If, for any reason, the Agent considers in its sole discretion that amounts to be received in the relevant accounts pursuant to this clause are insufficient to satisfy

all claims in respect of all payments under clause 15.1.1 then falling due:

(a) the Agent shall, as soon as reasonably practicable, notify the Issuer in writing that the full amount has not been received; and

(b) the Agent shall not be obliged to direct the payment in satisfaction of any such claims until the full amount in respect of such claims has been received from the Issuer, the Issuer or has provided the Agent details of the reason and/or nature of the shortfall and, if there has been an Event of Default, the Issuer has confirmed that the relevant steps, actions or pre-conditions under the Finance Documents have been met prior to any acceleration and subsequent payment of those amounts.

15.2 Application

15.3 If the Agent or the Security Trustee (as applicable) receives or recovers any Proceeds or receives a payment at any time that is insufficient to discharge all the amounts then due and payable by an Obligor under the Finance Documents, the Agent or the Security Trustee (as applicable) shall apply any such amounts towards satisfying the obligations of the Obligors under the Finance Documents in the following order:

15.3.1 **firstly**, in or towards payment of any unpaid fees, costs and expenses of the Agent, the Security Trustee or any Delegate under the Finance Documents

15.3.2 **secondly**, for the account of the Holders, for application in or towards payment of Debt Liabilities payable to Holders, which shall be allocated in respective pro rata proportions to the Holders of the Debentures in accordance with the following order of priority:

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(a) then to any due but unpaid repayments of Principal; and

(b) then to any due but unpaid payments of Interest,

except that for any Early Redemption of an Affected Person in connection with clause 14.1.3 such Holder(s) as are Affected Persons shall have their relevant Principal and Interest repaid to them following receipt of such monies by the Agent on the relevant Early Redemption Date;

15.3.3 **thirdly**, for the account of the Holders, in or towards payment pro rata of any accrued income, fee or commission owing to the Holders under those Finance Documents;

15.3.4 **fourthly**, in or towards payment pro rata of any other sum due but unpaid under those Finance Documents;

15.3.5 **fifthly**, in payment of the surplus (if any) to the relevant Obligor or any other person entitled to it.

16 Cancellation

16.1 Subject to clause 20, the Issuer or any Affiliate of the Issuer may at any time by agreement with the relevant Holder purchase any Debentures at any price by tender, private treaty or otherwise.

16.2 Any Debentures which are repaid, redeemed or purchased by the Issuer shall forthwith be cancelled and shall not be available for re-issuance.

17 Events of Default

17.1 Each of the events or circumstances set out in this clause 17.1 (*Events of Default*) is an Event of Default:

17.1.1 **Non-payment:** any failure by the Issuer to pay in full any amount payable under this Deed on its due date or, if a failure to pay is caused by an administrative or technical error or a Disruption Event, within 5 Business Days of its due date; or

17.1.2 **Other obligations:** an Obligor fails to perform or comply with any of its other obligations under the Finance Documents (other than the obligations specified in clause 17.1.1), except where such failure is capable of remedy, and is remedied within 10 Business Days of the earlier of (a) written notice being given by the Agent requiring remedy of such failure; or (b) the date that the Issuer has become aware of such failure; or

17.1.3 **Misrepresentation:** any material representation, warranty or statement made or deemed to have been made by an Obligor in the Finance Documents is or proves to have been incorrect or misleading in any material respect when made or deemed to have been made, unless and to the extent the underlying event or circumstance is remedied within 20 Business Days of the earlier of (a) the date of a written notice from the Agent requiring remedy of such failure; or (b) the date that the Issuer has become aware of such failure; or

17.1.4 **Cross-default:**

(a) any Financial Indebtedness of the Issuer is not paid when due or within any applicable grace period; or

(b) any Financial Indebtedness of the Issuer is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (howsoever described); provided that

(c) any commitment for any Financial Indebtedness of the Issuer is cancelled or suspended by a creditor as a result of an event of default (howsoever described);

(d) any creditor of the Issuer becomes entitled to declare any Financial Indebtedness of the Issuer due and payable prior to its specified maturity as a result of an event of default (howsoever described);

(e) no Event of Default will occur or subsist under paragraphs (a) to (d) (inclusive) of this clause 17.1.4, if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) to (b) above is less than £100,000 (or its equivalent in any other currency or currencies).

17.1.5 **Insolvency:**

(a) A Corporate Obligor:

(i) is unable or admits inability to pay its debts as they fall due for the purposes of section 123(1) or section 123(2) of the Insolvency Act 1986;

(ii) suspends or threatens to suspend making payments on any of its debts; or

(iii) by reason of actual or anticipated financial difficulties, commences formal negotiations with one or more of its creditors (excluding any Finance Parties in their capacity as such) with a view to rescheduling any of its indebtedness; or

(b) a moratorium is declared in respect of any indebtedness of a Corporate Obligor. If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium;

17.1.6 **Insolvency proceedings:** any corporate action, legal proceedings or other procedure or step is taken in relation to:

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(a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Corporate Obligor;

(b) a composition, compromise, assignment or arrangement with any creditor of any Corporate Obligor (other than for the purposes of a bona fide, solvent scheme of reconstruction or amalgamation previously approved by a Special Resolution);

(c) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any Corporate Obligor,

(d) or any analogous procedure or step is taken in any jurisdiction, except that paragraph (i) above shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 20 days of commencement;

17.1.7 **Creditors' process:** any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset of any Corporate Obligor and is not discharged within 20 Business Days;

17.1.8 **Unlawfulness and invalidity:**

(a) it is or becomes unlawful for an Obligor to perform any of its material obligations under the Finance Documents; or

(b) any material obligation of an Obligor under any of the Finance Documents is not or ceases to be legal, valid, binding or enforceable and the cessation individually or cumulatively materially and adversely affects the interests of the Holders under the Finance Documents;

17.1.9 **Cessation of business:** any Corporate Obligor suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or substantially all of its business;

17.1.10 **Expropriation:** the authority or ability of any Corporate Obligor to conduct its business is limited or wholly or substantially curtailed by any seizure, expropriation, nationalisation, intervention, restriction or other action by or on behalf of any governmental, regulatory or other authority or other person in relation to any Corporate Obligor or any of its assets, in each case, which has or would have a Material Adverse Effect;

17.1.11 **Repudiation and rescission of agreements:** an Obligor rescinds or evidences as an intention in writing to rescind or repudiates or evidences as an intention in writing to repudiate a Finance Document;

17.1.12 **Litigation:** any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings or disputes are commenced or threatened (save for where such threat is vexatious), or any judgment or order of a court, arbitral tribunal or other tribunal or any order or sanction of any governmental or other regulatory body is made, in relation to the Finance Documents or the transactions contemplated in the Finance Documents or against any Corporate Obligor or its assets, in each case which have, or, if adversely determined, would have a Material Adverse Effect;

17.2 The Issuer shall promptly notify the Arranger and the Agent of the occurrence of any Event of Default upon becoming aware of its occurrence (and the steps, if any, being taken to remedy it).

17.3 If any Event of Default occurs and is continuing, the Agent, if so directed in writing by Holders of at least 25 per cent. of the Principal (or by a Special Resolution of the Holders), shall:

17.3.1 by notice in writing (an "**Acceleration Notice**") declare all amounts accrued or outstanding under the Debentures and this Deed to be immediately due and payable, at which time they shall become immediately due and payable;

17.3.2 be permitted, at the cost and expense of the Issuer (such costs to be proper and reasonable and as far as practicable agreed in advance of appointment), to appoint accountants, lawyers or technical advisers as agreed by the Agent and the Issuer to protect the Holders' interests (taken as a class) under the Finance Documents and to investigate the Event of Default; or

17.3.3 permit the appointment of a Holder Representative in accordance with the terms of the Schedule to the Abundance Terms and Conditions.

17.4 No Holder shall be entitled to take any Enforcement Action or to exercise any other rights, discretions or powers or to grant any consents or releases under or pursuant to any Finance Document, or enforce any provision of this Deed or waive, cure or consent to any Event of Default or proposed breach of the terms of this Deed except where such action is permitted by and in accordance with the Abundance Terms and Conditions.

17.5 An Acceleration Notice must be withdrawn with immediate effect by the Agent by way of notice to the Issuer and the Holders if it is directed to do so in writing by Holders of at least 25 per cent. of the Principal (or by a Special Resolution of the Holders) to the effect that the Event of Default or Events of Default in relation to which an Acceleration Notice has been given is or are cured or waived and that such Holders wish that Acceleration Notice to be withdrawn, whereupon that Acceleration Notice will automatically be deemed to be

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withdrawn and will have no further effect in relation to the Debenture but without prejudice to any rights or obligations which may have arisen before the Agent withdraws such Acceleration Notice. No such withdrawal shall affect any other Event of Default or any subsequent Event of Default or any right of any Holders in relation thereto.

17.6 If an Acceleration Notice has been provided by the Agent in accordance with clause 17.3 and such notice has not been withdrawn in accordance with clause 17.5, that Acceleration Notice shall automatically apply to all the Debentures and the Agent shall ensure that any Proceeds following that Acceleration Notice shall be applied in accordance with clause 15 (*Application of repayment amounts*).

18 Notices

18.1 The Issuer will give each notice, and will send any other document, to a Holder by sending such notice to the Agent (by email to support@abundanceinvestment.com) who will in turn send any document to the relevant Holder using the Abundance Service (which, for the avoidance of doubt, includes the use of e-mail). Each Holder agrees that the Issuer may rely on the Agent to deliver any such notice in accordance with the Abundance Terms and Conditions.

18.2 Any notice from the Holders (or the Agent acting on their behalf) to the Issuer contemplated by this Deed may be given by e-mail to the Issuer at: matt@carbonplantations.co.uk and scott@carbonplantations.co.uk or to such other address as otherwise directed by the Issuer from time to time.

18.3 A notice, document or information sent or supplied by electronic means to an address specified for the purpose is deemed to be given to or received by the intended recipient on the same day it was sent, and in proving service it is sufficient to prove that the communication was properly addressed and sent.

18.4 The Agent shall promptly send to each Holder details of each communication received by it under any Finance Document via the Abundance Service if it is obliged to do so under the terms of the Finance Document.

18.5 The Agent agrees that it will notify the Issuer and each Holder as soon as reasonably practicable if it takes any Enforcement Action.

18.6 The Agent shall promptly forward to the Issuer a copy of any notice or communication addressed to the Issuer by any Holder which is received by the Agent.

19 Meetings of Holders, Voting and Modifications to the Deed

19.1 The Abundance Terms and Conditions include provisions for:

19.1.1 convening meetings of Holders;

19.1.2 voting and quorum requirements and powers exercisable in respect of an Ordinary Resolution, Special Resolution or a Written Resolution; and

19.1.3 the ability to appoint (and powers of) a Holders Representative.

20 Modifications, Waivers or Consents

20.1 Provided a Holder Representative (if one has been duly appointed) does not object, the Agent may, without the consent or sanction of the relevant Holders, authorise or sanction any modification of or waive or consent to any breach or proposed breach of, any provisions of this Deed or other Finance Document, which the Agent considers, in its sole opinion, to be of a formal, minor or technical nature or to be necessary to correct a manifest error or to comply with any mandatory provisions of law or, in the case of a waiver of or consent to a breach or proposed breach, is not materially prejudicial to the interests of the relevant Holders.

20.2 No Obligor nor the Agent shall make or concur in making any modification to give any consent under, or grant any waiver in respect of, any breach or proposed breach of any Finance Document to which it is a party if such modification, consent or waiver:

20.2.1 is not a matter to which the provisions of paragraph 20.1 apply;

20.2.2 is a Non-Reserved Matter, unless and until the provisions of paragraph 20.4 below have been complied with; or

20.2.3 is a Reserved Matter, unless and until the provisions of paragraph 20.3 below have been complied with.

20.3 The following matters, actions or provisions of a Finance Document (each a "**Reserved Matter**") may, from time to time, be modified or, in the case of an actual breach or alleged breach of any such provision, waived or consented to with the approval or sanction of a Special Resolution passed in accordance with the Schedule to the Abundance Terms and Conditions:

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20.3.1 any compromise or arrangement proposed to be made between the Issuer, the Agent and the Holders or any of them;

20.3.2 any abrogation, modification or compromise or any arrangement in respect of the rights of the Holders against the Issuer or the rights of the Issuer against the Holders, whether such rights arise under a Finance Document or otherwise;

20.3.3 any scheme for the reconstruction of the Issuer or for the amalgamation of the Issuer with any other company;

20.3.4 postponing or advancing the time for the making of any payment, repayment or redemption under any Finance Document;

20.3.5 any change that has the effect of reducing or increasing any amount payable or rate of any payment under a Finance Document;

20.3.6 changing the basis on which any payments under a Finance Document are calculated or applied (including, without limitation, the frequency of any payment or the length of any payment period or period in which a payment is calculated, the currency of payment, the capitalisation of any amount that would otherwise be payable or changing any relevant definitions that are used for those purposes);

20.3.7 imposing any condition or otherwise changing the Issuer's obligation to make payments of principal, interest or any other amount in respect of the Debentures;

20.3.8 the appointment of any persons (whether Holders or not) as a committee or committees to represent the interests of the Holders and to confer upon such committee any powers or discretions which the Holders could themselves exercise by Special Resolution;

20.3.9 the exchange or substitution of the Debentures for or the conversion of the Debentures into shares, bonds or other obligations or securities of the Issuer or any other person or any proposal or scheme to do the same;

20.3.10 any change or modification (or proposed change or modification) to those undertakings or to the definitions of Permitted Indebtedness and Permitted Security;

20.3.11 any change in the law governing the Finance Documents or change to the court to whose jurisdiction the Issuer has submitted under the Finance Documents;

20.3.12 any change to the seniority or legal ranking of the Debentures and/or the Security Documents;

20.3.13 except as permitted by any related guarantee, any release of any guarantee issued in relation to the Finance Documents or change to the terms of that guarantee;

20.3.14 any waiver of or consent to any Event of Default or modification (or proposed modification) to the definition of any Event of Default or any other provisions of a Finance Document describing circumstances in which Debentures may be declared due and payable prior to their scheduled maturity date;

20.3.15 any modification to clauses 6, 15, 17.4, 17.5, 17.6 or this clause 20 of this Deed, the definition of Ordinary Resolution or Special Resolution, or any modification to paragraphs 3.6, 5, 6, 7 or 10 of the Schedule to the Abundance Terms and Conditions, or any modification to any majority required to pass any such resolution or any modification to the number of votes required to be cast or the number or percentage of Debentures required to be held, or any modification to any quorum for the holding of any meeting of Holders;

20.3.16 power to authorise the Agent to concur in and execute and do all such deeds, instruments, acts and things as may be necessary to carry out and give effect to any Special Resolution;

20.3.17 any modification to any clause of or definition within a Finance Document under which Debentures or Holders of Debentures are expressed to be treated the same, equally or rateably as between themselves;

20.3.18 the retirement or removal of the Agent and/or the approval of a successor Agent other than in accordance with the Schedule to the Abundance Terms and Conditions; or

20.3.19 any modification to the definitions of "Acceleration Notice", "Instructing Party" or "Enforcement Action" in this Deed.

20.4 Every Non-Reserved Matter may, from time to time, be modified or, in the case of a breach or proposed breach of any such matter or provision, waived or consented to with the sanction of an Ordinary Resolution.

20.5 Any modification, consent or waiver that has been duly authorised or sanctioned in accordance with this clause 20 shall:

20.5.1 be notified by the Agent to the Issuer and Holders as soon as reasonably practicable after such modification, consent or waiver has been so authorised or sanctioned; and

20.5.2 be binding on all the Holders and the Holders hereby authorise the Agent, the Issuer to execute and deliver on its behalf such deeds or documents required to implement such modification or the terms of such consent or waiver in accordance with clause 20.6.

20.6 In the case of any modification, consent or waiver that has been duly authorised or sanctioned in accordance with this clause 20, as soon as reasonably practicable after such authorisation or sanction, the Agent and the Issuer at the cost of the Issuer, shall execute and deliver any deeds, documents or notices as may be required to be executed and/or delivered in order to give effect to the terms of such modification, waiver or consent (provided that any failure of those parties to meet such timing shall not invalidate the modification, consent or waiver).

21 Execution and Registration of Finance Documents

In addition to the Abundance Terms and Conditions and in accordance with the Offer Document, each Holder has appointed the Agent or such person or persons as the Agent may nominate to execute (whether under seal or under hand) and deliver any Finance Document to be executed and delivered on its behalf.

22 No Dealings

The Debentures are not capable of being dealt or listed on any stock exchange or other public market in the United Kingdom or elsewhere and no application has been, or is intended to be made, for the Debentures to be listed or otherwise traded on any such stock exchange or other public market.

23 Certificates and Determinations

Any certification or determination by the Agent of a rate or amount under any Finance Document is, in the absence of manifest or proven error, conclusive evidence of the matters to which it relates.

24 Rights and Obligations

24.1 No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

24.2 Abundance provides services in accordance with arrangements it has with the Issuer and operates the Abundance Service in accordance with the Abundance Terms and Conditions as agreed by Members.

25 Enforcement and preservation costs

The Issuer shall, within 5 Business Days of demand, pay to the Agent or Security Trustee (as applicable) the amount of all costs, fees and expenses (including legal fees) together with any associated VAT properly incurred by the Agent or Security Trustee (as applicable) in connection with the enforcement of or the preservation of any rights under any Finance Document or proceedings instituted by or against the Agent or Security Trustee (as applicable) as a consequence of enforcing these rights under the Finance Documents.

26 Inspection

A copy of this Deed shall be kept at the registered office of the Issuer and any Holder and any person duly authorised in writing by a Holder may at all reasonable times during office hours inspect it.

27 Endorsement

A memorandum of execution of any deed supplemental to this Deed shall be endorsed by the Issuer on this Deed.

28 Conflict

If there is a conflict between the terms of this Deed and the Abundance Terms and Conditions, the terms of this Deed will prevail.

29 Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

30 Governing Law and Jurisdiction

30.1 Governing Law

30.1.1 This Deed shall be governed by and construed in accordance with English law, and all claims and disputes between the parties or any of them arising out of or in connection with this Deed (whether or not contractual in nature) shall be determined in accordance with English law.

30.1.2 If in any court any party argues that a court other than the courts of England and Wales has jurisdiction to determine any dispute or difference between the parties or any of them arising out of or in connection with this Deed that issue shall be determined in accordance with English law, and any right any party might otherwise have to rely upon the law of the forum or any other law is hereby irrevocably and unconditionally waived.

30.2 Submission to jurisdiction

30.2.1 Each party submits to the exclusive jurisdiction of the courts of England and Wales in relation to all claims, disputes, differences or other matters arising out of or in connection with this Deed, provided that nothing in this clause shall prevent the Agent in its sole and unfettered discretion,

The legal agreement

from commencing proceedings against any other party in any court of competent jurisdiction.

30.2.2 Each Party irrevocably waives any right that it may have:

(a) to object on any ground to an action being brought in the courts of England and Wales, to claim that the action brought in the courts of England and Wales has been brought in an inconvenient forum, or to claim that the courts of England and Wales do not have jurisdiction. The waiver contained in this clause 30.2.2(a) includes a waiver of all formal and substantive requirements of any otherwise competent jurisdiction in relation to this clause 30.2.2(a);

(b) to oppose the enforcement of any judgment of any court of England and Wales whether on any ground referred to in clause 30.2.2(a) or otherwise.

This document is executed and delivered as a deed and takes effect on the date stated at the beginning of it.

Schedule 1

Conditions Precedent

Part 1: Conditions precedent to Launch

The Issuer

1 A copy of the constitutional documents of the Issuer.

2 A copy of a resolution of the board of directors of the Issuer:

2.1 approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party; and

2.2 authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf, to give all notices and take all other action in connection with the Finance Documents to which it is a party.

3 A copy of a resolution signed by all the holders of the issued shares of the Issuer, approving the terms of, and the transactions contemplated by, the Finance Documents to which the Issuer is a party.

4 A copy of the group structure chart which shows the Group as at the Effective Date.

Engagement Documents

5 Each Engagement Document, signed by the Issuer.

Finance Documents

6 This Deed, signed by all parties thereto.

7 Each Finance Document in a substantially agreed form.

Development

8 Confirmation from the Agent that it has completed all its due diligence on the Project.

9 A copy of each Project Document, to the extent it is in place as at Launch, executed by the parties thereto.

Insurances

10 Evidence, by way of a letter from the Issuer's insurance brokers addressed to the Finance Parties, that the insurance cover to be put in place in respect of the Project will comply with the requirements of paragraph 13 (*Insurances*) of Schedule 4 (*Positive Undertakings*) of this Deed and that the Issuer's insurance brokers will provide a copy of the schedule confirming this, when the necessary premia has been paid.

Financial

11 A copy of the Financial Model.

12 Evidence satisfactory to the Agent that the Group has sufficient funding for the Project until such time as the conditions precedent to the Effective Date (per Part 2 of Schedule 1 (*Part 2: Conditions precedent to the Effective Date*)) are satisfied.

Other evidence

13 Satisfactory completion of all know-your-client checks and procedures in respect of the Issuer including its directors.

14 A copy of any other authorisation, document, warranty, opinion or assurance which the Agent or Arranger reasonably considers to be necessary or desirable and an original of such undertaking as the Arranger may require in relation to any outstanding conditions precedent.

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Part 2: Conditions precedent to the Effective Date

Prior to the Holders subscribing for and the Debentures being issued (in accordance with clause 3.5), the Issuer must have provided the Agent with all of the following documents and evidence in form and substance satisfactory to it:

Corporate Authorisations

1 A copy of the constitutional documents of the Aether Trees Shareholder and the Issuer.

2 If required, a copy of a special written resolution of the members of the Issuer resolving to amend the articles of association of the Issuer for the purpose of enabling unhindered enforcement of the Share Charge to be granted over its shares.

3 A copy of a resolution of the board of directors of each of the Aether Trees Shareholder and the Issuer:

3.1 approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party; and

3.2 authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf, to give all notices and take all other.

4 A copy of a resolution signed by all the holders of the issued shares of the Issuer, approving the terms of, and the transactions contemplated by, the Finance Documents to which the Issuer is a party.

Director's Certificate

5 A certificate (signed by a director) of each of the Issuer and the Aether Trees Shareholder as at a date no earlier than the Effective Date confirming (as applicable):

5.1 that borrowing, guaranteeing or securing, as appropriate, the Issue Amount would not cause any borrowing, guarantee, security or similar limit binding on it to be exceeded;

5.2 that each copy document relating to it specified in Schedule 1 (*Conditions Precedent*) of this Deed is correct, complete and in full force and effect as at a date no earlier than the Effective Date; and

5.3 containing a specimen of the signature of each person authorised by the resolutions referred to in paragraph 3 above.

Finance Documents

6 two original copies of the Subordination Agreement, executed by the parties thereto, to include (without limitation) each Shareholder as a junior creditor.

7 two original copies of the Security Trust Deed, executed by the parties thereto.

8 two original copies of the Security Agreement, executed by the parties thereto, together with an executed copy of each notice required to be executed thereunder.

9 two original copies of each Share Charge, executed by the parties thereto, together with (to the extent required) appropriate independent legal advice (where applicable).

10 the (or all) original share certificate(s) and an executed, undated stock transfer form (left blank for consideration and details of transferee) in respect of the all of the issued shares of the Issuer charged by each Shareholder pursuant to the Share Charge.

11 a copy of each Direct Agreement in relation to:

(a) each Lease;

(b) the Management Services Agreement; and

(c) the Plant, Supply and Services Agreement, in each case, duly executed by each of the parties thereto.

12 a copy of each notice to be sent pursuant to the Issuer Security Agreement to each bank operating an account (including, but not limited to, the notice:

12.1 to the account bank in respect of each account secured by the Issuer Security Agreement in agreed form with the relevant account bank, executed by the Issuer, together, with (in the case of the Debt Service Reserve Account) and a copy of the acknowledgement to the notice duly executed by the account bank;

12.2 to each insurer; and

12.3 to each counterparty to a document which has been assigned by way of security, each substantially in the relevant form set out in the relevant Security Agreement.

13 any other Finance Document not delivered pursuant to Part 1 of this Schedule 1.

The legal agreement

Project

14 a copy of any Project Document (including, but not limited to, the Management Services Agreement, the Woodland Carbon Guarantee Scheme Novation Agreement (to the extent entered into) and the Woodland Carbon Guarantee Scheme Contract (to the extent entered into prior to the Effective Date) which was not in place at and delivered as a condition precedent to Launch in accordance with paragraph 11 of Part 1 (*Conditions precedent to Launch*) of Schedule 1 (*Conditions Precedent*) of this Deed, executed by the parties thereto.

15 the Issuer and the Agent to agree a template to be used for ongoing monitoring and reporting.

Insurance

16 to the extent necessary subject to any changes since Launch, evidence (by way of a letter from the Issuer's insurance brokers addressed to the Finance Parties) that the insurance cover in place in respect of the Project will comply with the requirements of paragraph 13 (*Insurances*) of Schedule 4 (*Positive Undertakings*).

17 copies of all Insurances, together with evidence that the Security Trustee has been named as co-insured and first loss payee in respect of each such insurance policy.

Regulatory

18 the Arranger has confirmed that the Cooling-Off Period has expired.

Property

19 a copy of each Lease duly dated and executed by the parties thereto with evidence of submission of each for registration at HM Land Registry;

20 a CLLS Short Form Report on Title (4th Edition 2018) with CLLS Wrapper for Report on Title (7th Edition 2016 Update) in relation to each Property prepared by the Issuer's solicitors (and as approved by the Agent's solicitors) and addressed to the Agent and Security Trustee.

21 copies of any and all applicable Authorisations required in connection with the charging of the Issuer's interest in each Property in favour of the Security trustee (including, but not limited to, and if applicable, a copy of the landlord's consent to the relevant Lease being charged in favour of the Security Trustee).

22 copies of all insurance policies relating to each Property.

23 a HM Land Registry priority search in favour of the Security Trustee on the appropriate forms against all of the registered titles comprising the Properties:

(a) giving not less than 20 Business Days' priority beyond the date of the relevant Security Document; and

(b) showing no adverse entries.

24 An undertaking (in the form approved by the Agent's solicitors) in relation to dealing with all stamp duty land tax formalities arising in respect of each Lease and the registration of each Lease and the charging of the Issuer's interest in each Property in favour of the Security Trustee (for the benefit of the Secured Parties) (including registration of the restriction contained in the Security Agreement and a form for disclosable overriding interests) and payment of the applicable HM Land Registry fees.

Other evidence

25 a corporate governance policy to be in place for each of the Issuer and the Aether Trees Shareholder.

26 all bank accounts required pursuant to a Finance Document (including, without limitation, the Debt Service Reserve Account) have been opened and are fully operational.

27 a copy of any other authorisation, document, warranty, opinion or assurance which the Agent or Arranger reasonably considers to be necessary or desirable and an original of such undertaking as the Arranger may require in relation to any outstanding conditions precedent.

Schedule 2

Holder Restrictions

1 The Debentures may only be acquired or held by Members who are eligible to invest in accordance with the Abundance Terms and Conditions, which, as at the date of this Deed, includes:

1.1 individuals aged 18 years or over who have their permanent residence in an Eligible EEA Country or the United Kingdom;

1.2 those who are not individuals, being persons who have a permanent place of business in an Eligible EEA Country and are duly incorporated, authorised, established or formed in accordance with the relevant laws and regulations in the relevant Eligible EEA Country or the United Kingdom; or

1.3 other Members who fulfil all the applicable criteria of eligibility to acquire and to hold Debentures in accordance with the Abundance Terms and Conditions from time to time.

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2 The Debentures may not be acquired or held by any Restricted Person.

3 The Debentures have not been and will not be registered under the United States Securities Act of 1933, as amended, or qualified for sale under the laws of the US or under the laws of any country, jurisdiction, state or territory outside the UK.

4 The Issuer, or Abundance on its behalf, may require reasonable evidence that a proposed transfer is exempt from or not subject to a registration or similar requirement in the US or any other jurisdiction outside the United Kingdom.

Schedule 3 Representations and Warranties

1 The Issuer represents and warrants to each of the Beneficiaries for itself and, where applicable, on behalf of each other Obligor that:

1.1 Status

Each Corporate Obligor is a limited company, duly incorporated and validly existing under the laws of its Original Jurisdiction and has full power to own its assets and carry on its business;

1.2 Binding Obligations

The obligations expressed to be assumed by each Obligor in each of the Finance Documents to which it is party are legal, valid, binding and enforceable obligations;

1.3 Non-conflict with other obligations

The entry into and performance by each Obligor of, and the transactions contemplated by, the Finance Documents to which it is a party:

1.3.1 do not and will not conflict with any law or regulation applicable to any Obligor; and

1.3.2 do not and will not conflict with the constitutional documents of any Corporate Obligor or any agreement or instrument binding upon any Corporate Obligor or any of their assets;

1.4 Power and Authority

Each Obligor has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Finance Documents to which it is party and the transactions contemplated by the Finance Documents to which it is party;

1.5 Validity and admissibility in evidence

Each Obligor has obtained all required or desirable Authorisations to enable it to enter into, exercise its rights and comply with its obligations in the Finance Documents to which it is party and to make them admissible in evidence in its jurisdiction of incorporation. Any such Authorisations are in full force and effect;

1.6 Governing law and enforcement

The choice of governing law of the Finance Documents to which it is party will be recognised and enforced in the jurisdiction of incorporation of each Corporate Obligor and any judgment obtained in England or Wales in relation to a Finance Document will be recognised and enforced in that jurisdiction;

1.7 Insolvency

No

1.7.1 corporate action, legal proceeding or other procedure or step described in clause 17.1.6 (*Insolvency Proceedings*); or

1.7.2 creditors' process described in clause 17.1.7 (*Creditors' Process*),

have been taken or, to its knowledge, threatened in relation to it or any other Corporate Obligor; and none of the circumstances described in clause 17.1.5 (*Insolvency*) of this Deed applies to it or to any other Corporate Obligor;

1.8 No default

1.8.1 No Event of Default is continuing or is reasonably likely to result from the entry into or the performance of any Finance Document by it or any other Obligor, or the issuance of the Debentures by the Issuer;

1.8.2 No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (however described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or any other Obligor or to which its (or any of its Subsidiaries') or any other Obligor's assets are subject which has or is reasonably likely to have a Material Adverse Effect;

1.9 Ownership

It is the sole legal and beneficial owner of all the assets of the Project.

The legal agreement

1.10 Security

No Security exists over any of the Issuer's assets other than any Permitted Security and no Security exists over any of the assets which are the subject of any other Security Document granted by any other Obligor.

1.11 Share Capital

In respect of each Corporate Obligor, there are no restrictions on the sale or transfer (including any lien, pre-emption right, or director discretion) upon enforcement by a mortgagee of security held over of all or any of its shares under its articles of association or other constitutional or organisational documents or otherwise.

1.12 Arm's Length

The Finance Documents to which it is expressed to be a party have been, are being or will be entered into in good faith for its benefit and on arm's length terms.

1.13 Information

1.13.1 To the best of its knowledge and belief (having taken all reasonable care to ensure it is so) all information that it has given in connection with the Offer Document and the Finance Documents was true and accurate in all material respects as at the date it was provided, as at any date the information is expressed to be given or (as the case may be) as at the date of the relevant document containing the information;

1.13.2 Any financial projections contained in the information referred to in paragraph 1.13.1 above have been prepared as at the date they were provided or stated to be given on the basis of both recent and historical information and on the basis of reasonable assumptions and was fair (as at the date of the relevant report or document containing the projection or forecast) and arrived at after careful consideration;

1.13.3 No event or circumstance has occurred or arisen and no information has been omitted from the information referred to in paragraph 1.13.1 and no information has been given or withheld that results in the information, opinions, intentions, forecasts or projections contained in the information referred to in paragraph 1.13.1 being untrue or misleading in any material respect;

1.14 Financial Information

1.14.1 The most recent financial statements delivered pursuant to paragraph 5 (*Financial Information*) of Schedule 4 (*Positive Undertakings*) of this Deed fairly present its unconsolidated, financial condition as at the end of, and consolidated or unconsolidated (as applicable) results of operations for, the period to which they relate;

1.14.2 Since the date of the most recent financial statements delivered pursuant to paragraph 5 (*Financial Information*) of Schedule 4 (*Positive Undertakings*) of this Deed there has been no event which would have a Material Adverse Effect on the Issuer;

1.15 No litigation

1.15.1 Other than as disclosed by the Issuer in the Offer Document, no litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency which, if adversely determined, are reasonably likely to have a Material Adverse Effect have (to the best of its knowledge and belief (having made due and careful enquiry)) been started or threatened against it or any other Corporate Obligor;

1.15.2 No judgment or order of a court, arbitral tribunal or other tribunal or any order or sanction of any governmental or other regulatory body which is reasonably likely to have a Material Adverse Effect has (to the best of its knowledge and belief (having made due and careful enquiry)) been made against it or any other Corporate Obligor;

1.16 No breach of laws

It and no other other Corporate Obligor not breached any law or regulation where breach would have a Material Adverse Effect;

1.17 Environmental laws

1.17.1 It and any other Corporate Obligor is in compliance with paragraph 8 (*Environmental compliance*) of Schedule 4 (*Positive Undertakings*) and to the best of its knowledge and belief (having made due and careful enquiry) no circumstances have occurred which would prevent such compliance, in each case, in a manner or to an extent which has or is reasonably likely to have a Material Adverse Effect;

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1.17.2 No Environmental Claim has been commenced or (to the best of its knowledge and belief (having made due and careful enquiry)) is threatened against it or any other Corporate Obligor where that claim has a reasonable prospect of success and has or is reasonably likely to have, if determined against it or such other Corporate Obligor, a Material Adverse Effect;

1.18 Taxation

1.18.1 It is not, and no other Corporate Obligor is, materially overdue in the filing of any Tax returns and it is not, and no other Corporate Obligor is, overdue in the payment of any amount in respect of Tax of £50,000 (or its equivalent in any other currency) or more;

1.18.2 No claims or investigations are being, or are reasonably likely to be, made or conducted against it or any other Corporate Obligor with respect to Taxes such that a liability of, or claim against it of £50,000 (or its equivalent in any other currency) is reasonably likely to arise; and

1.18.3 In the case of the Issuer, it is resident for Tax purposes only in its Original Jurisdiction.

1.19 Group Structure Chart

The group structure chart delivered to the Arranger pursuant to Schedule 1 (*Conditions Precedent*) of this Deed is true, complete and accurate in all material respects and shows each member of the Group, including current name and company registration number, its Original Jurisdiction, its jurisdiction of incorporation or establishment (in the case of any other member of the Group), in each case as at the Effective Date;

1.20 Trustee

It is not, and no other Obligor is, entering into any Finance Document as a trustee;

1.21 Centre of main interests and establishments

For the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings and/or Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast) (as applicable) (the "Regulation") its, and each other Corporate Obligor's, centre of main interest (as that term is used in Article 3(1) of the Regulation) is situated in the United Kingdom and it, and each other Corporate Obligor, has no "establishment" (as that term is used in Article 2(h) of the Regulation) in any other jurisdiction, in each case, to the extent that such terms form part of the law of the United Kingdom by virtue of the European Union (Withdrawal Agreement) Act 2018;

1.22 Project Documents

It and each other Corporate Obligor has complied with the material terms of the Project Documents to which it is a party and no person has disputed, repudiated or disclaimed liability under any Project Document or evidenced an intention to do so;

1.23 Conditions Precedent to Launch

Each copy document relating to an Obligor delivered to the Agent under Part 1 (*Conditions precedent to Launch*) of Schedule 1 (*Conditions Precedent*) to this Deed is correct, complete and in full force and effect as at the date of this Deed and the Effective Date.

2 The representations and warranties set out in this Schedule 3 (*Representations and Warranties*) (other than paragraph 1.14.2 (*Financial information*)) are made by the Issuer on the date of this Deed, on the date on which the last of the documents and evidence specified in Part 1 (*Conditions precedent to Launch*) of Schedule 1 (*Conditions Precedent*) of this Deed is provided to the Agent in form and substance satisfactory to it, and on the Effective Date.

3 Subject to paragraph 4 below, the Repeating Representations are also deemed to be made by the Issuer on the first day of each Interest Period.

4 The Repeating Representation contained in paragraph 1.14.1 (*Financial Information*) above shall be deemed to be made by the Issuer in relation to each set of financial statements delivered under this Deed when such financial statements are provided to the Agent.

5 Each representation or warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

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Schedule 4

Positive Undertakings

Subject to the terms of this Deed, the Issuer (as applicable) undertakes to the Beneficiaries as follows:

1 Authorisations

The Issuer must promptly obtain, comply with and do all that is necessary to maintain in full force and effect any Authorisation required under any law or regulation of England and Wales that enable it to perform its obligations under the Finance Documents and to ensure the legality, validity, enforceability or admissibility in evidence of any Finance Document or that enable it to own its assets and carry on its business as it is being conducted, except where failure to obtain or effect such Authorisations would not materially adversely impair its ability to perform its payment obligations under the Finance Documents to which it is expressed to be a party.

2 Compliance with laws

The Issuer must comply with any law or regulation (including any Environmental Law) to which it is subject where such breach would materially adversely affect its ability to perform its obligations under the Finance Documents or result in a liability against it in an amount which exceeds £50,000.

3 Taxes

The Issuer must pay all Taxes due and payable by it prior to the accrual of any fine or penalty for late payment and must promptly pay to HM Revenue & Customs all VAT and related interest and penalties payable by it, except to the extent contested by it in good faith.

4 Reserve

4.1 The Issuer will at all times until the Maturity Date maintain in the Debt Service Reserve Account an amount in free cash at least equal to the Reserve Cash (to be used solely for the payment of Interest and Principal (as applicable) repayments due under this Deed).

4.2 The Debt Service Reserve Account is to be charged by way of fixed charge in favour of the Security Trustee (for the benefit of the Beneficiaries) pursuant to the Issuer Security Agreement and the Issuer shall only be permitted to withdraw amounts from that account with the Security Trustee's consent and to be used solely towards payment of Interest due under this Deed.

4.3 If the Issuer makes any payment out of the Debt Service Reserve Account in accordance with this paragraph 4, the Issuer shall fund the resulting shortfall before the end of the next Interest Period.

5 Financial Information

5.1 The Issuer shall supply to the Agent copies of:

5.1.1 as soon as they become available, but in any event within 180 days after the end of each of its financial years, its audited financial statements for that financial year;

5.1.2 as soon as they become available, but in any event within 60 days after the end of each of its financial years, its unaudited management accounts for that financial half year; and

5.1.3 promptly on request, such further information regarding the financial condition, assets and operations of the Issuer (including any requested amplification or explanation of any item in the financial statements, budgets or other material provided by the Issuer pursuant to this Deed) as the Agent may reasonably request.

5.2 Each set of financial statements delivered to the Agent pursuant to this paragraph 4 (*Financial Information*) shall be certified by a director of the Issuer (as applicable) as giving a true and fair view of its financial condition as at the date at which those financial statements were drawn up.

5.3 The Issuer shall supply a compliance certificate to the Agent with each set of its financial statements delivered pursuant to this paragraph 4 (*Financial Information*) setting out, amongst other things, (in reasonable detail) computations as to compliance with paragraph 6 (*Financial Statements*).

5.4 Each compliance certificate shall be signed by a director and be in the form agreed by the Agent.

6 Financial Statements

The Issuer shall ensure that the financial statements delivered to the Agent pursuant to paragraph 4 (*Financial Information*) above shall:

6.1 be prepared in accordance with the Accounting Principles; and

6.2 fairly present the Issuer's assets, liabilities, financial position and profit or loss during the relevant accounting period; and

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6.3 in the case of the Issuer's audited financial statements for that financial year, have been approved by the Issuer's directors in compliance with section 393 of the Companies Act 2006.

7.7 Share security

The Issuer shall ensure there are no restrictions on the sale or transfer (including any lien, right of pre-emption, or director discretion) upon enforcement by a mortgagee of security held over all or any of its shares under its articles of association or other constitutional or organisational documents, or otherwise.

8 Environmental compliance

The Issuer shall:

8.1 comply with all Environmental Law;

8.2 obtain, maintain and ensure compliance with all requisite Environmental Permits;

8.3 implement procedures to monitor compliance with and to prevent liability under any Environmental Law,

where failure to do so has or is reasonably likely to have a Material Adverse Effect.

9 Environmental claims

The Issuer shall inform the Agent in writing of:

9.1 any Environmental Claim against it which is current, pending or threatened; and

9.2 any facts or circumstances which are reasonably likely to result in any Environmental Claim being commenced or threatened against it,

where the claim has a reasonable prospect of success and, if determined against that it, has or is reasonably likely to have a Material Adverse Effect.

10 Project Documents

Each Corporate Obligor shall at all times comply with their obligations under each Project Document to which it is party.

11 Access

The Issuer shall allow the Agent or any person or persons appointed on the Agent's or Holders' behalf in accordance with clauses 17.3.2 or 17.3.3 (*Events of Default*) of this Deed (respectively) or the Schedule to the Abundance Terms and Conditions (each a "**Holder Appointee**") and any of their officers, employees and professional advisers to have, and shall ensure that the Agent and/or the Holder Appointee (as applicable) are given, access to the premises, assets, books, accounts and records of the Issuer during normal business hours on reasonable notice, being notice which is given no less than 10 Business Days prior to the proposed day of access, and further provided that such requests are made no more frequently than once in any six-month period.

12 Supplemental legal mortgage

If required by the Agent, at any time following the completion of a lease in relation to any Property, the Issuer shall, at its own cost, prepare and execute any further documents and take any further action the Agent may require, in its absolute discretion, for taking and perfecting its security over that lease in accordance with the Security Agreement.

13 Insurances

13.1 The Issuer must ensure that at all times from the Effective Date insurance policies are maintained in full force and effect, covering the risks, perils or contingencies against which a prudent company or other person in the same business as the Issuer would insure.

13.2 The Issuer must procure that the Security Trustee (as security trustee for the Secured Parties) is named as composite insured in respect of its own separate insurable interest under each of the insurance policies (other than public liability and third party liability insurances) but without:

13.2.1 any liability on the part of the Security Trustee or the Agent or Arranger for any premium in relation to those insurance policies (unless the Security Trustee has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any of those insurance policies); or

13.2.2 any obligation on the part of the Security Trustee or the Agent or Arranger to make any disclosure to any insurer or any insurance broker in relation to those insurance policies unless and until the Security Trustee becomes a mortgagee in possession of any Property, in which circumstance an obligation shall apply on the part of the Security Trustee or the Agent or Arranger to make disclosure to any insurer or any insurance broker in relation to the insurance policy or insurance policies in respect of that Property pursuant to the terms of that insurance policy or those insurance policies.

13.3 The Issuer must procure that the insurance policies comply with the following requirements:

The legal agreement

13.3.1 each insurance policy must contain:

(a) a non-invalidation and non-vitiation clause under which the insurance policies will not be avoided or vitiated as against any insured party as a result of any circumstances beyond the control of that insured party or any misrepresentation, non-disclosure, or breach of any policy term or condition, on the part of any other insured party or any agent of any other insured party;

(b) a waiver of the rights of subrogation of the insurer as against the Issuer, the Security Trustee, each Secured Party and the tenants of any Property other than any such rights arising in connection with any fraud or criminal offence committed by any of those persons in respect of any Property or any insurance policy; and

(c) a loss payee clause under which the Security Trustee is named as first loss payee (other than in respect of any claim under any public liability and third party liability insurances);

13.3.2 each insurer must give at least 30 days' notice to the Security Trustee if it proposes to:

(a) repudiate, rescind or cancel any insurance policy;

(b) treat any insurance policy as avoided in whole or in part; and

(c) treat any insurance policy as expired due to non-payment of premium; or

(d) otherwise decline any claim under any insurance policy by or on behalf of any insured party,

and, in respect of paragraph (c) above, must in the notice give the Security Trustee the opportunity to rectify any such non-payment of premium within the notice period; and

13.3.3 the Issuer must be free to assign or otherwise grant Security over all amounts payable to it under each of its insurance policies and all its rights in connection with those amounts in favour of the Security Trustee.

13.4 The Issuer must use all reasonable endeavours to ensure that the Agent receives copies of the insurance policies, receipts for the payment of premiums for insurance and any information in connection with the insurance policies and claims under them which the Agent may reasonably require.

13.5 The Issuer must promptly notify the Agent of:

13.5.1 the proposed terms of any future renewal of any of the insurance policies;

13.5.2 any amendment, supplement, extension, termination, avoidance or cancellation of any of the insurance policies made or, to its knowledge, threatened or pending;

13.5.3 any claim, and any actual or threatened refusal of any claim, under any of the insurance policies; and

13.5.4 any event or circumstance which has led or may lead to a breach by the Issuer of any term of this paragraph 13 (*Insurances*).

13.6 The Issuer must:

13.6.1 comply with the terms of the Insurances;

13.6.2 not do or permit anything to be done which may make void or voidable any of the insurance policies; and

13.6.3 comply with all reasonable risk improvement requirements of its insurers.

13.7 The Issuer must ensure that:

13.7.1 each premium for the insurance policies is paid within the period permitted for payment of that premium; and

13.7.2 all other things necessary are done so as to keep each of the insurance policies in force.

13.8 The proceeds of any insurance policies received in respect of any Property must, if the Agent so requires and/or to the extent required by the basis of settlement under any insurance policies, be applied towards replacing, restoring or reinstating that Property.

14 Conditions Subsequent

The Issuer shall provide to the Agent (in form and substance satisfactory to the Agent):

14.1.1 (to the extent that it was not entered into prior to or on the Effective Date) within 5 Business Days of the date that the Woodland Carbon Guarantee Scheme Contract is entered into, a copy of the Woodland Carbon Guarantee Scheme Contract duly executed by each of the parties thereto; and

14.1.2 by the date falling 6 months after the date of the Offer Document, evidence of the Issuer having converted to a public limited company, including evidence of a valid trading certificate, together with such additional Security Documents (in a substantially similar form to the existing Security Documents) and/or ancillary documents as the Agent may reasonably require in each case in respect of any new shares issued in the Issuer and/or to the extent that the existing security over shares in the Issuer is affected by the Issuer having converted to a public limited company.

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Schedule 5

Negative Undertakings

1 Subject to the terms of this Deed, the Issuer undertakes to the Beneficiaries that it shall not, without the consent of the Agent:

1.1 Financial Indebtedness

incur or allow to remain outstanding any Financial Indebtedness, other than Permitted Indebtedness;

1.2 Lending

be a creditor in respect of any Financial Indebtedness, other than a Permitted Loan;

1.3 Negative Pledge

create or permit to subsist any encumbrance over any of its assets, other than Permitted Security;

1.4 Dividends

(a) declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital);

(b) repay or distribute any dividend or share premium reserve;

(c) redeem, repurchase, defease, retire or repay any of its share capital or resolve to do so; or

(d) make any distribution of assets or other payment whatsoever in respect of share capital whether directly or indirectly;

(e) redeem, repurchase, defease, retire or repay any redeemable preference share or resolve to do so; or

(f) declare, make or pay any amount or make any distribution whatsoever (whether in cash or in kind) on or in respect of any shares which have been constituted due to a conversion of loan notes or resolve to do so.

1.5 Disposals

enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer, licence, surrender, set-off or otherwise to dispose of all or any part of any Property, shares, account or rights under a contract subject to a Security Document, without the Agent's prior written consent, unless the proceeds of such disposal are sufficient, and are used, to repay in full all amounts outstanding under or in connection with this Deed;

1.6 Joint Venture

form, enter into, invest in or transfer any asset to any partnership, consortium or joint venture entity or any other incorporated or unincorporated association for the purposes of any business or form or acquire any subsidiary undertaking (as defined in section 1162 of the Companies Act 2006);

1.7 Merger

enter into any amalgamation, demerger, merger or corporate reconstruction, without the prior consent of the Holders by Ordinary Resolution;

1.8 Change in business

change the general nature of its business;

1.9 Scheme

establish any pension or life insurance scheme, or any bonus, profit sharing, share option or other incentive scheme for its directors or employees;

1.10 Project Documents

amend, vary, waive, novate, supplement or replace (or procure or allow any other party to do so in respect of) any Project Document or any material term thereof unless:

1.10.1 required by any applicable law; or

1.10.2 approved by the Agent; and

1.11 Conversion

convert the Debentures or any repayments of Principal or payments of Interest in relation to the same into shares or any other securities of the Issuer without the sanction of a Special Resolution in accordance with the Schedule to the Abundance Terms and Conditions.

The legal agreement

Schedule 6 Cash Return Schedule

Payment period ending	Interest payment in cash (£)	Interest rolled up to maturity (£)	New amount for interest calculation (£)	Capital repayment (£)	Deferred interest payment (£)	Total cumulative cash paid (£)
30 September 2022	94,257.54	94,257.54	4,794,257.54			94,257.54
31 March 2023	95,622.45	95,622.45	4,889,879.99			189,879.99
30 September 2023	98,065.54	98,065.54	4,987,945.53			287,945.53
31 March 2024	100,032.22	100,032.22	5,087,977.75			387,977.75
30 September 2024	102,038.35	102,038.35	5,190,016.10			490,016.10
31 March 2025	103,515.94	103,515.94	5,293,532.04			593,532.04
30 September 2025	106,160.70	106,160.70	5,399,692.74			699,692.74
31 March 2026	107,697.98	107,697.98	5,507,390.72			807,390.72
30 September 2026	110,449.59	110,449.59	5,617,840.31			917,840.31
31 March 2027	112,048.98	112,048.98	5,729,889.29			1,029,889.29
30 September 2027	114,911.75	114,911.75	5,844,801.04			1,144,801.04
31 March 2028	117,216.29	117,216.29	5,962,017.33			1,262,017.33
30 September 2028	119,567.03	119,567.03	6,081,584.36			1,381,584.36
31 March 2029	121,298.45	121,298.45	6,202,882.81			1,502,882.81
30 September 2029	124,397.54	124,397.54	6,327,280.35			1,627,280.35
31 March 2030	126,198.91	126,198.91	6,453,479.26			1,753,479.26
30 September 2030	129,423.20	129,423.20	6,582,902.46			1,882,902.46
31 March 2031	131,297.34	131,297.34	6,714,199.80			2,014,199.80
30 September 2031	134,651.90	134,651.90	6,848,851.70			2,148,851.70
31 March 2032	274,704.62	-		4,700,000.00	2,148,851.70	9,272,408.02
	2,423,556.32	2,148,851.70		4,700,000.00	2,148,851.70	

The legal agreement

Signature page to the Debenture Deed between the Issuer and Abundance Investment Ltd

The Issuer

Executed as a Deed by)
Carbon Plantations)
Limited)
acting by)

Title: Director

Name:

In the presence of:

Witness Signature:

Witness Name:

Witness Occupation:

Witness Address:

.....

.....

The Arranger

Executed as a Deed by)
Abundance Investment Ltd)
acting by)

Title: Director

Name:

In the presence of:

Witness Signature:

Witness Name:

Witness Occupation:

Witness Address:

.....

.....

The Agent

Executed as a Deed by)
Abundance Investment Ltd)
acting by)

Title: Director

Name:

In the presence of:

Witness Signature:

Witness Name:

Witness Occupation:

Witness Address:

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Our service providers

Issuer, we or us:

Carbon Plantations Limited

11 Campion Road
Putney
London SW15 6NN

Legal advisors to Carbon Plantations:

Shepherd and Wedderburn LLP

1 Exchange Crescent
Conference Square
Edinburgh EH3 8UL

Arranger and distributor:

Abundance Investment Ltd (Abundance)

16 Linen House
253 Kilburn Lane
London W10 4BQ

Legal advisors to Abundance:

Keystone Law Limited

48 Chancery Lane
London WC2A 1JF

TLT LLP

1 Redcliff Street
Bristol BS1 6TP

The Finance Documents, as defined in the Deed on page 39, can be made available on request.

Terms and conditions for the use of the Abundance service are available at www.abundanceinvestment.com

We would like to thank you for taking the time to read our Offer Document. We accept responsibility for the information it contains, which is true to the best of our knowledge and belief (having taken all reasonable care to ensure this is so) and reflects the facts without omitting anything which could affect its importance.



Nigel Couch, John Purslow and Matthew Riddiford
Directors of Carbon Plantations Limited