

**Execution Copy**

Dated **16 MAY 2006**

Between

Tradewinds Plantation Management Sdn. Bhd.

and

BioX Carbon Malaysia Sdn. Bhd.

**BUSINESS COLLABORATION  
AGREEMENT**

This Agreement is made on **16 MAY 2006** between:

(1) Tradewinds Plantation Management Sdn. Bhd. (Company No. 723342-V), a company incorporated in Malaysia with its registered office at 13<sup>th</sup> Floor, Menara Tun Razak, Jalan Raja Laut 50250 Kuala Lumpur ("TPM");

and

(2) BioX Carbon Malaysia Sdn. Bhd.(Company No. 733320-K), a company incorporated in Malaysia, with its registered office at Upper Penthouse, Wisma RKT, No.2, Jalan Raja Abdullah, Off Jalan Sultan Ismail, 50300 Kuala Lumpur ("BioX");

**Recitals**

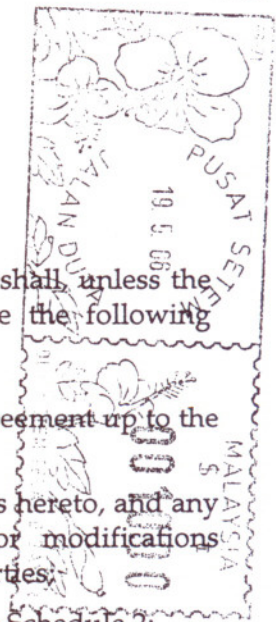
- (A) BioX is a wholly owned subsidiary of BioX Group B.V.
- (B) TPM is a wholly owned subsidiary of Tradewinds Plantation Berhad ("TPB") and has been appointed by the subsidiaries of TPB which are involved in oil palm plantation business to provide estate management services to their oil palm estates and mills.
- (C) BioX is one of the leading suppliers of sustainable biofuel blends for power generation in the European market and has the expertise in the development of CDM-Projects.
- (D) BioX wishes to carry out the CDM-Projects in Malaysia and TPM has expressed its interest in collaborating in the CDM-Projects in the manner set out in Clause 5.1.
- (E) On the basis of the foregoing, the Parties have now agreed to execute this Agreement to document the agreement of the Parties on the general scope of their respective rights, obligations and responsibilities and some salient undertakings in relation thereto.

**It is agreed as follows:**

**1 Definitions and interpretation**

1.1 The following words and expressions contained in this Agreement shall, unless the context otherwise requires or explicitly provides otherwise, have the following meanings:

- Agreed Time Period** the period between the date of this Agreement up to the Date of Completion;
- Agreement** this agreement, including the schedules hereto, and any supplemental written amendments or modifications agreed in writing and signed by the Parties;
- Audits** the audit parameters attached hereto as Schedule 2;



<b>BioX Box</b>	a containerised gas engine, flare and monitoring equipment designed by BioX engineers;
<b>Business Day</b>	a day excluding Saturday, Sunday and public holidays, on which banks are generally open for business in Kuala Lumpur;
<b>Certifying Party</b>	SIRIM Berhad;
<b>CDM</b>	Clean Development Mechanism in the meaning of the Kyoto Protocol;
<b>CDM-Projects</b>	projects contributing to a reduction of greenhouse gases, which result in the generation of the CERs, as designed in the CDM stipulated in the Kyoto Protocol;
<b>CERs</b>	Carbon Emission Reduction certificates in the meaning of the Kyoto Protocol;
<b>Date of Completion</b>	the date more particularly defined in Clause 5.1;
<b>Defined Objective</b>	the objective defined in Clauses 5.1;
<b>Host Country</b>	Malaysia;
<b>Kyoto Protocol</b>	the 1997 Protocol of the United Nations Framework Convention on Climate Change as agreed in Kyoto (Japan);
<b>Mills</b>	any and all palm oil mills directly or indirectly 100% owned by TPB as listed in Schedule 1 as well as any future mills directly or indirectly 100% owned by [TPB];
<b>Monitoring Protocol</b>	the monitoring protocol with respect to the Pilot Project attached hereto as Schedule 3;
<b>Output Parameters</b>	the output parameters as laid down in the Monitoring Protocol that have to be met with respect to the Pilot Project;
<b>Pilot Project</b>	has the meaning set out in Clause 5.1;
<b>Project Development Agreement</b>	the agreement to be entered into between the Parties with respect to the exclusive development of the CDM-Projects by the Parties at the remaining Mills;
<b>Project Site</b>	palm oil mill effluent and waste water treatment area, with interconnection to the electricity line and/or boiler of the Subject Mill;

**Relevant Authorities** the government of Malaysia and any state, territory, province, county, municipality or other political subdivision thereof, and includes any governmental body, agency, authority, department, board or commission or any instrumentality or officer, or official of any of the foregoing, and any court, tribunal or committee exercising any executive, legislative, judicial, regulatory or administrative functions of government, including but not limited to the Ministry of Natural Resources and Environment;

1.2 Unless otherwise indicated in this Agreement:

- a) all references to articles and schedules are references to articles and schedules in this Agreement;
- b) all words denoting the singular shall include the plural and vice versa;
- c) the index and the clause headings are included for convenience only and they shall not affect the construction of this Agreement; and
- d) the schedules deemed to be incorporated in this Agreement, and a reference to "this Agreement" includes a reference to the schedules.

## 2 Mutual Consideration

2.1 In consideration of the mutual agreements and undertakings herein set out, the Parties have granted the rights and accepted the obligations hereinafter appearing.

2.2 The Parties hereby agree and undertake to use their best endeavours to enable the successful implementation of the Pilot Project.

## 3 Contribution and Obligations of TPM

3.1 TPM hereby agrees, undertakes and covenants to BioX as follows:-

- a) to grant BioX full access to the Project Site at the Subject Mill during the Agreed Time Period;
- b) the exclusive right to develop the Pilot Project at the Subject Mill within the Agreed Time Period; and
- b) to assist BioX in all applications for approval of the Pilot Project and/or to achieve the Output Parameters.

3.2 TPM further warrants and undertakes to BioX that the Subject Mill meets with and will continue to meet the Audits for a period of 2 years or a period of sufficient time to allow BioX to fully recover its total cost of investments, whichever is the earlier.

## 4 Contribution and Obligations of BioX

- 4.1 BioX hereby warrants and undertakes to TPM that it has all the necessary expertise, know how and manpower to realise the Defined Objective of the Pilot Project at the Subject Mill and that it shall do all the necessary to achieve the Output Parameters for the Pilot Project as part of the Defined Objective including but not limited to applying for all necessary authorisations from the Relevant Authorities, design, engineering, procurement and construction of the Biox-Box.
- 4.2 BioX further agrees to be solely responsible for all costs and expenses incurred in connection with the execution and implementation of the Pilot Project at the Subject Mill, and that subject to Clause 6.3 below, TPM will not be liable for any costs or expenses incurred in the execution, implementation and certification of the Pilot Project.
- 4.3 BioX further warrants and undertakes that the implementation and execution of the CDM-Project at the Subject Mill will not cause the quality of the effluent to be discharged to deteriorate from the level established immediately prior to the commencement of the CDM-Project at the Subject Mill and/or beyond the limits prescribed by the Relevant Authorities.
- 4.4 BioX further agrees to be responsible for any physical damage to the Subject Mill which is directly or indirectly caused by the act, neglect or default of BioX, its servants or agents in the implementation and execution of the Pilot Project at the Subject Mill.

## 5 Pilot Project

- 5.1 The Parties will identify one of the Mills (hereinafter referred to as the "Subject Mill") within four (4) weeks from the date of this Agreement, at which the pilot CDM-Project will be implemented (hereinafter referred to as the "Pilot Project").
- 5.2 The Parties hereby acknowledge and agree that the purpose of the Pilot Project is to determine if the objective of the CDM-Projects ("Defined Objective") can be achieved at the Mills.
- 5.3 The Defined Objective shall be met by way of the successful implementation of the Pilot Project which success shall be determined by:
- (a) the ability of the Pilot Project to achieve a Payback Period of equal to or not more than 3 years based on the formula of:  
*Payback Period = Total Cost of Investment / Annual Net Profit After Tax; and*
  - (b) the satisfaction of the Output Parameters within 3 months, or such other later period as may be mutually agreed to in writing by the Parties, from the date on which BioX obtains the last of the approvals from the Relevant Authorities to commence the Pilot Project (the "Date of Completion").
- 5.4 For the purposes of Clause 5.3, the Parties hereby agree that :
- (a) BioX shall obtain the last of the approvals from the Relevant Authorities to commence the Pilot Project within a period of not more than six (6) months from the date of this Agreement, or such other later period as may be mutually agreed to in writing by the Parties PROVIDED THAT where the

## SCHEDULE 1

## Palm Oil Mills

No.	Name	Location	Capacity (mt/hr)
1.	Binu Palm Oil Mill	Miri, Sarawak	40mt/hr ✓
2.	Batu Putih Palm Oil Mill	Sandakan, Sabah	45mt/hr
3.	Permai Palm Oil Mill	Lahad Datu, Sabah	40mt/hr ✓
4.	Ladang Serasa Palm Oil Mill	Gua Musang, Kelantan	40mt/hr
5.	Ulu Sebol Palm Oil Mill	Kota Tinggi, Johor	40mt/hr
6.	Sungai Kachur Palm Oil Mill	Kota Tinggi, Johor	45mt/hr