
LOWELL CAPITAL LIMITED

ABN 60 006 844 588

AFSL: 241175

1 June 2012

Dear Grower

On behalf of the Directors of Lowell Capital Limited, I am pleased to offer you the attractive opportunity to invest in the HVT Land Scheme, which intends to acquire high quality agricultural land in Queensland and the Northern Territory.

The Properties, which will be purchased from Great Southern HVT Holdings Pty Ltd (In Liquidation) (**GSHVT**) at an estimated 70% discount to unencumbered market value, are under long term lease to the Great Southern 2007 High Value Timber Project and Great Southern 2008 High Value Timber Project (**HVT Projects**). Growers with interests in HVT Projects are offered interests in this Fund on a preferential basis.

The key features and benefits of the Offer are:

- The Fund is offering 10,667 units at \$375 per unit to raise up to \$4,000,000 to purchase the land and pay transactional and related costs;
- The subscription price of \$375 per unit represents a discount of over \$900 on the Directors' valuation of \$1280 per unit based on subscriptions of \$2,500,000 to this offer (refer to the PDS for details);
- Prospective investors may apply for as many units as they wish. Growers with interests in HVT Projects will be provided with a preferential allocation of units in the Fund based on a 1:1 ratio with the Woodlots issued to them in the HVT Projects;
- If the Fund is fully subscribed the Properties will be purchased and held free of any mortgage;
- In case the Fund is not fully subscribed, Lowell is in the final stages of negotiating a Debt Facility which may be utilized to fund any shortfall. However, Lowell intends to raise further equity through property sales and pay off any debt, as soon as possible;
- Successful capitalization of the Fund offers Growers the opportunity to support their forestry investment through the Fund's ownership of the Properties; and
- Investors will participate in the benefits from any capital growth in the value of the Properties when the Properties are eventually sold.

Full details of the Offer are contained within the Product Disclosure Statement and we recommend that you read the document entirely and consult your professional advisor as to the suitability of this investment for you.

Background to the Offer

The Offer to subscribe for interests in HVT Land represents the commencement of the final stages of a long, arduous and high cost process for Growers in the HVT Projects which began with the insolvency of Great Southern Limited and its subsidiaries.

Lowell negotiated an agreement with the Liquidator of GSHVT to purchase the Properties at a deep discount to the unencumbered market value of the Properties unencumbered by leases. As part of this agreement, some non-viable land was surrendered for the Liquidator to sell. It was originally envisaged that the majority of the funds required to complete the Land Transaction would be borrowed and the Fund would be highly leveraged.

Capital Management Policy

Banks are unwilling to lend to Forestry MIS schemes in the current environment, and although Lowell is likely to secure access to a short term high interest rate Debt Facility which effectively underwrites this transaction, the Lender requires that the Growers in the HVT Projects specifically approve the borrowing terms at a meeting to be held next month. Details of this meeting are contained within a meeting booklet which will be mailed to you in the next few days.

It is Lowell's view that this Fund will be more financially secure and potentially provide better returns to investors if the Fund is fully subscribed and is debt free. In the event that borrowings are required to complete the Land Transaction, due to the high cost of borrowing and the short term nature of the facility, it will be in the best interests of investors to sell some properties and pay down debt as quickly as possible.

In conclusion, I commend the Offer to you as an investment which offers investors both the opportunity to support the HVT Projects and to participate in a stable, long term investment in prime agricultural land.



Michael Ramsden
Chairman

Application Form for Units in Lowell Capital Limited – HVT Land Scheme (ARSN 154 154 033)

Responsible entity: Lowell Capital Limited (ACN 006 844 588 / AFSL No 241175)

Fill out this Application Form if you want to apply for Units in Lowell Capital Limited – HVT Land Scheme.

Potential Applicants should read the entire PDS carefully before completing this form. To meet the requirements of the Corporations Act, this Application Form must not be distributed unless included in, or accompanied by the PDS.

Applicants have the opportunity to apply for as many units as they would like at the price of \$375 each. Upon allocation, the Applicant will be informed of whether they have been allocated the full or partial amount of Units applied for. Where an Applicant has been granted fewer Units than applied for, a refund of application moneys will be given.

Please read the declarations on the reverse of this Application Form before signing it.

1. INVESTMENT

Item.	Amount
Grower Number (if applicable) Number of woodlots held	
Growers – Investment amount applied for on each of the following bases: (a) Woodlots held (1 Unit per Woodlot multiplied by \$375 per Unit): (b) Increased contributions (1 Unit per increased contribution multiplied by \$375 per Unit): (c) Surplus (in multiples of \$375)	
(d) Non-Grower applicants – Amount to be invested (in multiples of \$375.00)	
Total investment amount (number of Units multiplied by \$375.00)	\$

2. APPLICANT TYPE

- if you are an individual, applying as joint individuals or a sole trader, go to section 3A
- if you are a company or a partnership, go to section 3B
- if you are a trustee of a trust, go to section 3C

3. APPLICANT DETAILS

3A. INDIVIDUALS / SOLE TRADERS

Full name and date of birth	Dr/Mr/Mrs/Ms/Miss	Date of Birth
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Name of Joint Applicant (if applicable)

Full name and date of birth	Dr/Mr/Mrs/Ms/Miss	Date of Birth
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Address Residential Address	
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Suburb/Town/City	State	Postcode
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ABN

Telephone

Home	Work
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Mobile	Fax
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Email Address	
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TAX FILE NUMBER

TFN*

3B. TRUSTEE(S)

Full name of company as registered by ASIC

Company's Registered Office Address

Suburb/Town/City State Postcode

Company's principal place of business (if different from registered office)

Suburb/Town/City State Postcode

ACN ABN

Telephone
Direct Office

Mobile Fax

Email Address

If the company is a proprietary company, please provide the name of each director of the company.

**If more space is required please attach on a separate page*

TAX FILE NUMBER

TFN*

3C. TRUSTEE(S)

Full name of Trustee(s)

Full name Trust

Type of Trust Country of Establishment

TAX FILE NUMBER

TFN*

- if individual trustee, **must** also complete section 3A
- if corporate trustee, **must** also complete section 3B

Trustees **must** also provide the following identification document (as well as any required by section 3A, if applicable):

- certified copy or certified extract of the trust deed

Return this form and relevant certified identification documents to Real Management Services Pty Ltd, PO Box 1621, Mount Gambier, SA 5290 along with a cheque (if EFT is not used) for your application moneys made payable to The Trust Company (Australia) Limited ACF Lowell Capital Limited – HVT Land Scheme.

Cheques should be crossed "Not Negotiable".

Declarations

By signing the Application Form, you make the following declarations:

- to be bound by the provisions of the Constitution as amended from time-to-time;
- all details in the Application Form are true and correct;
- that Lowell will be entitled to deduct monies payable on withdrawal of any or all units on account of all taxes or duties paid or payable by them in respect of the investment application or withdrawal;
- for joint investors, to hold the units as joint tenants;
- you have the legal authority to invest in the Fund;
- you have read the Product Disclosure Statement dated 29 May 2012 to which this Application Form is attached;
- you acknowledge that Lowell reserves the right to evaluate any application and to reject or scale back any or all applications submitted and it will be under no obligation to provide any reasons for a rejected application or an application that has been scaled back; and
- any application is made at your sole risk and you agree to bear the full costs or expenses incurred in the application.

** Collection of TFNs is authorized and their use and disclosure regulated by taxation laws and the Privacy Act. Quotation of your TFN is not compulsory and will not affect your application. However, if no TFN is quoted, tax may be taken out of any distribution paid to you at the highest marginal tax rate plus the Medicare Levy.*