

What is ECOSHARE

- A long-term solution to conserve tropical forests and marine ecosystems and counteract global warming
- A pragmatic approach to conservation
- A means of owning part of an ecosystem – managed by ECOSHARE and local partners sharing the financial rewards of ecosystem conservation
- A people-based, for-profit ecosystem conservation initiative, whereby safeguarding the environment produces profit

Summary

A holistic, socio-economic commercial development strategy, interlinked with forest and marine ecosystem conservation, is central to truly sustainable development. The ECOSHARE concept balances a fair share for communities, with hard nature conservation to create a diverse return on investment for all involved. The innovative concept of unlocking island and forest economic potential is valuing entire areas and selling shares in our ECOSHARE long-term leases.

Around 85% of people in PNG are located in hard-to-reach, rural areas. They live at subsistence level, with little prospect for improvement. Most often the only alternative to gain increased income is logging, which results in forests being replaced by industrial size, monoculture plantations and open pit mining.

TRP - ECOSHARE Pte Ltd Netherlands-Singapore has entered into collaborative leasing and management agreements with local clans in four areas of Papua New Guinea, together with Lalpweh Ltd, and ECOSERVE Ltd in Papua New Guinea. ECOSHARE owns long-term leases to tropical forest and marine ecosystem lands and coastal waters which are owned by PNG landowner clans. Offering shares in these leases allows us, working together with the clan communities, to protect, develop, and implement commercial conservation. ECOSHARE is **registered as a foreign business** Papua New Guinea.

Concept and realization

- As an alternative to clearcutting of ancestral forests and over-exploitation of other natural resources, PNG landowners and local communities, who remain the legal guardians of forests and marine areas, have provided full land-use leases to ECOSHARE. This allocation of biological, living resources will create local jobs, monetary rewards, and direct ECOSHARE support for basic livelihood requirements, education and medical care for all participating clan communities.
- ECOSHARE certificates are sold on a per-hectare basis to investors. ECOSHARE and landowners ensure returns that profit both investors and landowners, and preservation of ecosystems rich in biodiversity, and returns profits to investors and landowners.
- Conservation of forest- and marine-based ecosystems will aid in the preservation of the global ecological system and support attenuation of global warming.
- Investors will gain financial returns as share certificates increase in value over time and through new, sustainable business activities in the areas under management by ECOSHARE. Shares can be traded after the company goes public by 2021/2022.

It is through ECOSHARE's capital investments in these areas that the value of the shares will increase. ECOSHARE will focus on the production of renewable energy, safe drinking water, shelter, food crops, education and medical care to improve the livelihood of landowner clans in PNG, in return for conservation and sustainable businesses. ECOSHARE will produce dividends for investors with our pragmatic commercial conservation approach. This will be achieved by growing and harvesting local forest products; developing sustainable fisheries; initiating high-end bird watching tours, forest

tracking, and small-scale alluvial gold retrieval. We own intellectual property rights on medicinal plant commercialisation and the containment of disease vectors.

Short term return on investment:

ECOSHARE Pte Ltd intends to become a publically traded company within five to six years. Thus, share certificates will be transferred into tradable shares. We anticipate a large increase in value of certificates by the time we go public. ECOSHARE will handle all commercial sales and investment activities. Two local companies related to landowners will be contracted to implement activities. ECOSERVE Ltd, and Lalpweh Ltd will implement all in-country activities and management of the forest and marine lease areas in close cooperation with owners and their communities. TRP will lead and oversee all activities and start-up of companies, as well as all conservation and research and development implementation. All operations, expenditures and ownership will be highly transparent and audited.

Objective

ECOSHARE will only implement policies compatible with environmentally sustainable, commercial activities. **No forests will be ever cut down, no reefs will be over-exploited, no ecosystem will be destroyed.** A return on investment is provided to landowner clans and ECOSHARE investors alike. This will lead to true people-based, commercial, hard nature conservation.

Value allocation and the maintenance of forests and marine ecosystems is the key to ECOSHARE's attractiveness for both investors and land owner communities. Only limited pre-arranged, sustainable harvest quotas will be provided to fulfil local communities' basic livelihood and traditional requirements. Sustainable development of biological assets will only be considered when not in conflict with ECOSHARE's conservation mission. PNG landowners clans have agreed to certify and sign binding contracts with ECOSHARE. Legal rights and certification have been provided to ECOSHARE according to Papua New Guinea's customary law, national land ownership laws and land department sublease contracts. ECOSHARE will actively support and invest in new certification by traditional landowners to legally register additional forestlands and marine areas all over PNG.

How ECOSHARE operates

- ECOSHARE has signed sublease agreements for large ecosystems; it sells share-certificates in these ecosystems per hectare
- Pricing: tied to quality, size, feasibility of commercial projects, logistics, landowner offers and wishes.
- These ecosystems areas are managed by local counterparts and JV companies, in direct cooperation with landowning clans
- The lease areas are divided into 3 zones: hard conservation zones, traditional use zones, and buffer zones. Certificates representing one hectare in the first 2 zones are being sold at escalating prices. After a minimum of five years, certificates will be transferred to company shares and can be traded on the Singapore stock exchange.
- ECOSHARE distributes profits to both the traditional landowners and investors
- ECOSHARE develops sustainable methods to commercialise ecosystems, to benefit both landowners and investors; for example, sustainable fishing of blue-fin tuna, sustainable harvesting of [fragrant] eaglewood, development of tourism, and prospecting the forest for both curative and preventative pharmaceutical products; ECOSHARE contractually owns intellectual property rights in our ecosystem leases

- 20% of capital raised will be invested in secure [government] bonds and held in a Singapore escrow account
- 45% of capital raised will be used to pay for the set-up of local small – medium enterprises (SMEs) equipment purchase, and provision of services and employment based on a living wage principle
- 20% of capital raised will be distributed in cash to all landowners, over time (including dividends of 5-6% to investors)
- 15% of capital raised is allocated to operating costs

ECOSHARE's impact: ECOSHARE provides an alternative to the highly destructive open pit mining and industrial plantations such as palm oil which plague Papua New Guinea, destroy forest and seas, and provide little to no benefit to the vast majority of landowner clans

- Total protection of land and marine-based ecosystems
- First-line medical intervention followed by establishment of a healthcare clinic and maintenance of a long-term health care insurance plan
- Provision of clean and safe water and sanitation facilities
- Promotion of food security through improved agricultural practices in buffer zones
- Support for transportation infrastructure
- Generation of electricity with small-scale hydro and solar power
- Support of all levels of education
- Connection to communication networks
- Establishment of community facilities with a special focus on women and children

See: Contracts and Forward Contracts

ECOSHARE PNG Assets Under Contract or Negotiations

Primary and secondary forests, beaches, and [coral-] reefs form the backbone of this new socio-economic, commercial, conservation-based development. Ecosystem leases will be directly managed by our local partner service companies and local communities.

Assets within Ecoshare leases: Trees, Medicinal plants (including intellectual property rights), carbon sink, clean air and water, hydro-power, sustainable agricultural development, flora and fauna ecosystem conservation, and tourism.

Geological assets belong by law to the Government of Papua New Guinea; access to these assets is specified in ECOSHARES' agreements with landowners. These may include coal, gas, oil, or gold deposits, and hydropower. ECOSHARE will use its ownership rights to avoid exploitation of these assets, with the possible exception of small-scale hydro-electric power for local use and sustainable, non-toxic recovery of small-scale alluvial gold deposits.

The company will pay for, maintain support [and] transfer to landowners - local clans:

- A percentage of ECOSHARE certificates/cash deposits, relative to size and quality of assets, will be held in ESCROW for long-term disbursement
- Yearly cash returns
- Employment, solely for community members, to directly guard and protect the land, forest and marine areas and other support activities
- Basic healthcare clinic and establishment of health insurance plan with cash fund
- Means of transport
- Support for clean, safe water sources
- Support for food security

- Solar energy
- Communication/internet access
- Direct, basic, community development such as schools and stipends for students
- Social development activities, with a special focus on women and children
- Equipment, financial and advisory support

Transparency:

- We work with a Singapore auditor and abide by stringent Singapore financial and business regulations
- ECOSERVE LTD PNG will be audited by a well-established company in PNG
- TRP ECOSHARE involvement is regulated and will be audited in The Netherlands
- All relevant information will be published on our website; we aim to provide complete transparency and openness
- Our financial statements will be published