



Caribbean Vacation Home & Tropical Hardwood Opportunity

THIS CONFIDENTIAL MANAGEMENT OVERVIEW IS NOT AN OFFERING. ANY OFFERING IS CONDITIONED UPON A DELIVERY OF A CONFIDENTIAL INFORMATION MEMORANDUM AND SUPPORTING DOCUMENTATION.

Contact:

LaQua Plantations International
Phone: (605) 212-9334
Email: LAQUADL@YAHOO.COM
Attention: David LaQua

LaQua Plantations International

Caribbean Vacation Home & Tropical Hardwood Opportunity

LaQua Plantations International seeks individuals interested in a land development and tropical hardwoods initiative in the nation of Belize. The development, La Selva De LaQua, includes 26 home site lots and hardwood plantation on 19.2 acres. The development is presently planted in teak, representing a projected harvest value of \$8 to \$12 million cumulative return over the next 20 years.¹

Lot sizes average 12,700 square feet, ranging from 10,900 to 14,750 square feet as shown on the site plan on page 4. Lots are priced from \$35,000 to \$55,000 depending on size, location and the number of trees planted within the lot boundaries. Teak trees located in the common area may be purchased in 100-tree allotments for \$5,356 per 100 trees. The projected cumulative return from the thinning and final harvest of 100 teak trees is over \$100,000 as shown on page 5 in the Teak Projections Table.

The combination of (a) comparable home site prices and (b) comparable prices of teak acreage suggest that the lots will increase substantially in value as the plantation matures. All teak trees were grown in the nursery of LaQua Plantations International.

The nursery manager will provide a guided tour and explain the plantation process from germination to harvest. That tour is just a phone call or email away.

Caribbean Mountainside Lots & Trees

Many of the home site lots of La Selva De LaQua enjoy Caribbean Sea views. All of the lots benefit from the soft Caribbean breezes that caress those who choose to spend time in this soothing tropical environment. From La Selva De LaQua to the Caribbean you are only a 15-minute drive from fishing, diving and snorkeling in the warm clear waters of the Caribbean Sea.

The plantation common area includes a strong running spring-fed creek and several beautiful waterfalls. Thatch-covered sitting and eating areas built from native materials enable owners to relax and enjoy the natural beauty of the entire development planted in teak trees, flowers, fruits and vegetables. Management of the trees throughout the development will remain with LaQua Plantations. The owners of LaQua Plantations maintain a vested interest in the quality of teak grown by retaining ownership of a percentage of the trees and land in the common areas. This provides peace of mind for individual tree owners knowing that their trees will be maintained with the utmost of care. The mission of LaQua Plantations is to grow top-quality teak generating the highest returns and complementing the development La Selva De LaQua.

The plantation is located in Pomona Valley, Stann Creek District, Belize. Because of its mild climate and the fertility of the land, agricultural growers regard this as the most desirable area of Belize. The nursery manager for LaQua Plantations was previously Director of the National Forestry Department of Belize for 34 years and advised in identifying the ideal growing location. The Head Groves Manager for Citrus Products of Belize, the largest agricultural company in Belize, is also employed by LaQua Plantations, providing a weekly report on current work being performed. On request, one of these specialists can meet or speak with interested parties.

¹ This value assumes the entire acreage remains in teak for harvest at maturity. LaQua Plantations International prefers to develop this property for mixed use, both residential and a working plantation.

Land & Teak Values

Depending on size and where rows of planted teak cross the lots, each lot includes approximately 150 to 250 teak trees. At maturity, harvested and milled mature teak trees are valued at \$5,000 to \$8,000 per tree with the price depending largely on the quality and diameter of the tree. Many trees are harvested before maturity to provide more spacing for growth of the largest trees. Trees harvested before maturity produce interim revenue prior to harvesting trees that reach full maturity. LaQua Plantations will carefully monitor tree growth to know the precise time to harvest young and mature trees to generate top end returns.

A typical home site lot will include roughly 30-50 trees that reach full maturity. Depending on trunk size and the quality of the lumber, the combination of interim cuttings and mature trees will generate income of \$150,000 to \$400,000. For those who wish to build a home on their lots, trees will be removed as required to accommodate any building(s) you wish to construct. A 30'x40' home (1200 square feet or 2400 square feet with a second story) will require the removal of 40–60 trees or 20-25%, depending on lot size and the space required for surrounding amenities such as decks, parking, swimming pool, etc. Visit <http://www.laquaconstruction.com> for information on our building services.

LaQua Construction International offers custom home building services. Examples of house plans are available upon request. All modern amenities, such as high speed Internet, can be provided. The lot price includes the care and maintenance of the teak trees to maturity.

Those who purchase home site lots will have ownership with no restrictions on sale or transfer. This is not leased land and there is no government or local citizen involved in ownership of the property. Belize is similar to the United States when closing the purchase of a property. As in the U.S., the anticipated timeframe to complete your purchase will include a survey, a title search and the preparation of legal documents to ensure your unencumbered ownership.



One of the waterfalls on the development.



Just 15 minutes from the development.

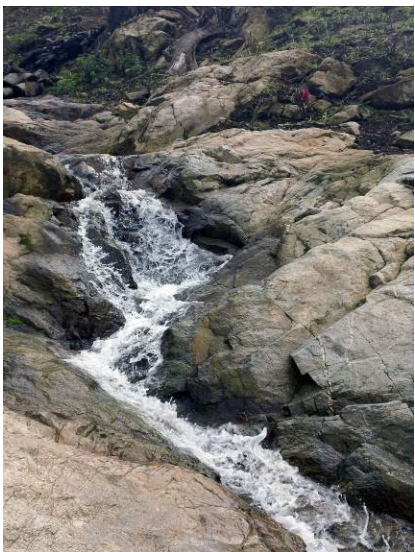
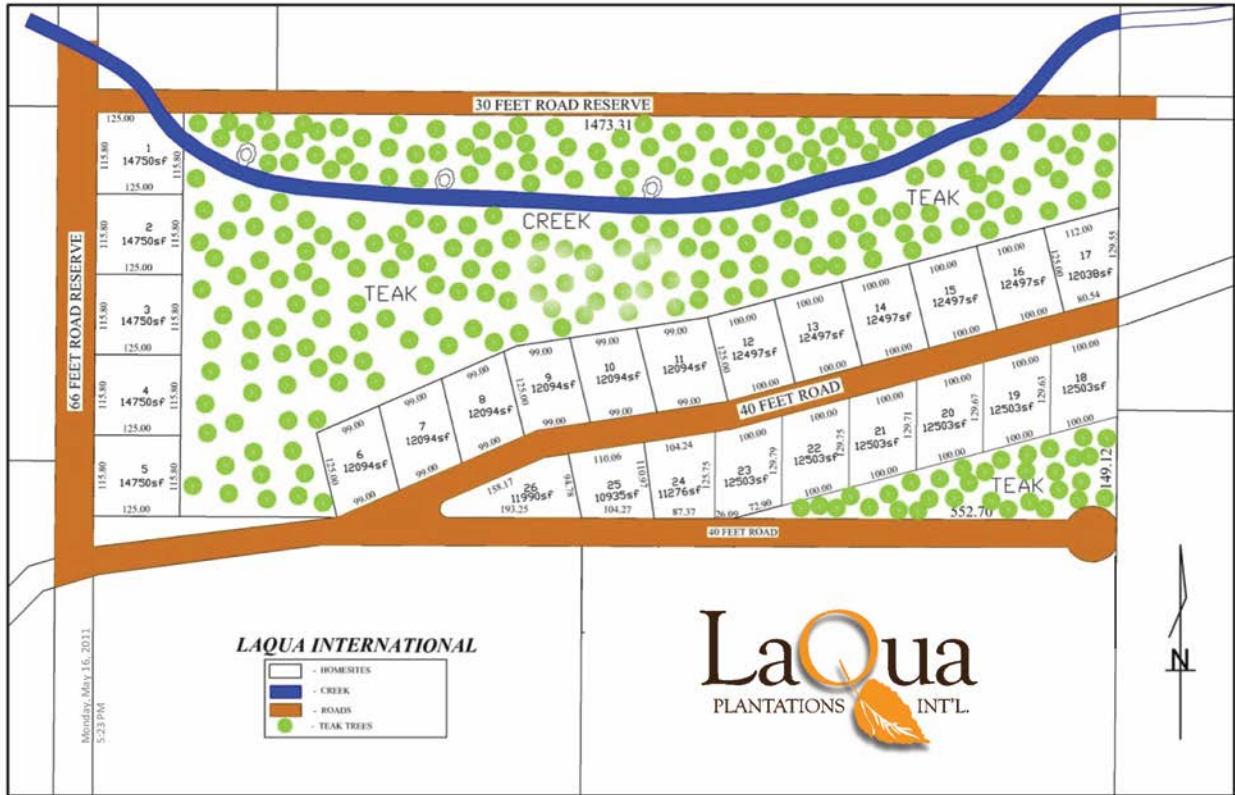


LaQua Plantations teak tree nursery.



Lumber from trees on the plantation.

La Selva De LaQua Home Site Development & LaQua Plantations International Teak Tree Plantation



Enjoy hiking along the creek at the base of the plantation or relax and take in the Caribbean views from home site lots on the top of the development. Yes, you can own a piece of paradise!

Teak Plantation Projections

One of teak's major advantages is the amount of available technical information on production, management and returns as the species has been researched and grown across a wide variety of sites worldwide. The earliest yield table for teak plantations dates to 1932.

"Real prices for timber have steadily risen for more than 100 years—better performance than any commodity."² – Smart Money Magazine

Teak plantations offer one of the best values and highest yields in the timber sector. As a high-performing niche segment of the broader hardwoods sector, teak is best managed by smaller privately owned hands-on companies, as opposed to remote multinational operators. This allows for better quality care and improved returns. Participation in a teak plantation in Belize offers optimal soil and climate conditions for maximum yield. A \$10,712 commitment gives you personal ownership of 200 teak trees. In approximately 20 years, the projected return on \$10,712 is over \$200,000. This conservative estimate is based on the historical appreciation in the value of teak and the projected future demand [as shown in the table below].

Teak trees are regularly pruned to provide higher quality grain with fewer knots. The plantation is thinned (select trees harvested) to create more space for larger trees. This process occurs multiple times between years 5 and 17. The returns from these interim harvests yield an annual return of 11%, with a total overall return of over 500% on the initial commitment.

The remaining trees reach full maturity in approximately 20 years. The projected cumulative return from all trees, both early harvests of smaller trees and the mature trees, is approximately 20 times the initial \$10,712 commitment, or \$200,000. One of the major differences between teak and other commodities is that trees continue to grow regardless of market conditions. Teak has a solid history of sustained value and reliable returns, including a positive correlation between the increase in tree size and the increase in market value.

This important biological factor protects and grows your wealth.

Teak – 20-Year Final Harvest - 200 Newly Planted Trees at a 10% Yearly Value Increase

<i>Total Trees (planted)</i>	<i>Trees Removed</i>	<i>Tree age (years)</i>	<i>Net profit (USD) Cumulative*</i>	<i>Annual % Return</i>	<i>Total % Return</i>
200	30 (cut loss)	0	0	0	0
170	50	0-7	\$564	1%	6%
120	36	8-10	\$2,188	2%	22%
84	30	11-13	\$21,642	9%	216%
54	20	14-17	\$52,194	11%	522%
34	34	18-20	\$202,670	17%	2025%

*Net profit is the total sum to be returned after harvesting, processing, and management fees have been subtracted.

**Projections in the table above are based upon approximate mill-run teak lumber prices from the thinning and final harvest of seed-grown teak trees at the ages shown and at a 10% yearly increase in the sale price of teak lumber. The percentages in the table are based on a \$10,000 commitment.

***Although we are managing our plantations with the objective of producing premium quality teak from mature trees, the values shown in these projections are based on the pricing of moderate quality teak.

² "Timber," *Smart Money Magazine*, November 2001.

Liquidity

To monitor the wholesale price of teak, the International Tropical Timber Organization, an independent trade organization operating under U.N. auspices, provides monthly pricing figures. The present value of not-yet-harvested teak can be estimated from current prices for varying qualities of tropical hardwoods.³ LaQua Plantations International is prepared to assist in matching sellers and buyers should the interest arise even should you not maintain your stake until your trees reach full maturity.⁴

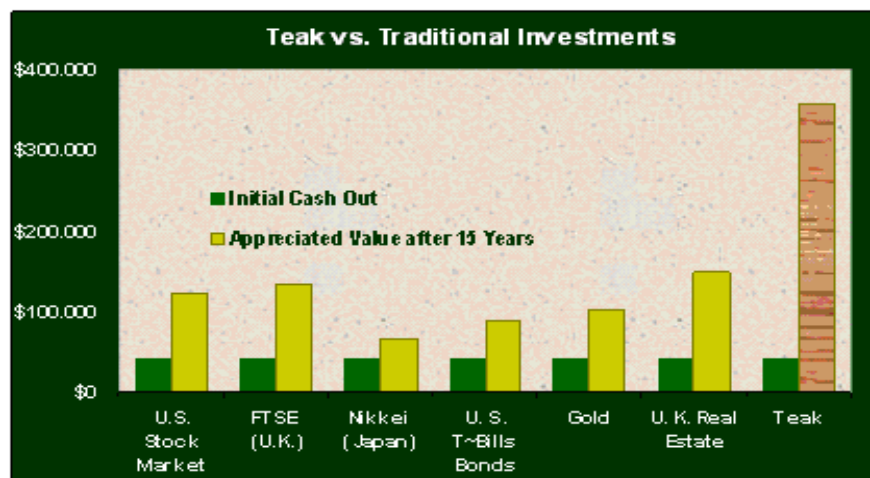
Why Tropical Hardwoods?

Teak plantations offer a proven means to generate multiple returns: financial, ecological, residential and recreational. Teak faces increasing demand in a global marketplace where quality hardwoods already generate attractive returns. High returns will continue to accompany a renewable resource that, due to ongoing deforestation, will continue to grow in value as market demand continues to rise and worldwide supplies continue to fall.

Stability, consistency and predictability of returns are keys to the appeal of this asset class.

Tree plantations offer a refuge from asset bubbles, credit default swaps and phony security ratings. Tropical hardwoods continue to grow when many other assets do not. Industry-wide, timber returns average 9-12% annually, with teak at the high end. Gross margins reach 12-15% for small-scale timber management firms with higher returns for top-quality teak.

Over the past four decades, teak has offered security against inflation as teak prices have increased steadily. Unlike other commodities, teak is not affected by new discoveries. Simply put, new supplies of tropical hardwoods take years to grow and teak is one of the most sought after timbers for its durability, versatility and beauty.



³ As an indication of the transferable value of future harvests, hardwood plantations in India routinely issue to investors 'investment certificates' as legal tender for future claims. As a general rule, the value of plantation acreage more than doubles during the planting period though, of course, this value will need to be proved at time of harvest.

⁴ ITTO is an intergovernmental organization promoting the conservation and sustainable management, use and trade of tropical forest resources. Its members represent about 80% of the world's tropical forests and 90% of the global tropical timber trade. The online ITTO Tropical Timber Market Report provides market trends and trade news from around the world as well as indicative prices for over 400 tropical timber and added-value products. See <http://www.itto.int/>.

The quotes below from *The Economist* were published before the drop in real estate prices and the stock market decline. These comments only further confirm that the timber industry outperforms other asset classes even during so-called 'high growth' periods.

"Average annual returns on timber . . . have outstripped those from leading global stock indices, property, oil and gold for the past decade."

"A growing number of individuals, endowments and pension funds are including timber as a 'hard asset' in their portfolios."

The Economist (February 5, 2007)



After you pick your favorite fruits and vegetables growing on the plantation, eat and relax in the shade of a covered shelter to enjoy the view of your teak trees.



Preparing to transport - nursery to plantation.



Young teak growing on the plantation.



Bean plants growing with & fertilizing the teak.



Maturing teak on a nearby plantation in Belize.

Teak Demand

Increasing demand and decreasing supply guarantee that teak plantations will become a primary source of this multi-purpose hardwood, ensuring a profitable future while also relieving pressure on tropical rainforests. The World Resources Institute reports that rainforests are being deforested at a rate of nearly 50 million acres per year. At present, plantations provide less than one percent of tropical hardwoods.



World consumption of tropical hardwoods has grown 25-fold over the past four decades. The U.N. Food and Agriculture Organization predicts that world consumption of industrial wood will rise 60% over the next 25 years largely due to increased demand in developing countries. In long established and substantial markets such as Thailand, Singapore, China and India, there is great concern about the future teak supply. The projected growth of emerging markets confirms a steady escalation in demand for teak as the hardwood most prized for its beauty and utility. Teak will continue to occupy a profitable niche at the high end of hardwood markets. Teakwood plantations enjoy enthusiastic support from the government of Belize as a means to generate jobs and exports while restoring the growth of hardwoods depleted during the colonial period.

A large portion of the world's teak has historically come from Indonesia or Myanmar (Burma), where native forests are clear-cut, often thousands of acres at a time. Non-teak “waste trees” are typically burned to clear land used for soil-depleting agricultural practices or left vulnerable to erosion. These destructive practices show no signs of abating. The Indonesian government signed an agreement with China that will harvest much of its remaining tropical hardwoods forests, putting additional stress on the supply of teak. As shown in the photo on page 3, LaQua Plantations convert into lumber any trees that are felled to make room to plant teak. That lumber is stored in a drying room and when it reaches the correct moisture content it is “dressed”, planed, sanded and treated in preparation for use. This lumber has been donated to schools, used to construct shelters and is being used by LaQua Furniture to build custom furniture. Ten trees are planted for every tree that is felled and converted to lumber.

Teak: An Investment in Beauty



Water resistant, fire retardant and pliable, teak has long been sought for its superior qualities as a hardwood. The color, grain, texture and finish of this durable tropical hardwood are decisive factors in its use for nautical decking, quality furniture, woodworking, cabinetry, paneling, joinery, interior trim, flooring, veneers, and specialty items such as cutlery handles and musical instruments. Black Walnut, among the finest hardwoods grown in North America and itself an attractive wood for specialty applications, sells for approximately one-quarter the price of teak



Belize: An Investment in Natural Beauty & Stability

An English-speaking former colony, the former British Honduras is located on the northeastern coast of Central America. It is bordered on the north by Mexico, on the south and west by Guatemala and to the east by the scenic Caribbean Sea. Belize has a sub-tropic to tropical climate with temperatures remaining warm all year round. Just 180 miles long and 68 miles



wide, Belize is known for the abundance and diversity of its ecosystems and its eco-tourism. Belize has 36% of its territory under protected status (vs. 26% for nearby Costa Rica).

With just 333,200 people, the lowest population density in Central America, Belize features the world's second-largest living barrier reef with fishing, boating, scuba diving and snorkeling. Its rivers offer rafting and kayaking while its wildlife reserves feature biodiversity attractive to hiking, bird watching and helicopter touring. Its many Mayan ruins and extensive cave systems attract visitors worldwide. Belize has long been a popular stopover for Caribbean cruise ships and is poised to become a favored destination for Baby Boomer retirees. In addition to the largest reef in the Western Hemisphere, Belize has hundreds of islets and islands (known locally as "cayes").

History, Culture, Politics and the Belize Economy⁵

Subordinate to Jamaica among the British colonies, Belize was the source of much of the mahogany trade during the late 19th century and the first half of the 20th century. Self-governing since 1964, British Honduras became Belize in 1973. Full independence was achieved in 1981.

Arable land is the largest natural resource in Belize along with timber, seafood and minerals. Its main exports are sugar, citrus concentrate, marine products, bananas, molasses and crude oil. The U.S. is both its largest market and its largest supplier. Some 185 U.S. companies operate in Belize. Tourism attracts the most foreign direct investment though significant U.S. investment is found in telecommunications and agriculture, Americans account for 70% of tourist arrivals. The U.S. is also home to the largest Belizean community outside Belize, estimated at 70,000.

Per capita income is \$8,200 with an annual inflation rate of 0.3%. The U.S. dollar is widely used throughout Belize. The multiracial population is 44% mixed Mayan and European (Mestizo); 30% are of Afro-European (Creole) ancestry. Slightly more than half the population lives in rural areas. About one-fourth live in Belize City, the principal port, commercial center and former capital. The rate of functional literacy is 76%. Two-thirds of the population is of working age.

The Mayan civilization spread into the area between 1500 BC and AD 300 and flourished until AD 1200. Belize is a parliamentary democracy based on the Westminster model and is a member of the Commonwealth. Queen Elizabeth II is head of state and is represented by a governor general. In 1990, Belize became a member of the Organization of American States and in 2001 joined the Caribbean Common Market (CARICOM).

Forestry was the only economic activity of any consequence until well into the 20th century when the supply of accessible timber began to decline. Belize receives military assistance from the U.S. and the U.K. and benefits from USAID programs. Over the past 44 years, some 2,000 Peace Corps volunteers have served in Belize.

⁵ U.S. Department of State, Bureau of Western Hemisphere Affairs, October 5, 2010.

A Brief History of Teak Cultivation



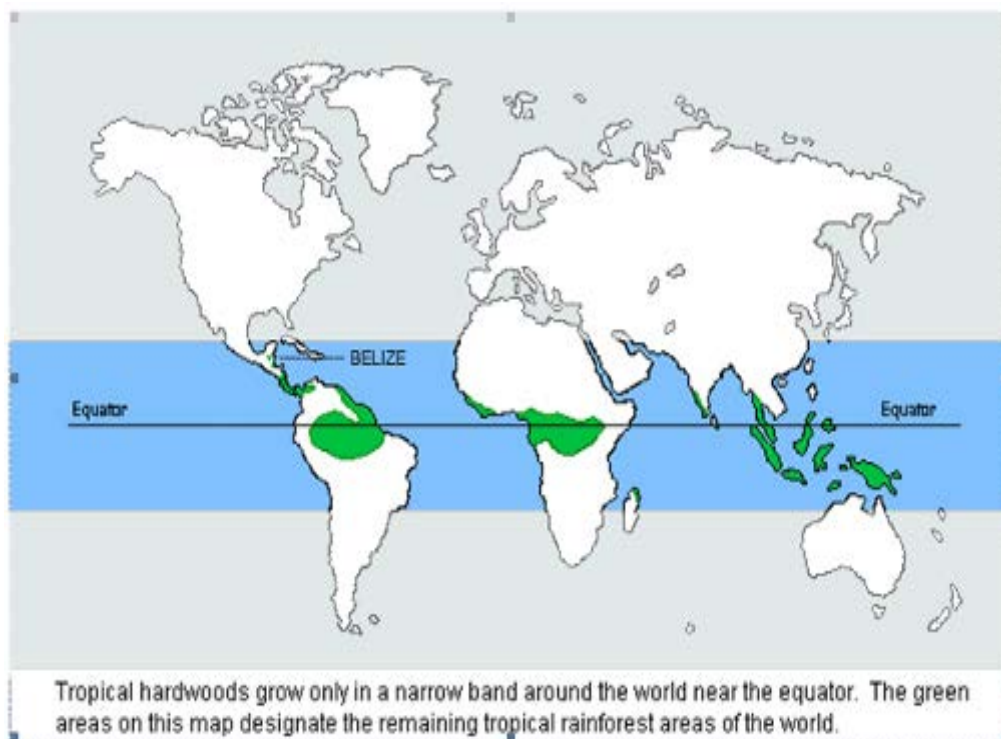
Teak has been highly valued worldwide throughout history. Native to Southeast Asia, it dates back as early as 7th Century Siam (now Thailand) where it was used to construct and decorate royal residences, religious buildings and trade ships. Other cultures began using teakwood for shipbuilding in the Middle Ages. Its buoyancy, water resistance and anti-fungal properties make it ideal for marine construction.

Apart from the introduction of teak in Java, Indonesia, the first known teak plantation was founded in 1680 in Sri Lanka. Teak planting in India began in the 1840s and increased to significant levels from 1865 onwards. Teak plantations using the "taungya" method, in which a forest crop is established in temporary association with agricultural crops, were initiated in Myanmar in 1856 and in Indonesia around 1880.

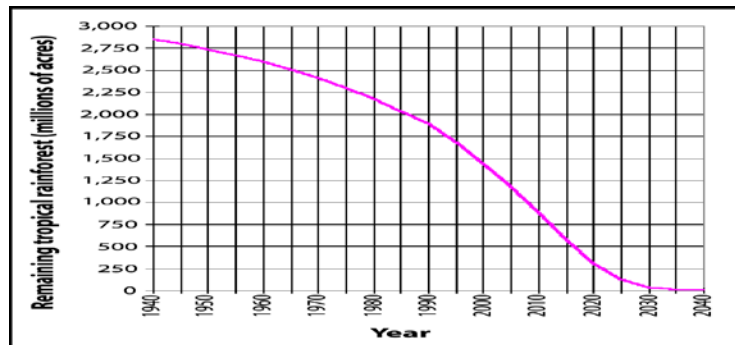
Teak was introduced outside Asia in Nigeria in 1902 with seed first from India and subsequently from Myanmar. Planting in eastern Ghana (formerly Togoland) started around 1905. A small plantation of teak was established in Côte d'Ivoire (Ivory Coast) in 1929 from plantation-grown seeds obtained from Togoland. The first teak plantation in the Caribbean was established in Trinidad and Tobago in 1913 with seed from Myanmar. Planting of teak in Honduras, Panama and Costa Rica began between 1927 and 1929.

The Tropical Hardwoods Challenge

The ongoing deforestation of the tropics resembles the clearing of the primary forests of Europe and North America. At the current pace, experts expect rainforests to disappear in three decades. Tropical hardwoods in Southeast Asia already near depletion. Meanwhile the world's deserts are expanding at the rate of 27,000 square miles per year.



Either tropical rainforests will be destroyed or they will be protected. Regardless, teak will become increasingly scarce. Tropical trees are being felled at the rate of 19 million each day. Since 1940, forty percent of tropical rainforests have been lost.



At the present pace, 70% of tropical rainforests will be lost by the end of this decade. It is unlikely that enough plantations can be planted to keep tropical hardwood prices from steadily increasing. As international demand increases, the availability of rainforests as a supply will continue to decrease and private plantations such as LaQua Plantations International will be critical to supply the world's hardwood markets.

Planting & Maintenance

Field attention makes the difference between ordinary versus extraordinary teak that demands a premium price. The periodic pruning required for top-quality veneer comes at a price. The first few years of maintenance are the most costly as 15% of seedlings die and must be replaced. Fertilizer is applied throughout the maturation cycle to stimulate growth.

During years 1-5, underbrush must be cleared until its growth is inhibited as the first canopy blocks the sun. Periodic thinning every 4-5 years allows in more light, requiring more clearing until year ten. As teak is a light-demanding species throughout its life cycle, periodic thinning favors larger growth trees.

The spacing of trees and the number, timing and intensity of thinning strongly affect the pattern of growth and the yield of the plantation. If thinning is late, growth rates decline whereas if the plantation is thinned too early or too heavily, trees have a greater tendency to produce side branches and shoots. This also reduces the potential yield since growth is diverted from the trunk that should be free of defects such as those caused by branches and shoots.

Pruning and judicious thinning are the best guarantees of top-quality veneer with minimal knots. After year five, maintenance costs decline dramatically. As trees mature, they are cut and the logs shipped abroad or milled into lumber, dried and shipped to market. Milling will be done on-site using local crews overseen by LaQua Plantation managers. Our bottom-up business model favors local economic development by supporting service-providers in Belize, a key component of our business philosophy.



Opportunity To Grow Your Portfolio & Protect The Future

LaQua Plantations International offers two unique opportunities. The first opportunity allows for land ownership that includes participation in a teak plantation that is part of an attractive residential development. The second opportunity is to purchase teak trees in 100-count allotments without purchasing any land.

Home sites are available ranging in price from \$35,000 to \$55,000. LaQua Construction International is prepared to build to buyer specifications. Trees planted on the acreage are dispersed across the plantation to optimize the esthetics of the property and steadily increase the value of the home sites. Portions of the land will be preserved in its natural state though the plantation will also be widely populated with indigenous fruits, vegetables and flowers.

This opportunity is ideal for the deployment of financial resources to achieve long-term goals:

- An employer can purchase a stake in the timber industry today as a cost-effective means to fund future retirement needs for a growing workforce.⁶
- A qualified investor wary of current financial markets can acquire hard assets (land and trees) while also gaining a home site in a temperate climate—for parents, children or him/herself.
- A parent can fund a child's college education and/or major purchase such as a first home.
- Proceeds from a teak harvest can capitalize a business for an heir.

LaQua Plantations International seeks qualified financial parties with a long-term horizon who find this opportunity attractive.⁷



For additional information, please contact:

LaQua Plantations International

Phone: (605) 212-9334

Fax: (888) 391-6659

Email: LAQUADL@YAHOO.COM

Attention: David LaQua

⁶ For U.S. employers, an annual tax deduction of up to 25% of covered payroll may be allowed as a business expense for funding an employee benefit plan. As a general rule, employers are allowed wide latitude in the choice of assets used to fund tax-qualified plans. Tax counsel should be consulted.

⁷ These materials may contain forward-looking statements, including 'forward-looking statements' within the meaning of the United States Private Securities Litigation Reform Act of 1995.