THIRD SUPPLEMENTAL NOTE INDENTURE

THIS SUPPLEMENTAL NOTE INDENTURE is dated March 12, 2002.

BETWEEN:

PACIFIC REGENERATION TECHNOLOGIES INC., a British Columbia company having an office in Vancouver, British Columbia

(the "Corporation")

AND:

COMPUTERSHARE TRUST COMPANY OF CANADA, a trust company having an office in Vancouver, British Columbia

(the "Trustee")

WHEREAS:

A. 542840 B.C. Ltd. ("542840") and Montreal Trust Company of Canada ("Montreal Trust") entered into a Note Indenture dated July 11, 1997 ("Original Note Indenture") which was supplemented by a Supplemental Note Indenture dated July 11, 1997 (the First Supplemental Note Indenture");

B. 542840, Pacific Regeneration Employees Holdings Inc., Pacific Regeneration Technologies Inc., PRT Alberta Inc., Jove Trees Unlimited Holdings Corporation, Future Growth Holdings Ltd., New Generation Forests Ltd., D.J. Davies Ltd. and Worthy Capital Inc. amalgamated pursuant to the terms and conditions set out in the Amalgamation Agreement among such companies dated for reference June 21, 1997 to form the Corporation;

C. The Trustee acquired the stock transfer and corporate trust business of Montreal Trust as of June 30, 2000 and by a Second Supplemental Note Indenture dated March 11, 2002 (the "Second Supplemental Note Indenture"), Montreal Trust resigned as trustee and transferred all its rights, powers and trust under the Original Note Indenture, as supplemented, to the Trustee and the Trustee replaced Montreal Trust as trustee.

D. The Original Note Indenture, as supplemented by the First Supplemental Note Indenture and the Second Supplemental Note Indenture is collectively referred to herein as the "Note Indenture".

E. The Corporation wishes to issue an Additional Note as contemplated by paragraph 2.13 of the Note Indenture and wishes to enter into this Supplemental Note Indenture in order to establish the terms of the Additional Note;

F. Capitalized terms in this Supplemental Note Indenture shall have the meaning ascribed to them in the Note Indenture unless otherwise defined herein; and

G. The above recitals are made by the Corporation and not by the Trustee.

NOW, THEREFORE, THIS SUPPLEMENTAL NOTE INDENTURE WITNESSETH and it is hereby covenanted, agreed and declared as set forth below:

1. The Corporation and the Trustee acknowledge and agree that the terms of the Additional Note shall be as follows:

   (a) The Additional Note shall be in the principal amount of $1,501,050 shall be dated as of March 12, 2002 (the "Issue Date"), shall mature on July 11, 2027 and shall bear interest from and including the Issue Date at the rate of 12% per annum (the "Interest Rate") payable after as well as before maturity and after as well as before default and judgement, with interest on amounts in default at the same rate. Interest shall be payable quarterly on the Interest Payment Date for the Interest Period relating to such Interest Payment Date and shall be subordinated to all Senior Indebtedness as provided in Article 4 of the Note Indenture.

   (b) As interest becomes due on the Additional Note (except at maturity, when interest shall be paid upon the surrender thereof for payment), the Corporation shall, at least three business days prior to each Interest Payment Date, cause to be sent by prepaid ordinary mail a cheque or by other transfer of funds by such means as may be considered appropriate by the Trustee for such interest (less any tax required by law to be withheld therefrom) payable to the order of the Holder and addressed to it at its last address or account, as the case may be, appearing on the register, unless the Holder otherwise directs. In the case of joint Holders, the cheque or other such transfer of funds shall be payable or issued to the order of all such joint Holders and addressed to them at the last address or account appearing on the register, as the case may be, unless such joint Holders otherwise direct. If more than one address or accounts appears on the register in respect of such joint Holders, the cheque or other such transfer of funds, as the case may be, shall be mailed or delivered, as the case may be, to the first address or account so appearing. In the event of non-receipt of any cheque or funds for interest by the Holder, the Corporation will cause to be issued to the Holder a replacement cheque or other such replacement transfer of funds for like amount upon being furnished with such evidence of non-receipt as it shall reasonably require and upon being indemnified to its satisfaction, acting reasonably.

   (c) The principal amount of the Additional Note and the interest thereon shall be payable in lawful money of Canada at the Holder's option at any branch in Canada of Canadian Imperial Bank of Commerce.

   (d) The Additional Note (including the certificate of the Trustee endorsed thereon) shall be substantially in the form set forth in Schedule A hereto. The Additional

Note shall bear such distinguishing letters and numbers as the Trustee may approve and may include a translation into the French language.

(e) The Additional Note shall be under the seal of the Corporation (or a reproduction thereof which shall be deemed to be the seal of the Corporation) and shall be signed (either manually or by facsimile signature) by the Chairman of the Board or the President of the Corporation together with one of the following: any Vice-President, the Secretary, or the Assistant Secretary of the Corporation. A facsimile signature upon any of the Additional Notes shall, for all purposes of the Note Indenture, be deemed to be the signature of the person whose signature is reproduced; provided, however, that the certification of the Trustee shall not be by facsimile signature. Notwithstanding that any person whose signature, either manual or in facsimile, may appear on an Additional Note is no longer, at the date the Note Indenture or at the date of such Additional Note or at the date of the certification and delivery thereof, the holder of the office indicated, any such Additional Note shall be valid and binding upon the Corporation and entitled to the benefits of the Note Indenture.

2. The Corporation confirms the immediate issuance of the Additional Note in the principal amount of $1,501,050.

3. This Supplemental Note Indenture may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have executed this Supplemental Note Indenture as of the day and year first above written.

PACIFIC REGENERATION TECHNOLOGIES INC.

By: ______________________

By: ______________________

COMPUTERSHARE TRUST COMPANY OF CANADA

By: ______________________

By: ______________________