

\$5.9M CAPITAL RAISING TO ADVANCE CARPENTERS PROJECT

Highlights:

- Firm commitments received to raise approximately \$1.0M via a Placement to sophisticated and professional investors, cornerstoned by PenAgri Group, Sandon Capital and Emanuel Exports
- Up to a further approximately \$4.9M to be raised through a partially underwritten Entitlement Offer at \$0.014 per Share
- Accelerates development of flagship Carpenters avocado project

Alterra Ltd (ASX:1AG) (**Alterra** or **Company**) is pleased to announce a capital raising of up to approximately \$5.9 million cornerstoned by substantial shareholders, PenAgri Group, Sandon Capital and Emanuel Exports.

The capital raising comprises a placement (**Placement**) at \$0.014 per Share to raise approximately \$1.0 million and a 1-for-1 pro-rata non-renounceable entitlement offer (**Entitlement Offer**) (together with the Placement, the **Capital Raising**) at the same price as subscribers to the Placement – \$0.014 per Share, to raise up to an aggregate of approximately \$5.9 million (before costs). The issue price represents a 15.6% discount to Alterra's 30-day volume average weighted share price.

Alterra shareholders will have the opportunity to participate in the Entitlement Offer, including those that participated in the Placement. The Entitlement Offer will be open to all shareholders on the register (**Eligible Shareholders**) at 5.00pm (WST) 17 June 2022 (**Record Date**).

The Capital Raising will be used to fund the next stage of Alterra's Carpenters avocado project in Western Australia's South West.

Placement

Alterra has received firm commitments for the entirety of the Placement from the Company's existing major shareholders, PenAgri Group, Sandon Capital and Emanuel Exports, to subscribe for 69.0 million fully paid new ordinary shares in the Company (**Shares**) at an issue price of \$0.014 per Share to raise approximately \$1.0 million (before costs).

The Company intends to issue 41,816,441 new Shares under the Company's existing ASX Listing Rule 7.1 capacity and 27,183,559 new Shares under the Company's ASX Listing Rule 7.1A capacity.

Entitlement Offer

To give Eligible Shareholders the opportunity to participate in the Capital Raising, the Placement will be followed by a pro-rata non-renounceable entitlement offer to enable eligible shareholders to subscribe for 1 new Share in the capital of the Company for every 1 Share held on the Record Date at \$0.014 per Share (**Entitlement**), being the same issue price as Shares offered to investors under the Placement. The Entitlement Offer seeks to raise up to approximately \$4.9 million (before costs).

The PenAgri Group, Sandon Capital and Emanuel Exports have committed to subscribe for an aggregate of approximately \$2 million under the Entitlement Offer.

Any shortfall to the Entitlement Offer (**Shortfall**) will be partially underwritten by PenAgri Group (**Underwriter**), who has committed to underwrite any Shortfall up to \$2.168 million. Alterra will reimburse any out-of-pocket expenses of the Underwriter, otherwise no fees will be paid by Alterra to the Underwriter in relation to its partial underwriting commitment.

New Shares issued under the Placement and Entitlement Offer will rank equally with all existing Shares already on issue. Under the Entitlement Offer, Alterra will issue a maximum of approximately 347,776,274 Shares. The Entitlement Offer will also include an offer for Eligible Shareholders who take up all of their Entitlement under the Entitlement Offer to apply for an uncapped number of additional new Shares in excess of their Entitlement to the extent there is any Shortfall (**Shortfall Offer**).



If there is a Shortfall, the Company will allocate Shares available under the Shortfall (**Shortfall Shares**) according to the following priority:

- (a) to any Eligible Shareholders who apply for their Entitlement in full and apply for Shortfall Shares under the Shortfall Offer, subject to the Company's discretion to scale back applications; and
- (b) if, following the allocations in paragraph (a), there remains a Shortfall, those unallocated Shortfall Shares will be allocated to the Underwriter pro-rata to its underwriting commitment and any other underwriters or third parties who have committed to underwrite or participate in the Shortfall Offer.

Where applications under the Shortfall Offer exceed the number of Shortfall Shares available, Shortfall Shares will be allocated to Eligible Shareholders in proportion to their respective shareholding.

Further details relating to the Entitlement Offer will be contained in an Offer Document to be released to the market in due course.

Use of funds

The Capital Raising funds will be used for the development costs associated with progressing the planting of the Stage 3 (up to 85 hectares) extension of the existing avocado orchard at the Carpenters Project, and for general working capital purposes. The final area of planting for Stage 3 may vary depending on completion of alternative financing arrangements, weather conditions or if input or labour costs significantly increase.

The Company is working towards finalising additional funding for Stage 3 and has had preliminary engagement with a major bank to provide debt funding appropriate for horticultural development projects like the Carpenters Project for working capital and costs associated with Stage 3. However, there is no certainty that this will eventuate or that the Company will be able to secure a funding solution for Stage 3 and for Stage 4, as and when required.

Indicative timetable

| Action | Date |
|---|---------------------------|
| Announcement of Placement & Entitlement Offer | 7 June 2022 |
| Settlement of Placement Shares | 14 June 2022 |
| Issue of Placement Shares | 15 June 2022 |
| "Ex" Date | 16 June 2022 |
| Entitlement Offer Record Date | 5.00pm (WST) 17 June 2022 |
| Entitlement Offer Opening Date | 22 June 2022 |
| Offer Document and Entitlement and Acceptance Form dispatched | 22 June 2022 |
| Entitlement Offer Closing Date/Shortfall Closing Date | 5.00pm (WST) 13 July 2022 |
| Securities quoted on a deferred settlement basis | 14 July 2022 |
| Announce results of Entitlement Offer | 18 July 2022 |
| Entitlement Offer Settlement Date | 19 July 2022 |
| Entitlement Offer/Shortfall Shares Issued | 20 July 2022 |
| Deferred settlement trading ends | 20 July 2022 |
| Entitlement Offer Shares quoted on ASX | 21 July 2022 |

These dates are indicative only and may be subject to change. Subject to the Corporations Act and the ASX Listing Rules, the Company reserves the right to vary the timetable without prior notice by extending the Closing Date or closing the Entitlement Offer early.



This announcement has been authorised by the Board of Directors of Alterra.

- ENDS -

Further information:

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About Alterra Limited

Alterra is developer of the Carpenters avocado project located between Manjimup and Pemberton in Western Australia's south-west.

Stage 2 (2021) (7ha) is complete following an initial Stage 1 (5ha) planting in 2020. The Company has optimised the development schedule for Carpenters with the planting of Stage 3 (85ha) due to commence in 2022.

Alterra is also a 15% shareholder in Carbon Conscious Investments Limited, which manages large scale projects registered with the Clean Energy regulator that generate Australian Carbon Credit Units.

Alterra continues to assess horticultural opportunities fitting within strategy.

Visit alterra.com.au for more information.

Forward Looking Statements

This announcement contains forward-looking statements that involve risk and uncertainties. Indications of, and guidelines or outlook on, financial position and returns, performance, targets, timelines, estimates and assumptions in respect of production, prices, operating and other costs, capital expenditures and development timelines are forward looking statements. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions and estimates regarding future events and actions that, while considered reasonable as at the date of this announcement are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors and management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and readers are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are subject to various risk factors that could cause actual events or results to differ materially from the events or results estimated, expressed or anticipated in these statements.