

# Alterra Secures \$3.7M Debt Facility to Support Carpenters Growth

Alterra Limited (ASX: 1AG) (“**Alterra**” or “**the Company**”) is pleased to advise that the Company has entered into a secured debt facility (“**the Facility**”) for up to \$3.7M with National Australia Bank Limited (NAB), to further advance the development of the Company’s 100% owned Carpenters Project (“Carpenters”) in Western Australia’s south-west .

Funds available under the Facility will support with the delivery of Stage 3 of the Carpenters Project, which is the planting of 85 hectares of Hass avocado trees. In combination with Stages 1 and 2, the completion of Stage 3 has taken the total area under production close to 100ha of trees at Carpenters. Having learned lessons regarding optimal planting densities during Stage 3 planting and with careful consideration of the remaining site conditions, Alterra reconfirms the objective of a total planting program of 200ha across the Carpenters site.

The construction of Dam 1 and development of required infrastructure continues to be broadly on track with only minor modifications to the scheduled timeline. The Dam and associated infrastructure are critical components needed to support a final investment decision on future stages of Carpenters. As agreed, while construction of Dam 1 continues, the Company has the ability to draw down additional water supply from the adjacent dam which is also owned by the Lessor who is constructing Dam 1. This drawdown has commenced to irrigate the new Stage 3 trees.



The finalisation of this funding arrangement is the culmination of a review of several debt funding options. The Company selected the NAB proposal as delivering superior value for shareholders. The Facility has been offered after the successful completion of due diligence by NAB.

The Facility is repayable on an interest only basis for an initial two year term maturing in February 2025 at an interest rate of 9.52% per annum, with the possibility of extension. NAB has a first ranking security over the assets of the Company, a mortgage over the Carpenters Project lease and right-of-entry over leasehold premises from which the Carpenters Project operates. A Debt Service Reserve Account has also been established to hold a minimum of 12 months interest/fee expense. The Facility has a financial covenant based upon a maximum 30% debt/equity ratio and is subject to annual reporting obligations.



Executive Director, Greg Harvey commented:

*“Securing this debt represents another key milestone for our 100% owned Carpenters Project.*

*“The Facility provides certainty and a non-dilutive solution for shareholders to advance ongoing development at Carpenters. It also demonstrates an outstanding third-party endorsement of the robust economic and sustainability credentials the Carpenters Project has assembled as we continue to progress our strategy of creating a professionally managed orchard of significant scale, located in a premium agricultural region.”*

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 and has recently completed planting Stage 3 (85ha).

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 additional horticultural opportunities to add value for shareholders.

Visit [alterra.com.au](http://alterra.com.au) for more information

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**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.