

PRIMEWEST (PWG)
ASX RELEASE
AUGUST 11, 2020

PRIMEWEST'S NEW AGRICULTURAL FUND SECURES "LAMATTINA"

Primewest has secured a second property in its recently established Primewest Agricultural Trust No 1 purchasing "Lamattina" on Victoria's Mornington Peninsula.

The trust paid \$42 million for the 385 hectare property, which is one of the largest land holdings and most significant "high value food" producers on the Peninsula.

Primewest aims to add further high quality agricultural properties to the fund creating a diversified range of assets valued up to \$100 million.

The fund's blended lease expiry profile is currently in excess of nine years, providing a cash distribution of 7.5% pa (paid monthly) and a forecast total return (Equity IRR) of 10%.

Primewest director David Schwartz said Lamattina was a rare, investment grade, agricultural asset secured on a long term, triple net lease back to one of Australia's largest celery producers with ongoing supply agreements to major supermarkets including Coles and Woolworths.

"Lamattina is a highly regarded and well managed operation which controls over 50% of Australia's celery market and benefits from outstanding water security and blue chip supply agreements," Mr Schwartz said.

"It has water licences covering 1,494 ML including bore, surface and Class A recycled water with a year round state of the art irrigation system.

"The property also features 120ha of land with greenfield development potential."

Mr Schwartz said Primewest had taken a counter-cyclical approach to investing in the agricultural sector, building a suite of quality agricultural investments leased to strong tenant covenants.

He said the first acquisition in the new agricultural trust had been "Pinegatta" in the NSW southern riverine region.

The trust paid \$4.8 million for the 425 hectare property, which is leased to blue chip tenant Kagome – Australia's largest fruit and vegetable processor with a market capitalisation in excess of \$2 billion.

The Pinegatta property, near the town of Deniliquin, primarily produces carrots and potatoes, most recently servicing contracts to the Smith Snack Food Company (Pepsico).

ASX listed Primewest (PWG) is one of Australia's most active and successful property fund managers with over \$4.5 billion of assets under management across all mainland states of Australia and the west coast of the USA. Established in 1995 PWG is a value-add and often counter-cyclical manager, operating in the agricultural, retail, industrial, commercial, residential and large format retail property sectors to achieve maximum returns for holders of its stapled securities and investors in the underlying funds it manages.

This release is authorised by the Executive Chairman and Managing Director of Primewest.

Ends

For further information please contact David Schwartz at Primewest on (08) 9321 7133.