

Entitlement Offer Update

Alterra Limited (**Alterra** or **Company**) reminds eligible shareholders that the Company's 1:1 Entitlement Offer (**Entitlement Offer**), which is part of a \$5.9m capital raising announced on 7 June 2022, closes on 13 July 2022.

Eligible shareholders have until 5pm (WST) on Wednesday 13 July 2022 to apply for their entitlement. The Entitlement Offer, combined with the placement completed on 15 June 2022 with the Company's existing major shareholders, PenAgri Group, Sandon Capital and Emanuel Exports, will provide funding for Alterra to progress Stage 3 of avocado plantings at the Company's Carpenters Project and for general working capital purposes.

The three major shareholders have also committed to participate in the Entitlement Offer available to all shareholders and PenAgri will partially underwrite the Entitlement Offer.

Both the Entitlement Offer and placement are priced at \$0.014 per share, which represented a 15.6% discount to Alterra's volume average weighted share price as at the launch date of 7 June 2022. The Company's last closing share price was \$0.017.

Shareholders who have not received or have misplaced the Entitlement Offer documentation are urged to contact the Company immediately.

Avocado market update

The Company's view is that recent reports of an over-supply of avocados on the east coast of Australia are not representative of the situation in Western Australia, or the long-term outlook for avocados.

Western Australian fruit is delivered into a market window after peak production in the eastern states and the state often relies on imports from New Zealand to keep up with demand. The outlook for avocados is considered positive, driven by a global trend towards plant-based diets.

Alterra Executive Director Greg Harvey commented "Research points to plant-based food markets growing at a compound annual growth rate of over 12 per cent to 2027.

"There is plenty of both anecdotal and hard evidence of the increasing popularity of plant-based diets. Whether for health or environmental reasons, it's a clear trend that is here to stay, and avocados are a growing part of people's diets a healthy source of beneficial fats and vitamins.

"WA's South West harvest falls into a unique part of the Australian production cycle that coincides with low turnoff from other production regions, and which often requires supplementary imports from New Zealand to meet demand.

"We are in a sweet spot in WA from a timing perspective, but also from a quality point of view. The soils and climate around Pemberton are absolutely world class for high yielding, great quality produce.

"Avocados are becoming increasingly popular in Asia and Australia's reputation as a producer of clean, healthy food is a significant advantage for us in that market.

"So yes, we're excited about the longer term opportunity to take Western Australian avocados to the world."

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

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.