



# Company Presentation

SYDNEY- JANUARY 2020

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# Alterra's Purpose



TO DRIVE VALUE FOR OUR INVESTORS BY UNLOCKING VALUE FROM LAND AND WATER ASSETS

WE SEEK TO DO SO AS AN ORIGINATOR, DEVELOPER, MANAGER AND INVESTOR OF ASSETS IN FAST GROWING, IN-DEMAND AGRICULTURAL SECTORS

TARGETING DELIVERY OF INVESTMENT-GRADE ASSETS WITH GROWING INSTITUTIONAL INVESTOR APPEAL

FOCUSED ON SUSTAINABLE, ROBUST PROJECTS RESILIENT TO ADVERSE CLIMATE EVENTS

+ EXPERIENCED TEAM

+ FOCUSED SCALABLE STRATEGY

+ AGILE & DISCIPLINED APPROACH

+ CAPITAL-LEAN STRUCTURE

+ STRONG GOVERNANCE FRAMEWORK



# Time & Place Opportunity

DIRECT EXPOSURE TO UNIQUE TIME & PLACE OPPORTUNITY



## WESTERN AUSTRALIA UNIQUE TIME & PLACE OPPORTUNITY:

- + FARMLAND AND WATER REASONABLY PRICED BY AUSTRALIAN, INTERNATIONAL STANDARDS
- + IDEAL CLIMATE, ABUNDANCE OF WATER, EXCELLENT BIOSECURITY
- + INCUMBENT PRODUCERS REQUIRE SIGNIFICANT CAPITAL TO MODERNISE, SCALE & FUTURE PROOF EXISTING ASSETS
- + GROWING EXPORT MARKET, PARTICULARLY TO SE ASIA
- + POLITICALLY SECURE WITH STRONG 'RESOURCES BACKED' ECONOMY
- + LIKE CALIFORNIA 30 YEARS AGO

## WE SEE OPPORTUNITY IN A MARKET OF:

- + CONSTRAINED FINITE RESOURCES SUCH AS LAND WITH SECURE WATER
- + A GLOBAL SHIFT TOWARDS PLANT-BASED DIETS
- + LIMITED DIRECT INVESTMENT OPPORTUNITIES
- + BURGEONING INSTITUTIONAL DEMAND FOR LONG-TERM AGRICULTURAL ASSETS

# Who We Work With

KEY DEVELOPMENT PARTNERS AND CLIENTS



## LAND & WATER

### FARMERS

Farmers that hold underdeveloped land with secure water  
e.g. Dairy & beef farmers

### LAND BANKER

Landowners that have speculated on land & water assets  
e.g. Individuals, family offices & corporates

### RESOURCE COMPANIES

Mining companies with land banks, water & rehabilitation obligations  
e.g. Mineral sands



## CAPITAL

### PRIVATE CAPITAL

Investors interested in property development & agricultural sector  
e.g. Family offices, PE funds

### IMPACT INVESTORS

Investors seeking measurable social or environmental benefit alongside financial return  
e.g. Impact funds & family offices

### INSTITUTIONAL INVESTORS

Funds that are looking to achieve long-term, risk-adjusted returns  
e.g. Pension & endowment funds

# Revenue Model

INCOME FROM ORIGINATION, DEVELOPMENT & MANAGEMENT SERVICES PLUS CAPITAL GROWTH FROM CO-INVESTMENT



**DEVELOPMENT SYNDICATES**  
*Landowner & Capital Partners*

**CORPORATE INVESTOR**  
Tailored to Client's Investment Needs

**ROBUST PROCESS, MULTIPLE INCOME STREAM WITH CAPITAL GROWTH UPSIDE**

ALTERRA'S REVENUE MODEL

## ORIGINATE

ACQUISITION FEES

FEASIBILITY FEES

CARRIED INTEREST

## DEVELOP

DEVELOPMENT FEES

MANAGEMENT FEES

PERFORMANCE FEES

## MANAGE

MANAGEMENT FEES

PERFORMANCE FEES

ANNUITY INCOME

# Alterra's Focus: Avocados

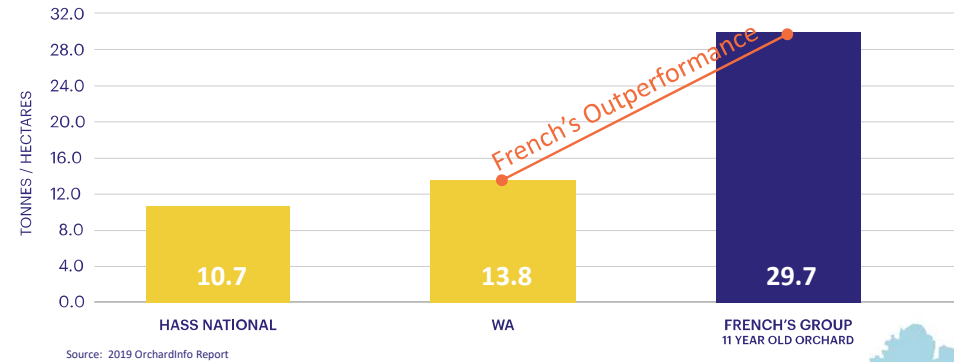
HIGH PERFORMANCE PRODUCTION SYSTEM WITH ACCESS TO GROWING GLOBAL MARKETS



## AVOCADO EXECUTION PARTNER: FRENCH'S GROUP

- Alterra partners with industry leaders to advance know-how, commercialise production IP & manage execution risks
- Local Partner Agreement secured with French's Group (Aug 2019)
- Over 33 years experience developing avocado orchards
- Co-founder and shareholder of service provider APMS<sup>1</sup> that packs, distributes and exports Australian avocados
- Leaders in high-performance avocado production systems
- Alterra owns the exclusive access to French's Group avocado genetics and budwood
- Alterra owns the exclusive access to French's Group historic and future production data

## 2018-19 REGIONAL AVOCADO ORCHARD PRODUCTIVITY VS. FRENCH'S GROUP



## SOUTH-WEST OF WESTERN AUSTRALIA

- WA currently exports premium avocados to UAE, Japan, Singapore, Malaysia & Hong Kong
- Current wholesale price for premium Pemberton avocados \$7.2-9/kg<sup>1</sup>
- Global Seaborne trade volume growing @CAGR 14.5% since 2014<sup>2</sup>
- Only 3.7% of Australian avocado production currently exported compared to 50% for New Zealand<sup>3</sup>



<sup>1</sup> Alterra research 7<sup>th</sup> January 2020

<sup>2</sup> ITC Trade Map

<sup>3</sup> Avocados Australia

<sup>1</sup> Advanced Packing and Marketing Services (<https://www.advancepackingandmarketing.com.au>)

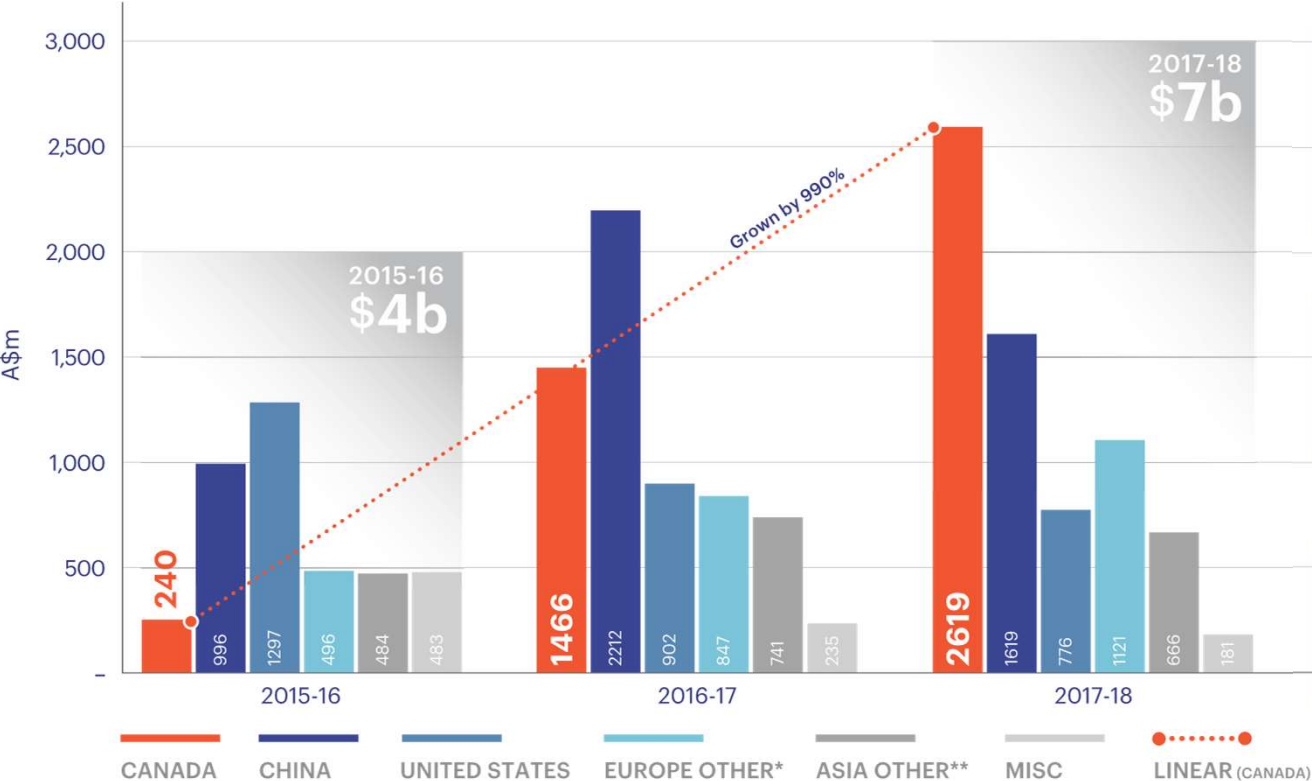
# Growing Institutional Demand

WESTERN AUSTRALIA IS THE NEXT FRONTIER FOR INSTITUTIONAL INVESTMENT



## FOREIGN DIRECT INVESTMENT

Agriculture, Forestry & Fishing \$m



\* Includes Germany, UK, Netherlands, France, Switzerland

\*\* Includes Japan, Hong Kong, Singapore, Malaysia, Indonesia

## INDUSTRY NEWS

Recent Institutional Investments

**"Canadian-based Ontario Teachers' Pension Plan has emerged as the buyer of avocado producer, Jasper Farms, in a deal worth about \$180m"**  
*The West Australian* October 2017

**"Avocados smashing it with the most expensive farmland in Australia"**  
*FINANCIAL REVIEW* November 2017

**"Foreign investment in Australia's Agricultural land hits \$7.9b"**  
*THE WEEKLY TIMES* February 2019



# Property Development Example

FRENCH'S GROUP – YEAGARUP PROJECT, PEMBERTON, WESTERN AUSTRALIA  
80 HECTARES – LAND ACQUIRED 2016



## 2016: PROPERTY ACQUISITION DEGRADED FARM

French's Group owned project

This is a typical example of the types of projects targeted by Alterra

Land originally cleared in c. 1940 and previously used to graze cattle and farm potatoes



# Property Development Example

FRENCH'S GROUP – YEAGARUP PROJECT, PEMBERTON, WESTERN AUSTRALIA  
80 HECTARES – PROPERTY CONVERSION COMPLETED 2019



## 2019: FIRST HARVEST COMPLETED

Avocado trees planted in 2017



# The Alterra Team

BALANCE OF COMMERCIAL & AGRONOMIC EXPERIENCE



## OLIVER BARNES

Managing Director

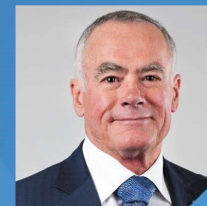
BSc Agricultural Business Management  
12 years of asset development experience covering agricultural, horticultural, & forestry assets in Australia, Sub-Saharan Africa & Eastern Europe



## TREVOR STONEY

Non-Executive Chairman

55 years experience of agribusiness in WA & Vic  
Bought, developed, managed & sold 70,000 hectares over career



## JOHN POYNTON AO

Chair of Advisory Board

Officer in the General Division of the Order of Australia & Western Australian Citizen of the Year Award

Director of The Future Fund, Australia's A\$166bn sovereign wealth fund



## ANDREW MCBAIN

Founder & Executive Director

Highly experienced in start-ups and ASX listings  
Raised \$200 million plus for agricultural and mineral related businesses since 2005



## JOHN PALERMO

Non-Executive Director

Chartered Accountant 22 year's experience in corporate accounting

Board member of Chartered Accountants Australia & New Zealand



## JOHN MCGLUE

Advisory Board

30 years of corporate communications & financial markets experience

Corporate transactions, complex disputes & shareholder activism specialist



## BRETT HEATHER

Chief Operating & Technical Officer

Bachelor of Agribusiness Horticulture

17 years international fresh produce experience across 16 countries



## TYSON BENNETT

Technical Partner – High Value Tree Crops

Principal of leading plant growth regulator company servicing avocado industry

Canopy management specialist covering 32,000 hectares in 21 countries



## ANTHONY FITZGERALD

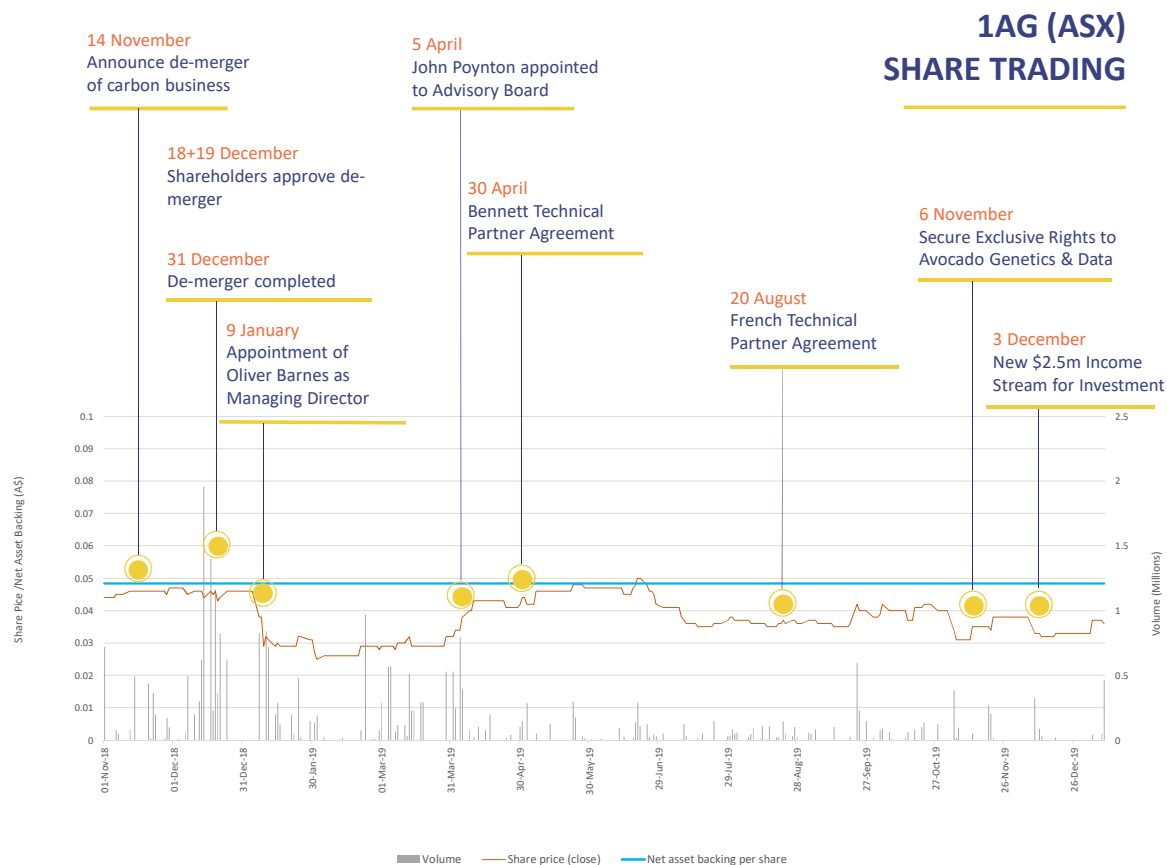
Chief Commercial Officer

Bachelor of Agribusiness Marketing

Carbon farming & governance specialist

# 1AG: Alterra at a Glance

GROWTH COMPANY WITH CONTRACTED REVENUE



KEY METRICS (8 Jan 2020)		
Share Price (ASX: 1AG)	AUD	0.036
52W High	AUD	0.050
52W Low	AUD	0.025
Issued Capital	millions	149.8
In the money, vested Options+Performance Shares	millions	-
Market Capitalisation	AUD \$m	5.4
Net Cash & Equivalent	AUD \$m	2.5
Net Assets	AUD \$m	6.5
Net Assets Backing per Share	AUD	0.048

INVESTMENTS	EQUITY INTEREST	ALTERRA INCOME
Carbon Conscious Investment Limited	15%	\$700k PA
Dambadgee Springs Investment	100%	\$300k PA

TOP SHAREHOLDERS (8 Jan 2020)		
# Shareholders (approx.)	% of issued capital	700
Top 20 shareholders	% of issued capital	82.4%
Board & Management Group	% of issued capital	33%
Sandon Capital	% of issued capital	19%
Trevor Stoney	% of issued capital	17%
Andrew McBain	% of issued capital	8%
Aroona Management	% of issued capital	6%
Anthony Fitzgerald	% of issued capital	5%





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