

# Alterra Secures Execution Partner via Local Partner Agreement with Avocado Industry Leader

Alterra Ltd (ASX:1AG) (**Alterra** or **Company**) is pleased to announce that it has entered into an exclusive Local Partner Agreement with French's Group 89 Pty Ltd (French's Group). French's Group, led by William and Debra French, is a leading family owned and managed avocado production business based in Pemberton, Western Australia.

## Summary

- Local Partner Agreement executed with French's Group
- French's Group is a leading WA family owned avocado business
- Industry entering next wave of development via export markets and increased institutional investment
- Agreement significantly enhances Alterra's execution capabilities

The French family have farmed in Pemberton since 1923 and in 1986 established the first commercial scale avocado crop in the region. Since that time French's Group has expanded to over 32,000 trees currently producing in excess of 5.8 million avocados per annum.

In 2007, French's Group co-founded Advance Packing and Marketing Services (APMS) ([www.advancepackingandmarketing.com.au](http://www.advancepackingandmarketing.com.au)) and remain a significant shareholder. APMS's state-of-art facility has the capacity to sort and pack over 6 million trays of avocados per season (circa 150 million avocados).

APMS's wholly owned subsidiary Avocados Export Company (<https://www.auspakavocados.com.au/>), currently exports Pemberton avocados to Singapore, Malaysia and Japan. The recent accreditation to Japan provides APMS with unique access to a highly prized, premium and growing market.

The French's Group, and its management team, bring over 33 years of experience in greenfield development and orchard optimisation in the South West region of Western Australia. Over this time the French's Group have continued to evolve a production system that consistently out-performs its peers in terms of production yield, quality and consistency.

## Managing Director Comment

Managing Director Oliver Barnes said, "Working with top tier producers, such as French's Group, is a key part of Alterra's strategy as it continues to position itself to address opportunities in the avocado industry. This agreement greatly enhances Alterra's execution capabilities by collaborating with a team that are recognised as leaders in their industry.

Pemberton is internationally recognised as a world class region for producing premium grade avocados. Alterra believes that the avocado industry is entering its next wave of development with the opening up of potentially lucrative export markets and significant investment inflows being made by institutional investors."



## Key Terms of the Local Partner Agreement

- French's Group to provide Local Partner services for 3 years within the Peel, South West and Great Southern regions of Western Australia.
- Local Partner services includes but not limited to local representation, assistance with origination and assessment of investment opportunities, localised production experience and technical support.
- Consideration for Local Partner services provided by French's Group will be strictly success based and in the form of performance rights in Alterra.
- A total of 2,000,000 performance rights are intended to be issued for nil consideration to French's Group or nominee under the Company's 7.1 capacity and with the following vesting conditions:
  - 1,000,000 will vest upon the execution of a binding term sheet for the development or purchase of 50 hectares of avocados;
  - 1,000,000 will vest upon the execution of a binding term sheet for the development or purchase of an additional 150 hectares of avocados;
- Separate agreements to be executed for services and products to be provided by French's Group for each asset at the development stage and management stage.

Alterra looks forward to keeping the market informed as it continues to advance several near-term investment opportunities.

**Oliver Barnes**  
**Managing Director**

## About Alterra

Alterra is a developer & manager of investment-grade agricultural assets focused on unlocking transformational investments that drive sustainable growth and leave a positive social, environmental and economic legacy. The Company is focused on 'land use change' opportunities in Australia, developing underutilised land and water into the next generation of agricultural assets capable of supplying premium whole foods.

## For further enquiries, please contact:

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