

Alterra Annual General Meeting

Chairman's Address

Alterra Chairman John McGlue:

2020 was a year of considerable change for Alterra. The Company continued its transformation to focus on developing high grade horticultural assets for third party investor markets.

That transformation is just partially complete, and shareholders can expect further developments through 2021 that will put Alterra in best position to capitalise on opportunities in the horticultural sector here in Western Australia.

Your Board is dedicated to ensuring Alterra pursues these opportunities with an unswerving focus on shareholder value.

We seek to do this through a blend of fees from developing and managing large scale assets and capital appreciation through retaining a sensible direct interest in these assets.

Our first major project is the Carpenters avocado development near Pemberton, the first 5ha of which was planted in September 2020 and which we believe has the potential to grow to as much as 300ha.

It has the potential to be an outstanding project that can generate satisfactory returns for Alterra and for people who invest directly in the project.

Events of the past year have underscored the unique opportunity that presents itself in the land and water sector in WA, in particular the demand for premium health foods and environmentally sustainable developments.

This is an opportunity that Alterra has sought to capitalise on, targeting high quality projects with strong economics underpinning the re-use of water and land assets.

Through 2020, there have been significant changes to the Alterra executive team, with the introduction of new skills and abilities.

There have been changes at Board level too and the start of a new governance approach, including board renewal and a review of the Company's board committees.

Good governance is the bedrock of good corporate performance and it's no coincidence that sustained growth in shareholder value is always underpinned by governance excellence and propriety.

This is non-negotiable and the standard required to ensure the integrity of our corporate activities and as custodians of shareholders' money.

Alterra's share register has changed too, with a broader base of shareholders and the introduction of new, more active capital. I would expect to see further diversification of the register in the coming year, which is positive for our entire shareholder base.

As an asset developer and manager, we require strong and robust foundations to ensure the Company can support our targeted growth plan and deliver value for shareholders.

We must execute with precision and then replicate with discipline.

We see immense opportunity to capitalise on the growing demand for Australia's premium food bowl, with long-term patient capital seeking greater access to sustainable, environmentally responsible agriculture ventures.



Our flagship development, Carpenters, is a prime example of this opportunity, a former blue gum plantation transforming into a commercial avocado orchard that has the potential to appeal to institutional investors seeking suitable assets that fulfil Environmental, Social and Corporate Governance (ESG) requirements.

Beyond Carpenters, we have a long-term target of 1,000 hectares of horticultural assets located in the south-west region.

Key to reaching this ambitious target will be introducing external capital providers on terms that makes sense for both parties.

There's willing capital for assets of this type but the cost and associated terms must make sense for Alterra shareholders, whom we serve.

We have challenging times ahead, but we look deep into 2021 with confidence our Carpenters project and those that follow will prove to be robust and attractive.

Our priority as a Board is enhancing value for our shareholders.

The capitalisation of Carpenters is a critical step in setting a base for Alterra's growth – and that's where the focus of management will be in the immediate future.

On behalf of the Board, I would like to thank you for your continued support of Alterra and the trust you place in us as custodians of your money.

This announcement is authorised for release by John McGlue, Chairman at Alterra.

- ENDS -

About Alterra Limited

Alterra is an asset manager that provides origination, development and management services for land and water assets in Australia. We work directly with landowners and agricultural producers to unlock and reposition water assets through change in land use, ownership structure, regulatory management and application of technical know-how to create large-scale horticultural assets. This process opens direct investment opportunities structured for sophisticated investors.

Visit alterra.com.au for more information.

For enquiries, please contact:

John Palermo, Company Secretary

P: (+61) 08 9204 8400

E: info@alterra.com.au