

Investment Summary

Key Features :

Investment offer

The offer under this IM is for the opportunity to invest in Units in the Broadacre Investment Fund No. 1 ("Broadacre Fund").

Project Manager

AACL Pty Ltd ("AACL") is the Project Manager for the Broadacre Fund and is responsible for sourcing and managing the Broadacre Fund's investments in Australian rural property.

Nature of Investment

The Broadacre Fund will invest in prime Australian agricultural land targeting properties that produce grain such as wheat, barley and canola.

The Broadacre Fund aims to acquire up to AUD\$300 million of rural property over the next two years. The majority of land is expected to be located in the grain exporting state of Western Australia.

The land purchased by the Broadacre Fund will be leased on a long term basis (minimum 15 years) to experienced, professional grain farmers.

Investors in the Broadacre Fund will be investing in the underlying land assets and receiving an income (lease income) and capital growth return from those assets. Investors in the Broadacre Fund will not be investing directly into agricultural production.

In return for investing in the Broadacre Fund, investors will have the opportunity to access grain via a long term grain off-take agreement from AACL.

The key to the Broadacre model's success is that experienced generational farmer's (the lessee's) will continue to operate the farms in their own right and retain a financial interest in the land. This unique structure aligns the interests of the investors and the farmers.

Size of this offer

The targeted subscription is a minimum of AUD\$100 million up to AUD\$300 million.

The funds are expected to be progressively drawn down as an initial AUD\$100 million to satisfy existing land opportunities, followed by a minimum of AUD\$25 million per quarter based on the volume of land required to be settled in any one period.

Returns

The Broadacre Fund is targeting an IRR of 10.00% (5.50% income and 4.50% capital growth).

Borrowing

Borrowings are allowed under the Broadacre Fund's Constitution. Should the Broadacre Fund utilize borrowings, they will be limited to no more than 30% of the Broadacre Fund's asset value.

Fees and charges

The Broadacre Fund will charge the following fees:

Establishment Fee – equal to 1.5% of the value of an asset acquired by the Broadacre Fund.

Management Fee – equal to 0.5% per annum of the asset value of the Broadacre Fund's assets calculated and paid monthly in arrears.

Liquidity

An investment in the Broadacre Fund should be considered a long term investment with a minimum 15 year investment horizon. However, it is expected that Unit Holders will be consulted every five years to discuss potential liquidity options.

Income distributions

The Broadacre Fund will distribute income on a quarterly basis in respect of the distribution periods ending each 30 June, 30 September, 31 December and 31 March in each year.

It is expected that distributions will be paid within 30 days after the end of the relevant distribution period.

Investors may elect to have their income distributions from the Broadacre Fund reinvested into additional Units in the Broadacre Fund, provided the distribution reinvestment plan has not been suspended or cancelled.

Unit pricing frequency

Unit prices will generally be calculated monthly. Any issue of new Units following the original subscription will require a unit price to be calculated against which those new Units will be issued.

Investor reporting

Regular reporting: A quarterly statement will be issued to Investors, if a distribution is declared, showing income distributions paid to the Investor or reinvested in additional Units in the Broadacre Fund and the balance of the Investor's holding at the end of the quarter.

Broadacre Fund financial reporting: An annual audited financial report will be provided.

Tax statements: An annual tax statement will be provided (after the end of each financial year being 30 June).

Risks

This investment is subject to risks associated with the agricultural, property and investment industries.