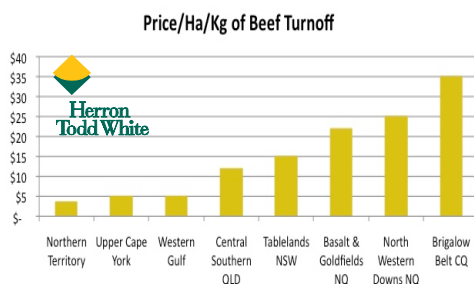




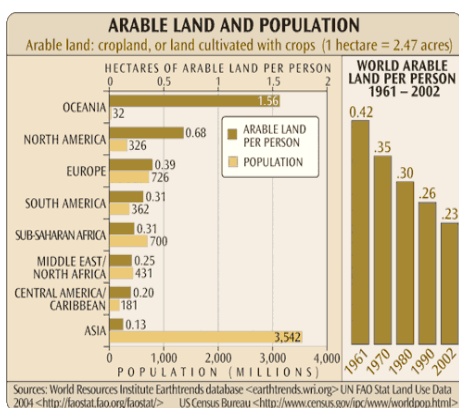
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*Acquire and develop under-utilised rural property to benefit from global demand for agricultural commodities while accelerating capital and yield appreciation*



*PHi is targeting land that offers the highest productivity in regards to price.*



*Australian farmland values expected to rise based on historical performance, price disparity and supporting global trends*

## Investment Overview

- Primary Holdings International (PHi) was created to:
  - Provide investors with exposure to agricultural property development, underpinned by growth in the soft commodities market
  - Develop a partnership leasing model that reflects a joint venture relationship with leading farm managers
  - Actively manage land by improving carrying capacity, production capacity and complementary revenue sources

## Why PHi?

- Target under-utilised or under-developed properties with the following characteristics:
  - **Water security** - reliable, high rainfall zones that mitigate climatic risk
  - **Productive Value** – competitive production with good value relative to price
  - **Off-market** – source transactions through PHi's extensive farming network
- Capitalise on the current transition of ownership from families to corporations
- Actively manage land to increase productivity and the underlying value of properties
- Unique lease partnership model aligns farm managers with the fund through incentives
- Focus on sustainable farming methods through water, infrastructure and management improvements

## Investment Rationale

- Demand Factors:
  - Increasing consumption of all major agricultural commodities
  - Added demand as a result of escalating bio-diesel and ethanol production
- Supply Factors:
  - Decreasing availability of farm land
  - Decreasing production capacity due to climate change and poor farming practices
- Strength of the Australian Market
  - Proximity to Asian markets that are driving the commodities boom
  - Already recognised as a leading quality exporter
  - Only 1% of institutional equity is currently invested in Australian farmland
  - Well established rural infrastructure and politically stable

### Progress to Date

- Tested the business model over last 8 years
- Negotiated first tranche of properties, valued at ~ A\$100m
- Engaged top-tier operational management teams to develop an integrated agribusiness
- Established management company to manage and advise investment vehicle (Sydney and London)
- Obtained seed funding from RAB Capital and secured first tranche of property options

### Lessee Partnerships

- Seek commercial, enterprising, dynamic and forward-thinking partners
- Target proven, experienced, leading managers (usually local to property location) that are looking to expand existing operations
- Build partnerships that are central to the PHi business model by aligning objectives and interests with investors:
  - Link lessee income with farm productivity
  - Provide lessee partner with an incentive fee on long-term capital appreciation

### Financial Developments

- PHi management has personally invested in the fund
- Obtained seed funding from RAB Capital's Special Situations Fund to option first tranche of properties
  - RAB is a London-based investment management company with US\$7 billion in assets
- Secured options over 3 properties valued at A\$100m
- Currently negotiating completion funding for first tranche of optioned properties (approx. \$100m)