

Targeting

12.0% net p.a.

Including distributions of
5-7% payable quarterly



Prime Value Dairy Trusts

Inception Date | 1 December 2019

INVESTMENT OBJECTIVE & KEY FEATURES

To acquire, develop and manage a premium dairy farming enterprise. The Dairy Trusts aim to provide investors with attractive and reliable returns with regular income distributions from milk sales and capital growth from the eventual sale of a substantial portfolio of premium, irrigated farms in high rainfall areas.



Attractive and reliable income via quarterly distributions plus capital growth potential



Strategically located, environmentally sustainable, premium farms in high rainfall regions



Portfolio is managed by industry leading experts with extensive agriculture and portfolio management experience

WHY INVEST IN THE PRIME VALUE DAIRY TRUSTS?

Attractive Regular Income Plus Capital Growth

Farms are selected with the expectation of generating a regular income stream from milk sales with capital growth potential over the medium to longer-term. We believe regions with access to secure water and high rainfall will outperform and offer strong capital growth potential.

Profitable And Sustainable

Prime Value Dairy Trusts' portfolio of farms are managed collectively to achieve economies of scale, profitable breeding/cattle raising programs and receive the milk sales price benefits that come with higher volumes of production.

Amalgamation And Turnaround

Our strategy is to acquire premium quality farms or those that have the potential to be so. Our Tasmanian portfolio acquired in May 2021 reflected a combined turnaround and amalgamation opportunity and we expect an uplift in value as our development plans are brought to fruition.

Low Correlation With Traditional Assets

While milk is a global commodity, Australian production is generally insulated from fluctuations in global prices as a much higher proportion of Australian milk production is used to meet local demand. This enables the Dairy Trusts to produce consistent competitive risk-adjusted returns.

PREMIUM FARMS
 offering
RELIABLE INCOME
 and
ATTRACTIVE
CAPITAL GROWTH
POTENTIAL



WHAT IS A DAIRY TRUSTS?



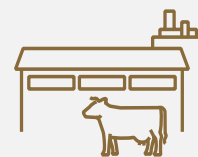
Strategic and Premium Locations

The Prime Value Dairy Trusts currently own more than 3,000ha of farmland in the premium locations of NW Tasmania and SW Victoria. The locations have reliable temperate climates, high rainfall, and access to irrigation water to optimise pasture growth.



Milk Production

Our 11,000 head herd consists of 6,700 milking cows, plus our rising young stock and bulls. For FY21/22 we are delivering our daily milk production to Saputo, one of the top ten dairy producers in the world and the largest dairy processor in Australia. Minimum milk prices are set at the beginning of the season securing income for the year.



Value-Add and Boundless Growth Potential

Prime Value is continuing to develop and expand its dairy operations into a premium agri-business enterprise. Our value-add plans include dairy beef to profit from our breeding program, and we are beginning to explore niche dairy product production.

WHY AUSTRALIAN DAIRY?

Macro-economic fundamentals that support the Australian Dairy industry:

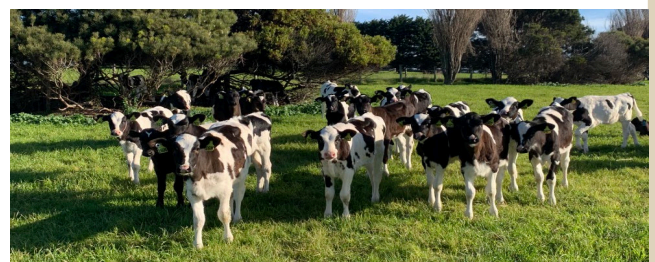
- Growing demand for dairy, particularly from the rapidly growing Asian middle class
- Milk prices continue to be firm both domestically and internationally
- Falling domestic milk supply – a lower national herd with farmers in marginal locations continuing to exit
- Rising farmland values particularly in areas of high rainfall

Key factors underpin our decision to invest in the Australian dairy industry:

- Strong milk prices
- Diversification in real assets
- Global food and water scarcity
- Value add opportunities
- Benefit from turn around opportunities
- Attractive yield in a low interest rate environment
- Strong demand for quality farmland assets from domestic and offshore investors

KEY FUND FACTS

Inception Date	01 Dec 2019
Target IRR	12% p.a. (including quarterly distributions)
Distribution Frequency	Quarterly
Asset Acquisition & Disposal Fees	Please refer to the Information Memorandum (IM) for more details
Management Fee	1.5% p.a. (excl. GST) of gross asset value
Performance Fee	20% of the performance of each farm in excess of 8% p.a.
Recommended Investment Period	7-10 years from the Commencement Date
Withdrawal / Liquidity	Limited liquidity
Minimum Capital Commitment	\$100,000, then \$10,000 increments



OUR FARMS

Prime Value Dairy Farms Investment Criteria:

- Reliable temperate climate
- Higher rainfall area
- Permanent irrigation existing and/or potential
- Pasture productivity
- Capital appreciation potential

The Prime Value Dairy Trusts' current landholdings are spread across ten farms in North-West Tasmania and two farms in South-West Victoria.



PORTFOLIO MANAGERS

Kirsti Keightley

General Manager
Dairy Investments



James Everist

Joint Portfolio
Manager



Elizabeth Blackhurst

Joint Portfolio
Manager



• *Dip Horticultural Mgmt, Dip HR*

- ✓ Highly regarded in the industry, Kirsti has been managing and operating best practice dairy farms in New Zealand and Southwest Victoria for over 30 years.
- ✓ Responsible for investment strategy, dairy farms selection and overseeing the operation.

• *B Bus (Trans)*

- ✓ Over 30 years of experience in resources and financial markets across corporate treasury, investment banking, and private wealth management.
- ✓ James has previously held Treasury positions with Normandy Mining and WMC Ltd and held senior investment banking roles with Standard Chartered Bank (Mocatta) and Morgan Stanley (Singapore) specialising in metals sales and trading.

• *B Ec, M App Fin, M Env Law*

- ✓ Over 30 years in financial markets across commodities, banking, resource finance, corporate advisory, and private wealth portfolio management.
- ✓ Elizabeth has worked both domestically and internationally and has held senior roles within the commodity divisions of the Commonwealth Bank, Mitsui, Bank of Nova Scotia and Dresdner.

PRIME VALUE ASSET MANAGEMENT

Prime Value is a multi-award-winning boutique Australian investment manager with an impressive history of building wealth with investors since 1998.

Since our inception 25 years ago, Prime Value has been known for its unique and intuitive investment approach that balances capital preservation and wealth creation.

Our investment philosophy is anchored on a strong risk management framework which has enabled us to target attractive opportunities and deliver a proven track record of superior performances.

Together with our sister company Shakespeare Property Group, we now manage in excess of \$3 billion on behalf of high-net-worth families, private investors, clients of financial planners and non-profit organisations, across four asset classes including:

- income securities,
- equities,
- commercial properties, and
- alternative assets (agriculture farms, private equity, retirement living, healthcare property, and infrastructure assets).

Our highly qualified, experienced, and passionate investment team have successfully navigated with investors through many challenging market cycles and crises including the Wall Street crash, Asian Currency crisis, Global Financial Crisis, and the current COVID-19 global pandemic.

The strong track record has seen our clients consistently reinvest and grow with us.

CONTACT US

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