

MEDIA RELEASE

25 May 2021

Warakirri Diversified Agriculture Fund Reaches \$50m Milestone

- **Settles on Fourth Fund Asset**
- **Pays First Quarterly Income Distribution**

Melbourne, 25 May 2021 – Warakirri Asset Management has announced settlement on an additional asset for the Warakirri Diversified Agriculture Fund (Fund), which has now deployed in excess of \$50 million after securing capital commitments from wholesale investors across family offices, charities, advisory groups and superannuation funds.

The Fund's fourth asset is a strategic agriculture infrastructure investment in Victoria, consisting of a modern livestock feed mill and related commodity storage located on the edge of Cobden in the Western Districts.

The vendor in the transaction, stockfeed market leader Reid Stockfeeds (RSF), remains in occupation of the property as another best-in-class Tenant Partner of the Fund, entering a lease back agreement that will see this business continue to operate the asset for at least a further 20 years.

From five production facilities in Victoria, RSF are in the top 5 national producers of stockfeed and a key player in the Victoria, Riverina and South East South Australia markets they operate in.

Late last year, Warakirri secured deals on three foundation assets for the Fund and long-term Tenant Partnerships with fresh produce sector leaders - Costa Group, Moora Citrus and Dicky Bill Australia.

Together, these initial investments provide a weighted average rental yield of 8.2%¹ per annum to the Fund and a 15-year weighted average lease expiry.

The Fund recently made its inaugural quarterly income distribution for the March 2021 quarter end, equating to an annualised yield of 7.4% per annum on called capital (net of fees and fund costs). This first payment is in line with the Fund's policy of distributing all surplus income and slightly above its 6%+ yield target.

Steve Jarrott, Portfolio Manager for the Fund, said: "We're delighted to add another quality asset and Tenant Partner to the Fund. Reid Stockfeeds has a strong track record and are one of Australia's leading providers of high quality stock feed. They are a well-respected, growing business, servicing livestock producers in the dairy, pork, poultry, beef and lamb sectors".

"We are committed to continuing our disciplined approach, to carefully select new assets and Tenant Partners, and ensuring this is not only a rewarding income investment, particularly in the current low interest rate environment, but a valuable, low volatility, total return exposure for our clients over the long term" added Mr. Jarrott.



The Warakirri Diversified Agriculture Fund's strategy is to own a diversified portfolio of investment grade Australian agricultural assets for the primary purpose of leasing to high quality agricultural businesses (Tenant Partners) who are experts in their field.

Warakirri has been acquiring, developing and operating Australian agricultural assets on behalf of investors for over 20 years.

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About Warakirri

Warakirri is a multi-boutique asset management firm established in 1993 with specialist investment offerings for institutional and retail investors across multiple asset classes, including agriculture, equities, cash and specialised U.S real estate. Warakirri's equities offerings provide access to ethical investing and in partnership with Flinders Investment Partners, to small cap equities.

Warakirri is also a leading provider of after-tax benchmarking, reporting and performance analytics and passive and active currency solutions for Australian institutional investors.

Warakirri is based in Melbourne and is 100% owned by its directors and employees.

For further information: www.warakirri.com.au/warakirri-diversified-agriculture-fund

About Reid Stockfeeds

Reid Stockfeeds is a proud family-run business, acting as a vital cog in the food chain for livestock enterprises around Victoria, South Australia and New South Wales. Their success and reputation stems from humble origins, producing stock feed for the first time in 1984 and building what is now a highly respected business through honest, professional interactions that deliver results for customers, suppliers and staff.

The business boasts a very strong track record, producing a range of high-quality products from a growing base of nutritional knowledge that results in healthy and productive dairy cows, pigs, sheep, cattle and poultry.

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¹ Property returns quoted to the Fund after leverage, before fees and tax.

Important Information

This information has been prepared by Warakirri Asset Management Ltd (ABN 33 057 529 370) (AFSL 246782) and is for general information purposes only and is not to be relied upon. Complete information regarding the Warakirri Diversified Agriculture Fund is contained within the Information Memorandum and can be obtained by contacting Warakirri.