



WHARTON PASTORAL

— CORE ASSETS —
EXECUTIVE SUMMARY

Wharton Capital

EXECUTIVE SUMMARY OF THE INVESTMENT

The fund's initial intention is to invest in three pastoral stations in Western Australia, which are located in traditional grazing areas that have historically low disease rates, with the Kumarina, Mary Mia and Weelarrana been classed by the Australian Government as been located in the "disease free" area of the Northern Rangelands. The three stations have a total area of almost **895,493 hectares**.





KUMARINA STATION

The size of the three properties provide sufficient scale to enable the efficient use of shared resources such as manpower and equipment at peak time such as mustering.

As part of the pastoral lease rights that the fund is acquiring we will be entitled to a secondary income stream in the form of annual payments from mining operators who access their mining sites using roads on the pastoral stations. These payments are required by law and are useful in contributing to annual income. These mining operations occupy less than 1% of the Wharton Pastoral holdings.

The balance of supply and demand is tilted, in that demand is increasing and supply is decreasing. We are currently at or very near the bottom of the cycle of Australia's agriculture and beef industry and it is very likely that agriculture will rebound in the near future.



WEELARRANA STATION

PROJECT DATA

KUMARINA STATION, NEWMAN, WA 6753

SITE AREA	305,929 hectares, about 3,059 square kilometres
FARM FACILITIES	22 water resources, own solar and accommodation facilities
NUMBER OF CATTLE	2,000 heads

MARY MIA STATION, NEW SITE AREA

FARM FACILITIES	14 w
RENOVATION FACILITY	
NUMBER OF CATTLE	

8,955

SQUARE KILOMETRES

2.213

MILLION ACRES



MAN, WA 6753

367,836 hectares, about
3,678 square kilometres.

Wells, 29 water resources

A holiday home, sheds, 10 kW
24-hour generator.

2,900 (approximate), natural
calving rate of more than 95%

WEELARRANA STATION, NEWMAN, WA 6753

SITE AREA approx. 200,000 hectares,

FARM FACILITIES Solar power system, 6 mustering vehicles
2 cattle yards, 2 homesteads and fence

OTHERS A hold mine in the north eastern corner
of the station.

NUMBER OF CATTLE Stocked 2,000 cattle.

89

WATER RECOURCES

95%

NATURAL REPRODUCTION
RATE OF MORE THAN 95%

PROJECT HIGHLIGHTS

- **DISEASE-FREE AREA**
- **EXCELLENT LOCATION**
- **HIGHWAY**
- **HIGH NATURAL REPRODUCTION RATE**
- **WATER RESOURCES**
- **CLIMATE**



DISEASE-FREE AREA

The three stations in Western Australia were rated as disease-free and have a record of no diseases for the past almost 100 years. Live cattle exported from the properties are licensed for direct shipment with little to no quarantine. At the same time, the entire state of Western Australian has no endemic live-stock diseases. The Western Australian Government's ongoing monitoring of the state in accordance with relevant policies has made the region become one of the pastoral lands with the lowest risk of disease worldwide.



EXCELLENT LOCATION

The three stations of Kumarina, Mary Mia and Weelarrana are close to the major ship-ping port of Port Headland that exports both live and butchered cattle to Asia. The stations are also close to the major highway, with easy access to Perth, Geraldton and Fremantle, as well as the northern markets of Broome.



HIGHWAY

Australian listed company KLL is preparing to build a 78-kilometer paved road with a length of 160 km from Kumarina to southwest of Newman. Once the highway construction is completed, access for farm goods will be vastly improved.



HIGH NATURAL REPRODUCTION RATE

Because the pasture is rich in mineral resources, the cattle in the pastures ingest mineral water from the water source, so the yield and reproduction rate are exceedingly above average. According to records, the natural reproduction rate of cattle in the area is over 95%, which is very high by industry standards.



WATER RESOURCES

The groundwater resources of the properties are plentiful and very clean drinking suitable for cattle. The groundwater level is located between 10 and 60 meters deep and can achieve high pumping rates.



CLIMATE

The properties are located in a semi-arid climate zone. The average monthly rainfall is more in summer and less rainfall in early winter. It is suitable for grazing and natural growth of cattle. We have examined rainfall records held at each station and have a clear idea of expected rainfall levels.

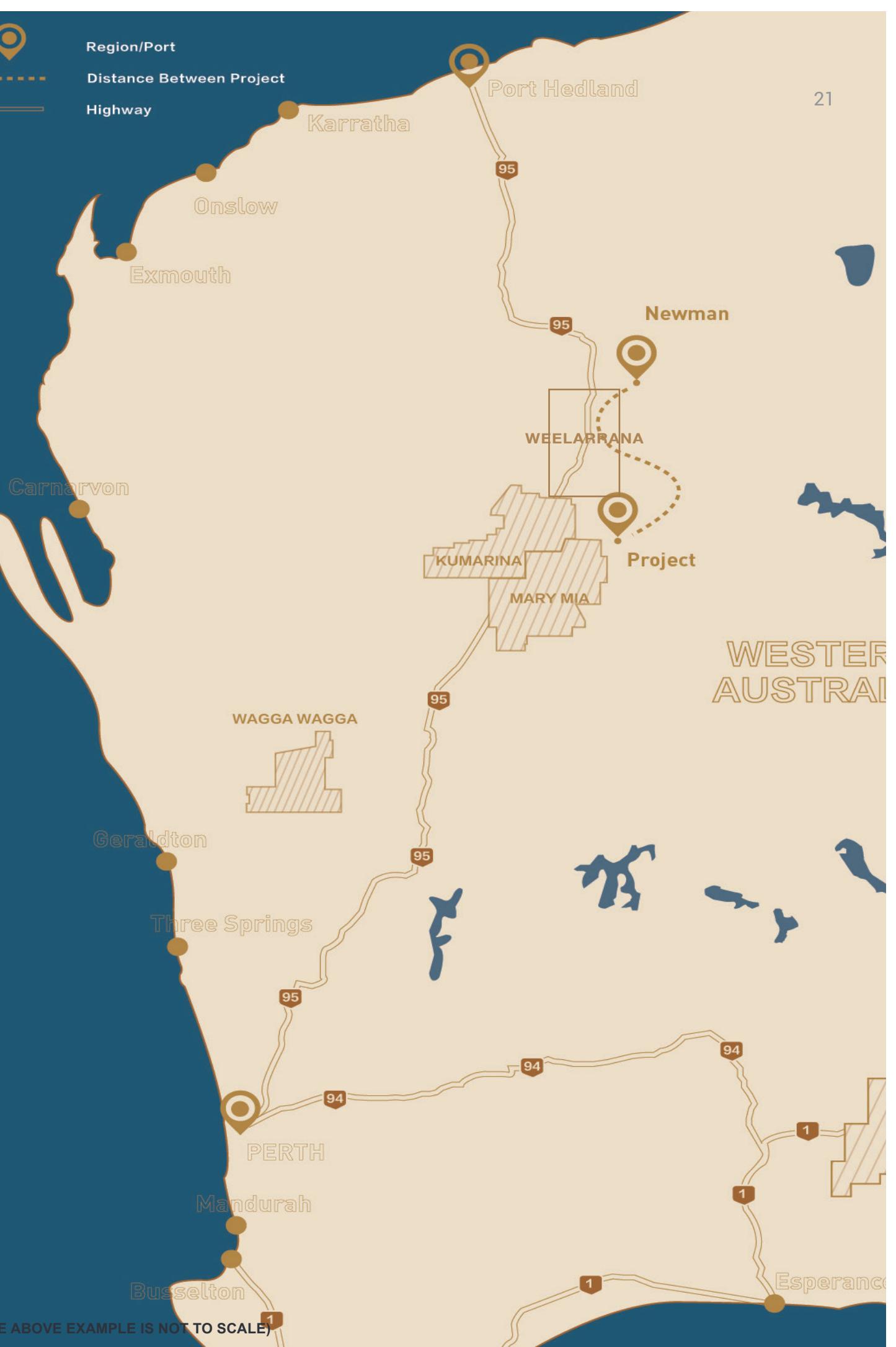


Region/Port

Distance Between Project

Highway

21



DISEASE - FREE

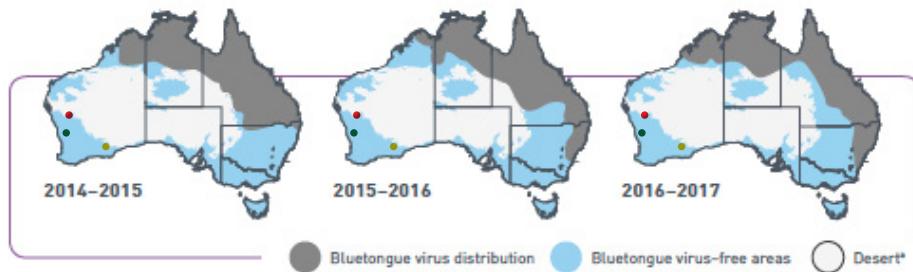


Figure 4.2 Distribution of bluetongue virus in Australia, 2014–2015 to 2016–2017

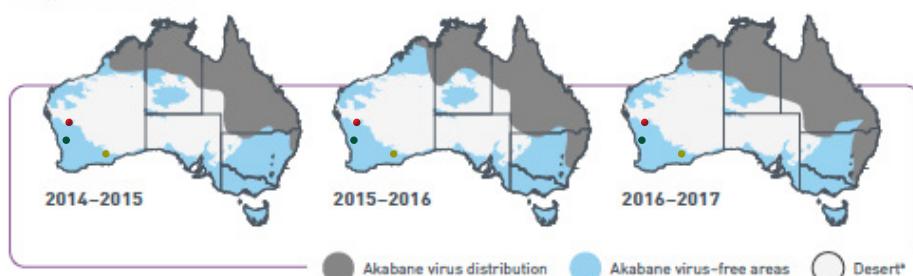


Figure 4.3 Distribution of Akabane virus in Australia, 2014–2015 to 2016–2017

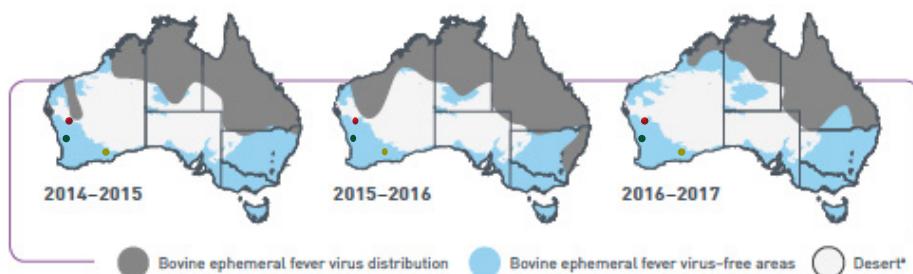


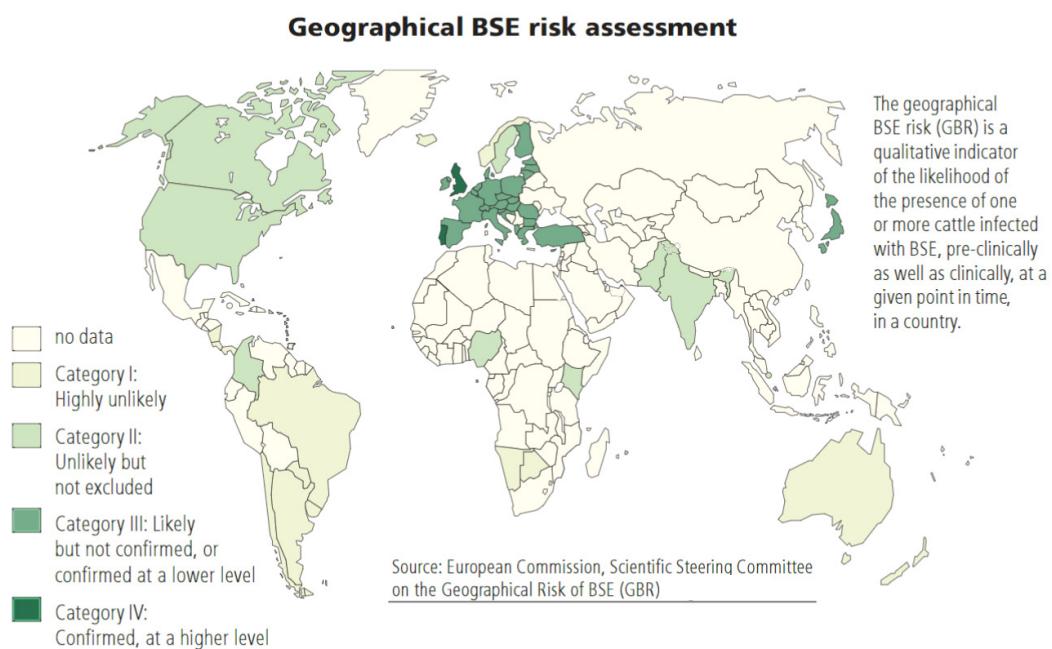
Figure 4.4 Distribution of bovine ephemeral fever virus in Australia, 2014–2014 to 2016–2017

- Kumarina Station & Marymia Station, Newman, WA 6753
- Wagga Wagga Station, Yalgoo Shire

- **BLUE TONGUE DISEASE, RED FEATHER DISEASE, CATTLE EPIDEMIC FEVER**

Diseases affecting the growth and breeding of cattle are mainly blue tongue disease, red feather disease and cattle epidemic fever, insects are used as the transmission medium. At the same time, climatic factors such as the rainy season and temperature play a decisive role in the potential spread of disease. Testing in recent years shows, there have been no carriers in many parts of Australia that can transmit such viruses. A test report from NADP (National Arbovirus Detection Program) shows that during the period of 2014-2017, the three properties in Western Australia have no record of bluetongue, red feather disease or cattle epidemic fever. Benefiting from the disease-free zone designated by The National Animal Health Framework, the four target properties enjoy the privileges of a series of export processes such as exemption from export quarantine review, significantly reducing the operating costs of the properties. This rare privilege is one of the unique innate advantages of this project.

- **MAD COW DISEASE**



The geographical distribution map of mad cow disease (BSE) shows that the entire country of Australia is in a very unlikely zone classification. In contrast, the United States, Japan, Canada, Brazil, fell into the area where mad cow disease is more likely to occur.

FUND MANAGEMENT TEAM

DARREN THOMAS



Darren brings a wealth of experience and qualifications to Wharton Capital executive team forged within the finance, financial planning and property industry over the last 30 years. He formerly worked for Financial Wisdom under the Colonial First State banner one of Australia's largest fund managers with over \$130bn funds under management. He was an Authorised Representative that specialised in managing the financial affairs for his private retail clients. Previously he has personally owned and developed large residential sites in Australia and welcomes the opportunity to manage and improve Wharton Pastoral properties. Darren has transacted over \$1bn in property and finance assets. Prior to this he was a decorated Federal Agent with the Australian Federal Police having worked with a variety of domestic stake holders and national government departments. He had high level interaction with foreign law enforcement and foreign government agencies and served internationally with distinction with the United Nations. Darren has developed extensive global networks within the trade and finance industries. Darren is a champion of children's wellbeing and welfare, holding numerous board and advisory positions with both Australian charities and also charities in developing countries.

PETER TURNBULL



Peter Turnbull is a well credentialed investor and corporate advisor with strong experience in property development, having successfully completed numerous large-scale projects across Australia in residential and commercial properties. He is also Deputy Chairman for Scarborough Developments Australia which is a UK based multi-national development corporation with assets under management of over \$1 Billion. Peter was the founder of a respected mid-tier accounting practice Sydney with offices in Parramatta, Penrith, Castle Hill and Norwest; he was the Founder and former Director of the Australian Hyundai League Club – Sydney FC and former Chairman of the Coast Mariners, having won the Premiership with both Clubs.

STEPHEN BURGUN INDEPENDENT DIRECTOR AND EXPERT AGRICULTURE CONSULTANT



Stephen has continuously been employed for 30 years by the globally recognised University of Sydney in the Agriculture Department, currently as the Manager of Rural Operations. Stephen's primary role is managing the University's flagship mixed grazing property "Arthurstein Farm", which requires him to co-ordinate a myriad of educational activities and research initiatives, and management advise to the University's other farming operations. During his tertiary study with USYD, Stephen was the recipient of the prestigious outstanding achievement prize awarded by the NSW Farmers Association. He has a high level of understanding in all aspects of farming including livestock husbandry, cropping and pastures, budgeting and forecasting and buying and selling at the optimum time frames. Through his association with the USYD, Stephen is at the cutting edge of the latest and most up to date practices and methodologies, equipment and technologies and modern Artificial Insemination and breeding research. Stephen conducts Wharton Pastoral due diligence programmes for property acquisitions, feasibility studies and the buying and selling of livestock and wool. Stephens brings a wealth of experience, access to modern technology and research, discerned wisdom and independent oversight, and a collaborative guidance with his wealth of peer-to-peer agriculture relationships and networks to Wharton Pastoral.

SACHINDRA MAHARAJ - Responsible Manager



Sachindra commenced his career with PwC Sydney as a chartered accountant and has more than 32 years direct experience in international banking and finance. Sachindra spent 18 years with the HSBC Group where he held senior executive positions with including Head of Treasury Services, Head of Finance, Chief Accounting Officer, COO & CFO. Sachindra has been a member of HSBC Australia's Risk Committee and Asset Liability Committee. He also led all business acquisitions and disposals for HSBC Australia. Sachindra was a Responsible Manager (RM) for HSBC's Australian banking entities and HSBC Precious Metals (Australia) Limited for 7 years. The RM responsibilities were for global markets which included operations in foreign exchange, futures, derivatives, money market products and capital markets. Sachindra also holds a NSW Real Estate License and has been a consultant to Property Developers over the past 2 years assisting in investment decisions on medium to large projects. Consulting work expands to extensive market research, seminars on property market and the economy and optimising funding sources. Sachindra's knowledge of global markets, property and economic market principles together with his accountants skills and previous Responsible Manager duties with HSBC bolsters Wharton Capital's experienced Executive Team.

CHRISTOPHER COULTER - Responsible Manager



Chris is a highly experienced fund manager with 25 expertise years within the property and asset management industries. Chris has held senior roles with major groups including BTR Asia Pacific, Wing On Corporation, Savills, Knight Frank and Orchard Funds Management. Within these roles Chris has managed and transacted property assets across traditional and non-traditional property sectors in excess of \$2bn. Notably in his role at Orchard Funds Management Chris managed the flagships Diversified Property Fund which had an asset value in excess of \$1.2bn. Chris has fund management experience within the agriculture industry inclusive of the Orchard Primary Infrastructure Fund which had agricultural assets in excess of \$100m. Chris states he relishes the opportunity to manage Wharton Pastoral funds. Chris is renowned not only in Australia but also globally with previous transactions with offshore fund managers, is a hands on leader and experienced large funds manager who will add to the already impressive Wharton Capital management team.

JOANNE MADONALD - Mac Isles Consulting (External Compliance Company)

Joanne brings a wealth of Government and Corporate fund management compliance experience to Wharton Capital. Joanne holds formal qualifications as a Fellow of the Governance Institute of Australia, a member of The Australian Institute of Company Directors, gained her Masters of Business Administration (Executive) AGSM, and holds a Diploma of Financial Markets, FINISIA.

Joanne is also an active member of the International & Capital Markets Working Group for the Property Council of Australia with prior experience also with the ABA, FSC, ASFA, FPA and AFMA. She has also previously held committee positions and advisory roles with the Federal Treasury and CoFF and is currently the NSW Course Director for the Risk and Compliance subject within the Graduate Diploma of Applied Corporate Governance and Risk Management.

Joanne's vast experience includes senior positions as the Head of Risk & Compliance CBA Group, National Compliance Manager, Tower Australia and was a member of the Finance and Investment Division, a member of the Investment Committee, a member of the Finance and Budget Committee and was the Deputy Chair of the Audit Committee within the NSW Government.

ASSETS MANAGEMENT TEAM

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ADRIAN FLORENCE AGRICULTURE ASSET DIRECTOR



Adrian Florence is the principal asset manager and adviser under contract with WAM. Adrian is also the owner of Fruitfulife Pty Ltd an agricultural business trading, distributing and marketing meat products. He has over 30 years of experience in the meat and livestock industry. Experience from grass roots livestock pastoral front-line roles then moving on to large corporate sales and management roles. Adrian was responsible for the design, construction and management of two of the largest state of the art abattoirs in Australia utilising innovative leading-edge technology. Adrian has been responsible for over 500 employees and sales in excess of \$200 million dollars per annum. Adrian also has extensive knowledge and experience in the export and import industry and international protein business with over 25 years experience in international livestock related trade.

LUKE MYERS



Luke Myers is currently the Group Financial Controller and Operations Manager for Olymel Australia. Luke was involved with the development and management of the Olymels' retail food business in Australia with customers including Coles, Woolworths, Mercash. This role included managing a team and overseeing the financial management of all facets of the supply chain including working with the overseas partners/suppliers with the importation of food related products from Europe, Asia, North America and Israel, production facility inspections, logistics and inventory management. Luke also managed the global food safety and quality certification program (SQF). At Wharton, Luke will be responsible for the financial controllership of the Fund.



BERNIE RORKE

Bernie Rorke is an associate of the Olymel Australia group. Bernie has a comprehensive career committed to food and agriculture. His most recent role was as Managing Director of a food supply company. Prior to this Bernie had roles directly relevant to import and export of agricultural commodities, including fruit and vegetables as well as grain trading and logistics; and advising pastoral farmers in respect of fertilisers, seed and commodities. Bernie is well networked into the agricultural community and he has strong marketing skills.

JACK COX STATION MANAGER

Jack is a young, dynamic and energetic person with a real desire to learn and develop in any role he takes on. Jack is born and bred in the WA outback and is well regarded in the Pilbara and Kimberley areas as a hard working and dedicated stockman and manager.

Jack has been working on Cattle stations for over 10 years and has built himself up from working as a stockman to running large mustering teams on some of the most prestigious stations in the area including Mulga Downs, owned by Gina Rinehart. Jack has a real passion for the bush and cattle and a desire to see the properties succeed and is always motivated with the passion to see this business develop. Jack brings with him a wealth of knowledge and skills to see the properties succeed and has also bought on recently Kane Kedzie, to run Kumaria under his management. Kane has worked with Jack for the past 5 years as his head Stockman and the 2 make a very experienced and determine team.

SUCCESSFUL CASE PRIMO GROUP - ADRIAN FLORENCE

Adrian served as the general manager of Primo for 14 years and led Primo from a small company to a group company with 3,000 employees, 4 processing plants, 7 distribution points, and 37 retail stores. Established in 1957 as a small company, Primo gradually grew from a slaughter workshop to the largest ham, bacon and other delicatessen meat processing enterprises in Australia. In 2014, the Primo Group was valued at \$1.55 billion and was acquired by the world's largest food group, JBS Food Group. In the process of Adrian leading the Primo team, two cutting-edge operational concepts were created. First, to keep up with the speed of sales and speed up the sales pace, he pioneered the food group's acquisition of the slaughterhouse. After that, Adrian designed and built two modern slaughterhouses based on the ideal cattle processing process, increasing the weekly slaughter rate from 100 to 450, and establishing Australia's first fully integrated deboning line.

Secondly, Adrian led the team to sign a contract with Coles Supermarket from the concept of 'from the pasture to the table', to get through the pigs from the farm to the feeder and abattoir, and finally to provide the supermarket with a full chain of all kinds of attractive cooked food such as bacon ham. Primo ultimately expanded the scale of exports to more than 40 countries around the world, open up sales channels, and expand channels.

SHANE BAILEY STATION MANAGER

Shane has been working on and managing Cattle stations for over 30 years and has come to us from a large station in the north that he has been developing for the WA Government to double the cattle production on this place. Shane has raised 3 children on remote cattle stations and they now run a large mustering business that Shane started and developed for them over the past 10 years.

Shane brings a wealth of knowledge and experience with him to Wedge Wedge station and has already put his stamp on the business with initiatives and plans to help increase production and native pastures to improve our cattle quality. Shane has a real passion for the industry and wants to see it grow and succeed and is extremely excited about Wharton's direction and sees a real need for companies like us to drive the industry forward.

DAVID WRIGHT STATION STATION MANAGER



David comes from a long line of generational farmers, steeped in history and well regarded in Australia and continues that family legacy. He has successfully owned and managed large mixed cattle / sheep stations in various locations where climatic and soil conditions are similar to that of the Wharton Pastoral portfolio. Continuing that proud family tradition David will work in company with his daughter Megan, who grew up on the land and worked under the tutelage of her father in all aspects of station management. Having owned large cattle /sheep stations David is extremely conversant and experienced with all commercial aspects relating to the management of the station. David's ownership/management experience will drive the successful operation of his station, contribute towards the strategic direction of Wharton Pastoral moving forward, while delivering for our investors and growing the portfolio.

BRAD DUNNETT (DUNNETT & JOHNSTON AUSTRALIAN WHOLESALE MEATS) DOMESTIC & INTERNATIONAL MEAT TRADE CONSULTANT



Brad is the director of Dunnott & Johnston, Australia's largest independent meat trading and export company with a proud family tradition in the industry dating back over 70 years. Brad's company will be the Australian and global meat trader with the appropriate export and quarantine licenses for the Wharton Pastoral fund. Their trading supply chain stretches globally to over 40 countries covering most continents. They are able to trade astutely from real time market intelligence on prices, trends and supply requirements as reported by their global trading partners. Dunnott & Johnston also owns Australian Wholesale Meats, with 5 locations across Australia, over 80 staff with nationwide cold storage and logistics facilities which supports Australia's large consumption domestic market. Brad states "We are always on the lookout for quality trading partners and welcome the association with Adrian Florence and his experienced team at the Wharton Pastoral fund. The global demand for high quality Australian beef and lamb is ever increasing. I feel this increasing long term demand will continue as we see the importance by foreign governments placed on food security to feed their growing populations and we are currently experiencing the situation where demand exceeds supply. Australia and in particular the Wharton Pastoral fund is well placed to take advantage of this upward trend."



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