

NEW INDUSTRIES FUND

Bringing patient capital to transformational technologies, projects and companies creating a Sustainable Future

Proposal for a Cornerstone Investor

THE OPPORTUNITY

- **Unique Product in Current Market:**
 - Evergreen Structure
 - Investment Across Lifecycle
- **AUD150M Target First Close**
- **Thematic Investment Driven by Global Mega-Trends**
- **Sector strongly supported by new Government Policies**
 - “Future Made in Australia”
 - National Reconstruction Fund and CEFC
- **Sustainability Focused**
- **Identified Deal Flow**
- **Experienced Management Team**
- **Leverage investment through Co-investment Opportunities**

AxleTree Capital (“AxleTree”) has been established to act as the Manager of the proposed AxleTree New Industries Fund (“The Fund”). The Shareholders of AxleTree are seeking expressions of interest for cornerstone investments of \$25-50 million in the Fund.

A Cornerstone Investor may also assist with the initial acquisition of assets for inclusion in the fund, should investment commitments require funding prior to First Close of the Fund, in return for a fee.

Additional information regarding the proposed Fund is available for inspection upon execution of a Non-Disclosure Agreement.

CORNERSTONE INVESTOR OPPORTUNITIES

- Input into the final design of the product, to better meet their investment objectives
- Preferential access to Co-investment opportunities
- The right to appoint a member of the Fund’s Independent Advisory Committee



CORE FOCUS

Our core focus is the trinity of water, energy and waste

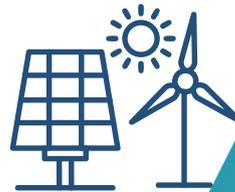
Water:

- Potable water and sewage treatment
- Desalination
- Efficiency of use in manufacturing and agriculture
- Quality of ground water and surface water in the environment



Renewable Energy:

- Generation
- Efficient transmission, distribution and storage
- Energy management systems
- Energy recovery



Waste:

- Minimisation
- Recycling
- Waste-to-energy



THE FUND

We are a Thematic Investor driven by strong global megatrends. We will invest for the long term, across the technology and business life-cycle, and in both the provision of technologies and in companies and projects deploying these technologies.

We will invest in businesses developing projects, technologies, products and services which positively contribute to a sustainable global society and environment. We are technology agnostic, in that we recognize that there may be multiple viable solutions to particular problems and will be prepared to support multiple technologies in a particular application.

Our focus extends to investments in industries where the application of these and other technologies and appropriate practices can make a contribution to sustainability.



We are an active investor and will:

- Take 20-50% interests in the vehicles in which we invests;
- Influence strategic and tactical decision making through board representation; and
- Seek synergies between our portfolio businesses.

INITIAL INVESTMENTS

AxleTree is currently reviewing opportunities and seeking to negotiate terms for the Fund to invest at or soon after First Close in a range of assets and across a range of sectors:

- Energy Management Systems
- Net Zero Liquid Fuels
- Electric Vehicle Charging Infrastructure
- Advanced Materials
- Battery Manufacturing
- Soft Plastic Recycling
- Power Generation
- Distributed Generation
- Electric Motors
- Efficient watering

THE MANAGER

AxleTree Capital was established by Tennant Burnett Corporate Advisory in 2022 as the Manager for the proposed fund. It is currently owned by management:

- 50% Tennant Burnett, controlled by AxleTree's CEO and Managing Director Matthew Williams
- 30% Eugene Kopp, Chief Investment Officer
- 20% Jordan Green AM, Non-Executive Chair and Chair of the Independent Advisory Committee.

The Manager's Executives, Board and the Independent Advisory Committee (see below), each have over 30 years of experience in the sector, across investment and operations, and from start-up to mature utility scale businesses. The Manager's strong links to the research community ensure the early identification of potential future opportunities for the Fund. Each are employed under a standard employment contract and incentives include a direct link to Fund performance.





MANAGEMENT TEAM



Matthew Williams
Managing Director



Eugene Kopp
Chief Investment Officer



Dr Martin Hoogland
Chief Technical
Officer

INDEPENDENT ADVISORY COMMITTEE

In addition, AxleTree has created an Independent Advisory Committee to provide independent advice to AxleTree's Directors and to the Investment Committee as to the suitability or otherwise of investments proposed to be made on behalf of the Fund; including any conditions, modification to investment terms or additional Due Diligence that the Committee believes are desirable before such an investment is made, and having regard to the objectives of the Fund. The IAC is remunerated by the Fund with part of their remuneration directly linked to Fund performance.



Jordan Green AM
Chair,
AxleTree Capital and AxleTree NIF IAC



Dr Nick Birrell



Glenda McLoughlin



Andrew Williams



Linda Romanovska

FURTHER INFORMATION

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TERMS SHEET

Type	<p>Unit Trust (A and B Class Units – B class held by Manager)</p> <p>A Units rank ahead of B Units in any winding up of the Trust other than a solvent winding up of the Trust approved by unit holders.</p> <p>B Units are required to reinvest all entitlements to distributions.</p> <p>B Units convert to A Units after 4 years</p>
Term	Evergreen
Size	\$150M (up to \$250M at par \$1/unit during year 1)
Minimum First Close:	\$100M
Liquidity:	Best Endeavours. Mechanisms to consider future options potentially including listing after 5 years and a redemption facility after 10 years
Distributions:	Annually, of all taxable income (at minimum)
Reinvestment:	Option for reinvestment of Distributions at \$NAV/unit
Benchmark Return:	<p>Blend of:</p> <ul style="list-style-type: none"> • S&P ASX Emerging Companies Index (30%) • S&P ASX Infrastructure Index (30%) • S&P Australian Private Equity and Venture Capital Total Return Index (40%) • Plus 3% p.a.
Fees:	<p>Closing Fee 7% Flat (4% cash, 3% B Class Units)</p> <p>Monthly Management Fee (%pa) payable monthly on the greater of Commitments or NAV plus undrawn commitments (FUM):</p> <ul style="list-style-type: none"> • FUM < \$250M 1.75% • \$250M < FUM < \$500M 1.50% • \$500M < FUM < \$750M 1.25% • FUM > \$750M 1.00% <p>Performance Fee 20% of excess return above benchmark; payable in B Units. Subject to high watermark</p>
Management Expense Ratio:	4.00% Cap - Includes all fees and directly chargeable costs

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