

# anadara

ASSET MANAGEMENT

## INFORMATION MEMORANDUM

### ANADARA BATTERY TRANSITION FUND



#### IMPORTANT NOTICE

This Information Memorandum (IM) provides a summary of significant information about the Offer. You should read this IM before deciding to invest in Anadara Battery Transition Fund. The information in this IM is general only and does not consider your personal financial situation or needs. Before making an investment decision based on this IM, you should obtain financial advice that is tailored to suit your personal circumstances.

## CONTENTS

1.	IMPORTANT INFORMATION	1
2.	SUMMARY	2
3.	TRUSTEE PROFILE	4
4.	INVESTMENT MANAGER PROFILE	5
5.	INVESTMENT COMMITTEE	6
6.	INVESTMENT MANDATE AND STRATEGY	7
7.	KEY DRIVERS FOR BATTERIES	10
8.	BENEFITS AND RISKS OF MANAGED INVESTMENT SCHEMES	11
9.	FEES AND OTHER COSTS	14
10.	INVESTING IN THE FUND	16
11.	REDEMPTIONS	17
12.	DISTRIBUTIONS	18
13.	COMMUNICATION AND REPORTING	18
14.	TAXATION	19
15.	DETAILS OF THE MATERIAL AGREEMENTS	22
16.	DISPUTE RESOLUTION AND COMPLAINTS	23
17.	ADDITIONAL INFORMATION	24
18.	KEY TERMS AND GLOSSARY	26
19.	WHOLESALE CLIENT INFORMATION	30



## 1. IMPORTANT INFORMATION

This Information Memorandum (**IM**) has been prepared by Anadara Asset Management Pty Ltd (**Investment Manager**) and Primary Securities Ltd (**Trustee**) and is issued by Primary Securities Ltd under its AFSL 224107 in its capacity as trustee of the Anadara Battery Transition Fund (the **Fund**).

This IM has not been, and is not required to be, lodged with the Australian Securities and Investment Commission (ASIC) under the Australian Corporations Act 2001 (Corporations Act).

The information contained in this IM is general information only and does not take into account your individual objectives, financial situation, needs or circumstances. It is not intended to be a recommendation by the Trustee, any associate of the Trustee or any other person to invest in the Fund. Before investing in the Fund you should seek independent advice to ensure this is appropriate for your particular financial objectives, needs and circumstances.

An investment in the Fund is subject to investment and other known and unknown risks, some of which are beyond the control of the Trustee and the Investment Manager and their directors, employees, advisers or agents. The Trustee and the Investment Manager do not guarantee the success, repayment of capital or any rate of return on income or capital or investment of the Fund, nor the investment performance of the underlying markets or instruments. Past performance is no indication or guarantee of future performance.

Investment in the Fund can only be made by a wholesale client (as defined under the Australian Corporations Act) as outlined in Section 19.

No person has been authorised to make any representations concerning the Fund that are inconsistent with those contained in this IM, as supplemented from time to time, and no person may rely on any such other information or representations if they are given or made. This offering is suitable only for investors whose need for liquidity is consistent with the limitations on redemption and transferability described herein.

The distribution of this IM and the Application Form (including electronic copies) outside Australia may be restricted by law. This IM does not, and is not intended to, constitute an offer or invitation in any other place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation. If you come into possession of the IM and Application Form, you should observe such restrictions and should seek your own advice about such restrictions.

## 2. SUMMARY

Name of Fund	Anadara Battery Transition Fund (the <b>Fund</b> )
Investment Manager	Anadara Asset Management Pty Ltd (Corporate Authorised Representative 1284473 of AFSL 297950)
Trustee and Administrator	Primary Securities Ltd AFSL 224107
Custodian	HSBC
Tax Advisor	Ernst & Young
Base Currency (the currency in which you must invest)	Australian Dollars
Risk	<p>All investments involve a certain amount of risk. Information about some of the risks associated with this investment is set out in Section 8.</p> <p>The Fund is only suitable for investors who are seeking a higher level of return while accepting a <b>higher level of risk</b>.</p>
Investment Type	Long only equities fund
Investment Mandate	<ol style="list-style-type: none"> <li>To provide investors with diversified exposure to the entire battery value chain.</li> <li>To invest in listed and unlisted securities with exposure to the battery value chain.</li> </ol>
Investor Eligibility	<p>Any wholesale client.</p> <p>For an explanation as to what is a wholesale client, see Section 19.</p>
Minimum Investment	\$100,000
Minimum Additional Investment	\$25,000
Applications	Ongoing
Issue Price	On the first Allotment, \$1.00 per Unit; and thereafter, the Net Asset Value on the Dealing Day, divided by the number of Units on Issue, plus the Buy-Sell Spread, rounded up or down as appropriate to the nearest one tenth of one cent (or otherwise as the Trustee decides).
Management Fee	1.65% incl. GST per annum of the Net Asset Value.
Performance Fee	16.5% incl. GST of excess returns above the Hurdle Rate. Calculated monthly and paid Quarterly in arrears and subject to a High Water Mark.
High Water Mark	The Net Asset Value per unit at the end of the most recent Calculation Period in respect of which a Performance Fee was paid to the Investment Manager or a distribution paid to Unit Holders. Where the Performance Fee is paid for the first time the Net Asset Value for the purposes of this definition means \$1.00.
Hurdle Rate	The target cash rate published by the Reserve Bank of Australia plus 2% per annum.

Trustee and Fund Administration Fees	Paid by the Fund
Buy-Sell Spread	0.20%.
Minimum Initial Investment Term	12 Months
Applications	Quarterly
Redemptions	Quarterly ( <i>after the conclusion of the Minimum Initial Investment Term</i> )
Distributions	The Fund's net income will be distributed semi-annually within 90 days after 30 June and 31 December each year. Unit Holders may elect to reinvest their distributions into the Fund or receive a cash distribution.
Reports	Performance data and investment commentary for the Fund will be part of the regular reports sent to you quarterly by the Investment Manager. As this is a new Fund, there are no past performance figures available. Performance data for the fund can be obtained by contacting the Investment Manager at <a href="mailto:investors@anadara.com.au">investors@anadara.com.au</a>
Date of this IM	12 April 2023

### 3. TRUSTEE PROFILE

Primary Securities Ltd ABN 96 089 812 635 holder of Australian Financial Services Licence No. 224107 (**Primary**) is a responsible entity operating both registered and unregistered schemes throughout Australia, including investment trusts, property trusts, forestry and other agricultural schemes.

Primary's focus is to look after the interests of investors using the qualities, capabilities and experience of its team, three executive directors, professional and administrative employees plus lawyers, accountants, analysts, property professionals, and scheme-specific consultants.

Further information regarding Primary is available at its website [www.primarysecurities.com.au](http://www.primarysecurities.com.au).

#### Directors

##### **Toni Smith - Chair of Primary**

Toni Smith is manager of the Willmott Forests 1995-1999 Project. She has worked in the agricultural sector for over 20 years, having lead several productive agricultural projects including forestry, broadacre cropping and livestock production.

Toni has extensive skills across rural land acquisition and financial management as well as practical farm and plantation management capabilities which ensure the performance of operations. Toni is passionate about regenerative agriculture, low-cost production, and food security solutions.

Toni has formal qualifications in accounting and safety and environmental management and sits on several other company boards related to agriculture. Toni and her husband also have their own property in Northern NSW, where they breed Angus cattle and Dorper sheep.

##### **Robert Garton Smith, LLB, B Com, GdipFinPlanning (Sec Inst), Ffin - Managing Director**

Robert Garton Smith is the Managing Director of Primary Securities Ltd and has been its responsible manager in relation to managed investments since inception.

Robert has degrees in law, commerce and financial planning and is a legal practitioner and a registered tax (financial) advisor.

Robert is a member of the Law Society of Western Australia and the Australian Compliance Institute and is a Fellow of the Financial Services Institute of Australia and the Association of Financial Advisors.

He has worked in the area of managed investments since 1981 and has prepared and overseen dozens of managed investment schemes relating to financial assets, derivatives, property, property developments, mortgages, film, forestry, and other investments.

##### **Natasha Olsen, LLB - Director/Company Secretary**

Natasha Olsen has a Bachelor of Laws Degree from Notre Dame University and was admitted to practice law by the Supreme Court of Western Australia in November 2015. Natasha is a member of The Law Society of Western Australia.

With the exception of two years in London, Natasha has been employed by Primary since its formation and has considerable experience of all aspects of the business. Natasha is in charge of operations.

## 4. INVESTMENT MANAGER PROFILE

The Investment Manager is Anadara Asset Management Pty Ltd which is a Corporate Authorised Representative (CAR# 1284473) of Viriathus Capital Pty Ltd, the holder of Australian Financial Services Licence No. 297950.

### Shaun Cartwright

Shaun Cartwright is the founder and managing director of Viriathus Capital Pty Ltd and Anadara Asset Management Pty Ltd and is an authorised representative (No. 437107) of Viriathus Capital Pty Ltd. He provides strategic investment advice to institutional, high net worth clients, listed and unlisted corporates across the sphere of the globe.

Shaun has developed extensive investments networks throughout Australia, Asia, USA and South America and provided corporate, investment and investor relations advice across a broad sector of industry and the sub sectors within it.

Shaun has a strong track record of advising companies in the battery metals space and identifying value investment entry points in these companies.<sup>1</sup> Shaun has advised both listed and unlisted companies. Shaun has also co-authored sector reports analysing the lithium sector where he provided alternate points of view to large global investment banks that had stated there was an oversupply of lithium. He continues to develop and nurture the growth of Viriathus Capital across its Funds Management, M&A strategic advisory, debt advisory & restructuring and corporate advice services and expertise.

Shaun will joint manage the portfolio of investments, with a focused commitment on business development and is part of the team that monitors the performance, ongoing expenses and reporting to the Trustee.

### Jason Dixon

Jason Dixon is an associate director and authorised representative (No. 293880) of Viriathus Capital Pty Ltd. He has held various senior positions within the investment and healthcare industries. Jason has provided strategic investment advice and services on all aspects of Australian and International equities to retail clients and institutions.

With a specialty in Australian equities, Jason provides corporate advice and market strategies to the healthcare and biotech industries, which includes listed and unlisted public companies. He has a post-graduate Diploma in Applied Finance and Investment. Jason devotes his time to managing the Fund.

Jason's level of expertise and strength and therefore contribution to the Fund management team lies in the area of identifying investment opportunities in domestic markets through his experience in research and in particular identifying undervalued yet strong investment opportunities across all sectors. Jason will joint manage the portfolio of investments for the Fund and is part of the team that monitors the performance, ongoing expenses and reporting to the Trustee.

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<sup>1</sup> A strong track record in the past does not necessarily guarantee a strong track record in the future.

## 5. INVESTMENT COMMITTEE

The Investment Committee plays a key role in assisting the investment management team with its responsibility to formulate and give effect to an investment strategy that has regard to the whole of the circumstances of the Fund.

The Investment Committee consists of:

- Shaun Cartwright
- Jason Dixon

The objectives of the Investment Committee are:

- To exercise due care and skill in relation to formulating and giving effect to an investment strategy;
- To provide an additional forum for communication between the Trustee on issues relating to investment management and performance;
- To ensure compliance with the investment mandate;
- To continually review the investment strategy;
- To make and execute investment decisions on behalf of investors;
- Investment related policy approvals and compliance;
- Liaise with the Trustee for Administration, Audit and Custodial services; and
- Investment risk management.

The Investment Committee holds meetings on a monthly basis. Special meetings may be convened as required. The proceedings of all meetings are minuted.

The Investment Committee is required upon request to report its findings, decisions and any recommendations to the Trustee. The minutes, agenda and supporting papers of each Committee meeting are made available to all Directors of the Investment Manager.



## 6. INVESTMENT MANDATE AND STRATEGY

### Investment Objective

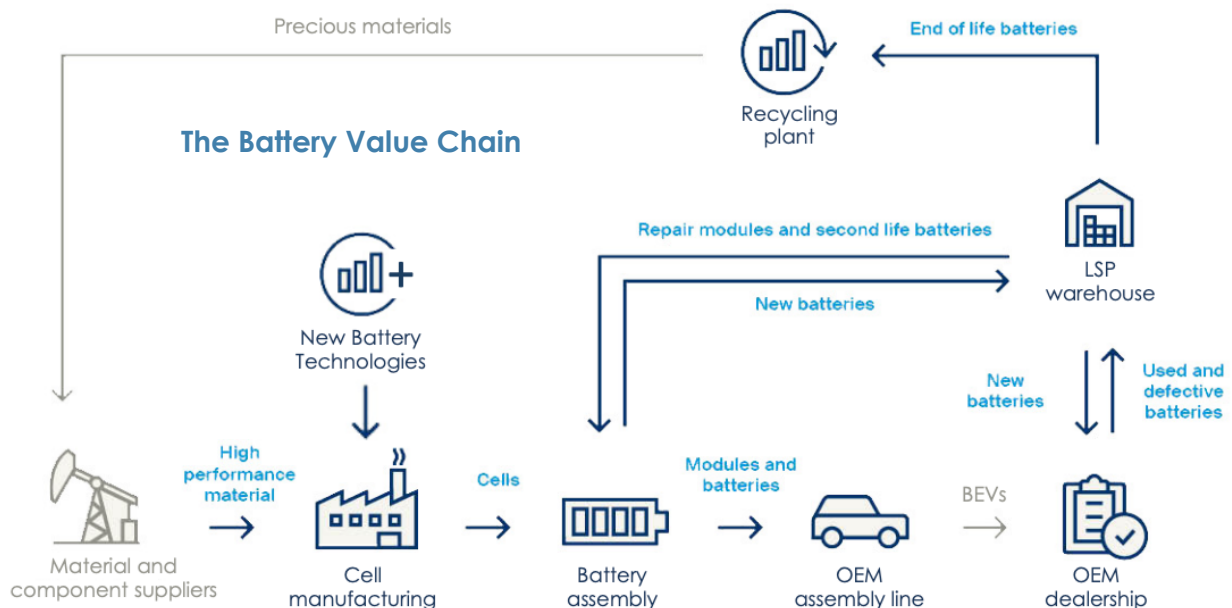
The primary investment objective of the Fund is to provide diversified exposure to battery value chain by investing in listed and unlisted securities that have exposure to batteries.

### Investment Mandate and Strategy

There is no better time to be an investor across the battery value chain than now.

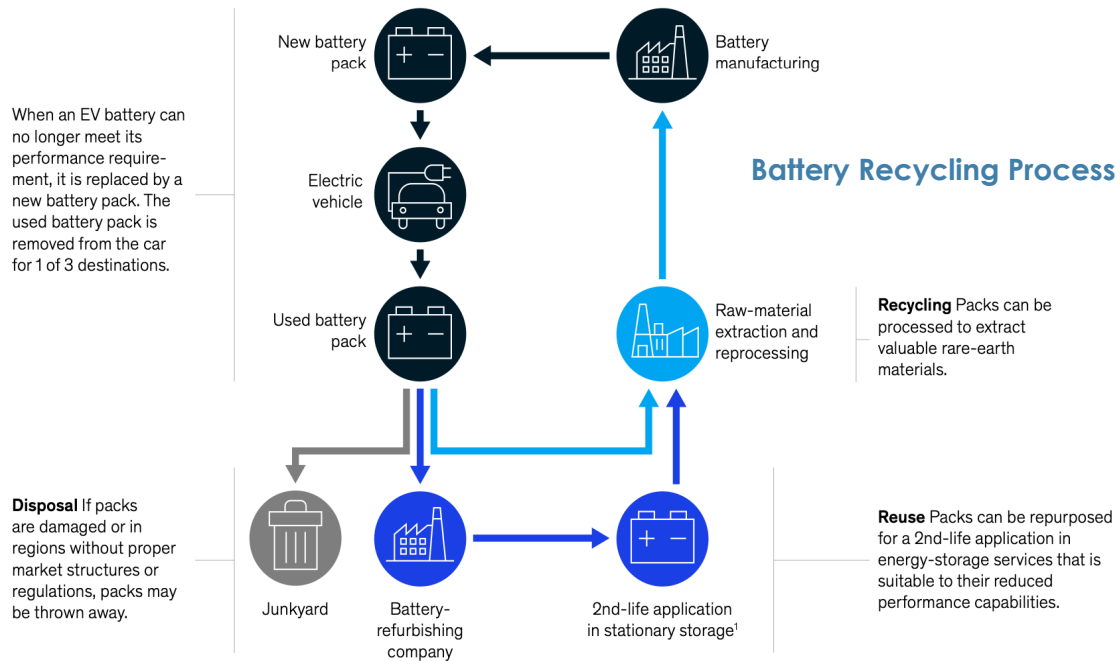
There has been a clear shift towards renewable energy sources in recent years which is being driven by Government policy mandating reductions in our carbon footprint. While these targets are admirable, renewable energy sources are currently less reliable than traditional energy sources and this is driving the need for energy storage solutions. McKinsey & Company have stated that battery cell production is expected to increase by over 300% between now and 2030, which will place significant demands on the raw materials in batteries.

All aspects of the battery value chain are expected to grow rapidly over the next decade, creating excellent investment opportunities. The easiest way to gain exposure to the battery value chain is to invest in one of the many listed companies developing battery raw materials or developing new battery technologies. But with so many companies to choose from, it's important to understand the way the broader investment community assess value in these companies.

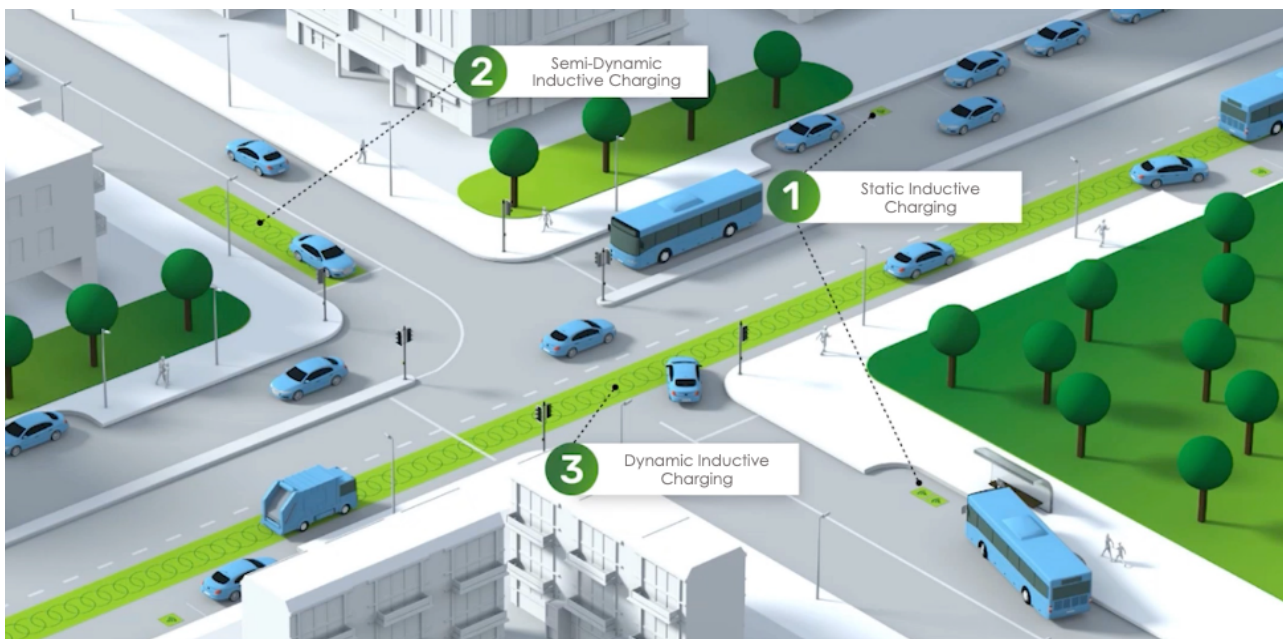


When it comes to battery raw materials, there are currently not enough mines in development to meet our future battery demands, so for those companies that are able to become producers, there will be a strong market for their raw material. We've also started seeing off-take being secured significantly earlier than we have in the past, as battery end-users compete to lock in their future supply – this is creating value even earlier in the lifetime of a mining company that we've ever seen before.

There are also excellent opportunities to invest in new technologies that enhance and add value to existing battery technologies. Some of these new battery technologies will experience significant demand in the coming years as we find ways to extend the life of existing batteries, charge batteries faster or recycle batteries at the end of their useful life.



It's an exciting time to be an investor in the battery value chain, and following our strong track record in identifying value in the battery value chain<sup>2</sup>, we're pleased to introduce the **Anadara Battery Transition Fund**, a fund that's been established for the specific purpose of investing in companies at all stages of the battery value chain – from explorers and producers of raw battery materials, to the companies creating the new battery technologies that will help power a cleaner future.



Exciting new technologies are being developed that allow EVs to charge while they're being driven.

The Fund will primarily invest in listed and unlisted Australian securities but may invest in global securities from time to time.

If the Investment Manager cannot find attractive investments or opportunities, cash held by the Fund will build up. It is possible that from time to time the Fund will be invested solely in cash.

<sup>2</sup> A strong track record in the past does not necessarily guarantee a strong track record in the future.

The Fund does not permit short selling.

The Fund is only suitable for investors who are seeking a higher level of return while accepting a **higher level of risk**.

Any change in the Investment Mandate and Strategy will be notified to investors with a 90-day notice period before implementation.

### Asset Allocation

Between 0% and 100% of Assets will be invested in companies exposed to the battery value chain.

Compliance with the Fund's investment mandate and performance is reported to the Trustee on a regular basis.

The Investment Manager's policy is to concentrate the portfolio of the Fund where it believes it can maximise the returns derived for the level of risk to which the Fund is exposed.

Target Asset Allocation	Min	Max	Target
Listed Equities	0%	100%	50-80%
Unlisted Equities	0%	20%	10-20%
Cash	0%	100%	5-10%

Within the Target Asset Allocation, the Investment Manager will seek investments with exposure to the following sub-sectors:

Sub-Sector Target Allocation	Min	Max	Target
Lithium	20%	60%	40-60%
Cobalt	10%	30%	20-30%
Nickel	0%	30%	10-20%
Graphite	0%	30%	10-20%
Vanadium	0%	30%	10-20%
Niobium	0%	20%	10-20%
New Battery Technologies	0%	30%	10-20%
Other Clean Energy Companies	0%	20%	5-10%

### Portfolio Rebalancing

The Fund will look to rebalance the portfolio from time to time to reduce the risk of any individual constituent of the fund becoming excessive or representing a disproportionate weighting in the Fund.

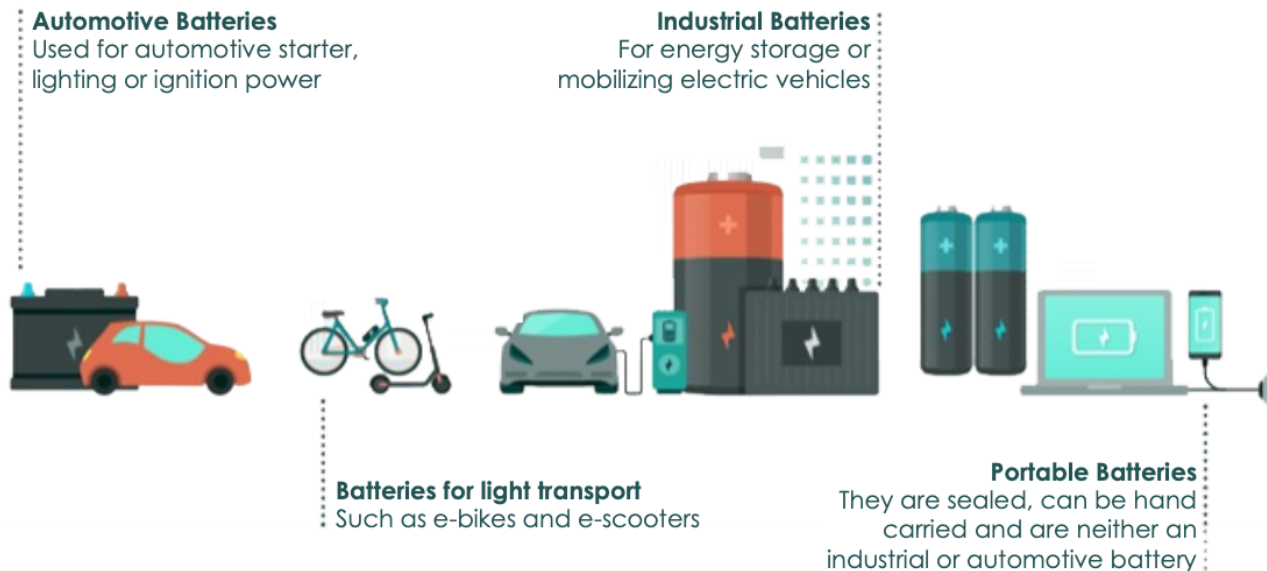
### Diversification Guidelines

The aim of diversification is to enhance the Fund's performance in an attempt to minimise variation in investment returns across different market conditions. The Fund may have holdings across a diverse range of sectors but does not have a strict diversification policy.

Due to a market driven event, there may be times where the Fund may have a relatively high percentage of its portfolio invested in a limited number of assets, or in assets in a limited number of sectors or industries, which may cause the value of the investments to be more affected by any single adverse economic, political, or regulatory event than the investments of a more diversified investment portfolio. The Fund may, at times, be made up entirely of cash.

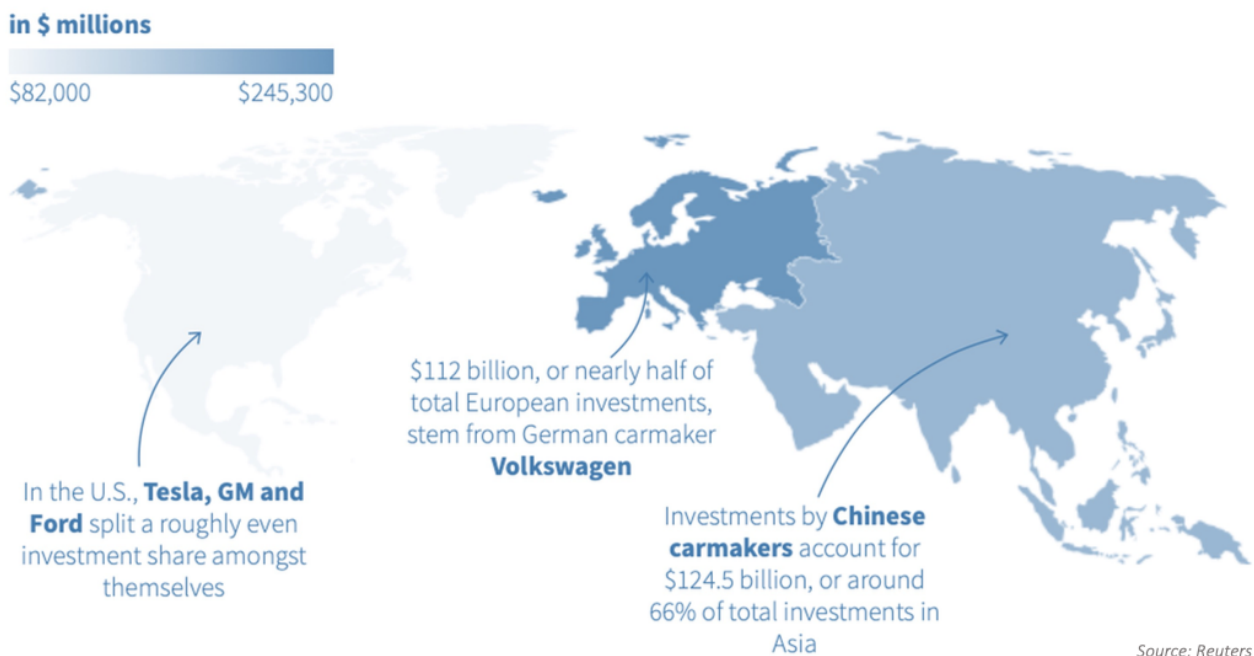
## 7. KEY DRIVERS FOR BATTERIES

Renewable energy is currently less reliable than traditional energy sources, driving the need for energy storage solutions. In addition to this, batteries have become part of the developed world's way of life, with most new technologies relying on them.



Source: European Parliament Research

A key part of the transition to renewable energy sources, is the adoption of electric vehicles (EV's), with many of the developed world's Government providing incentives to EV buyers, leading automakers investment into new battery technologies.



These factors are driving the need for battery cell production capacity needing to increase 300% between now and 2030 to meet expected demand.

## 8. BENEFITS AND RISKS OF MANAGED INVESTMENT SCHEMES

### Benefits:

- Exposure to high quality and experienced primary and secondary market investments.
- Access to company capital raisings creates potential access to investments for investors which are ordinarily the domain of the institutional market participants. Capital raisings are often priced at a discount, offering a value entry point.

### Risks:

#### **Covid-19 Risk**

While the COVID-19 pandemic continues, the investments of and operation of the Fund could be affected in numerous ways. For example, markets may be more volatile than usual, many companies are struggling to stay solvent and there is a risk of investing in such a company, and the management of the Fund could be affected by self-isolation or sickness.

#### **Equity Security Risk**

The value of particular shares may be affected by market sentiment and other factors that may impact the performance of the actual company over short or extended periods of time. Investing in shares of a company will expose an investor to many of the risks to which the individual company is itself exposed.

They include many factors, such as changes in management, technology, and a company's financial health, actions of competitors, regulators and market trends. Share markets tend to move in cycles, and the individual share price of a security may fluctuate.

Equities may also be affected by dilutive equity issuance or changes to dividend policy.

Such risk is considered by the investment manager through its investment process. Some investments will be affected by exchange rate fluctuations.

#### **Unlisted Security Risk**

Investing in unlisted or private companies can be risky due to several factors. Shares in unlisted companies are not traded on public stock exchanges, which means there is often limited liquidity for investors. This can make it difficult to sell shares or exit an investment, particularly in the early stages of a company's development.

Unlisted companies are not required to disclose as much information as public companies, which can make it difficult for investors to evaluate the company's financial health, management, and other important factors.

Unlisted companies are typically earlier in their development, which means they may be more vulnerable to business risks, such as competition, regulatory changes, and economic downturns. This can result in a higher risk of losing all or part of an investment.

Unlisted companies are not subject to the same level of scrutiny as public companies, which can make it difficult to determine an accurate valuation. This can result in overpaying for shares or undervaluing a company's potential.

Such risk is considered by the investment manager through its investment process. Some investments will be affected by exchange rate fluctuations.

### **Liquidity Risk**

Liquidity risk may also occur due to the absence of an established market or a shortage of buyers for an investment which can result in a loss if the holder if the investment needs to sell it within a particular timeframe.

Different securities may be typically less liquid than other securities or pose a higher risk of becoming illiquid during times of market stress. The less liquid the security, the more difficult it may be to sell the security when it is desirable to do so or to realise what the Investment Manager perceives to be fair value in the event of a sale.

### **Market Risk**

The Fund may experience investment losses due to factors that affect the overall performance of the financial markets. These events may include changes in macro-economic, regulatory, social, political conditions, weather events, and terrorism; along with changes in technology, the environment and market sentiment. Often assets from less developed regions or markets display higher levels of volatility of investment return than assets in mature markets.

Refer to section 6 for details on the asset mix.

### **Currency Risk**

The Fund may choose to invest in companies domiciled in currencies other than Australian Dollars and fluctuations in exchange rates may have an adverse impact on the value of an investment, even if the value of that investment has risen in its native currency.

The Fund will not utilise a hedging strategy, therefore, any investments made in a currency other than Australian dollars will be subject to currency risk.

### **Prime Broker Risk**

The Fund is, to a certain extent, reliant on external service providers in connection with its operation and investment activities. Such services include prime brokerage and custody. There is a risk that the service providers may default in the performance of their obligations or seek to terminate the services with the result that the Fund may be required to seek an alternate supplier and, in the interim, investment activities may be affected.

### **Service Provider Risk**

The Fund may be reliant on external service providers in connection with their operation, such as the external data suppliers or order management system (OMS) providers. There is a risk with these arrangements that the service providers may default in the performance of their obligations or seek to terminate the services with the result that the Fund may be required to seek an alternative supplier and, in the interim, investment activities and other functions may be affected.

### **Redemption Risk**

If a situation occurs where the assets that the Fund invests in are no longer able to be readily bought and sold, or market events reduce the liquidity of a security or asset class, there is a risk that the generally applicable timeframe of forty five business days for meeting redemption requests may not be able to be met.

This is because it may take longer to sell these types of investments at an acceptable price. In this case, withdrawal from the Fund may take significantly longer than the generally applicable timeframe. The maximum timeframe in which the Trustee has to meet a redemption request is set out in the Trust Deed.

## Fund Risk

Fund risk refers to specific risks associated with the Fund, such as termination, changes to fees and expenses and government policies. The Investment Manager or Trustee may close the Fund to further investments if, for example, the Investment Manager or Trustee consider it appropriate given the investment objective and investment strategy of the Fund. The Trustee may also terminate the Fund by notice to Unit Holders.

Your investment in the Fund is governed by the terms of the Trust Deed and this IM (each as amended from time to time), the Corporations Act, and other laws. The value or tax treatment of an investment in the Fund or its underlying assets, or the effectiveness of the Fund trading or investment strategy may also be adversely affected by changes in government policies (including taxation), regulations and laws, or changes in generally accepted accounting policies or valuation methods. Such changes could also make some investors consider the Fund to be a less attractive investment option than other investments, prompting greater than usual levels of redemption, which could have adverse effects on the Fund.

The Investment Manager aims to manage these risks by monitoring the Fund and by acting in Unit Holders best interests. In the event of winding up the Fund, the Investment Manager will realise all the Fund's assets, which will generally result in the crystallisation of tax positions (both income and capital) at that time.

## Risk Management

Core to successfully implementing the investment strategies, is managing the risks specifically associated with those strategies. The Investment Manager recognises the importance of risk management systems in terms of identification of risks, prevention, audit and integration into business operations.

Strong and disciplined risk management is a key focus for the Investment Manager. The risk management process will include:

- Internal reporting of portfolio risk and liquidity measures;
- Monitoring of risk parameters with automatic breach notification by the Trustee;
- Focusing on liquid securities where there is less pricing and liquidity risk;
- A regular review of the risk management processes by the Investment Committee.

While the risk of COVID-19 exists, the Investment Manager has implemented additional processes to ensure the continuation of the investment strategy and management of the Fund. The Investment Manager has implemented the following steps:

- The ability of the staff to work remotely;
- Remote monitoring of exposure risk occurs on a daily basis;
- All staff are upskilled on the roles of other staff to ensure that if one becomes incapacitated, the implementation of the investment strategy continues.

The Investment Manager believes these steps will ensure that the management of the Fund continues at the same level of detail as business as usual.

## 9. FEES AND OTHER COSTS

FEES PAYABLE TO THE INVESTMENT MANAGER		
<b>Management Fee</b> <ul style="list-style-type: none"> <li>the fees and costs for managing your investment)</li> </ul>	1.65% per annum (incl. GST) of the Net Asset Value as at the Dealing Day.	Monthly in arrears, non-refundable and deducted from the Fund.
<b>Performance fee</b> <ul style="list-style-type: none"> <li>amounts deducted from your investment in relation to the performance of the product</li> </ul>	16.5% (incl. GST) of excess returns above the Hurdle Rate after all management fees, and other fund costs. Calculated monthly and paid Quarterly in arrears subject to the High Water Mark.	Quarterly and deducted from the Fund.

FEES PAYABLE TO THE TRUSTEE		
<b>Establishment Fee</b>	A fee of \$5,500 (incl. GST) for establishment of the Fund plus a fee of \$2,200 (incl GST) for establishment of the administration services.	Deducted from the Fund.
<b>Trustee Fee</b>	<ul style="list-style-type: none"> <li>(i) from Date of Issue of the IM until the Date of First Allotment a monthly fee of \$550 (incl GST)</li> <li>(ii) from the Date of First Allotment until the FUM reaches \$20,000,000 a monthly fee of whichever is the greater of \$1,375 (incl. GST) or 1/12<sup>th</sup> of 0.22% (incl. GST) of FUM;</li> <li>(iii) when FUM reaches \$20,000,000 then a monthly fee of \$3,666.67 (incl. GST) plus 1/12<sup>th</sup> of 0.033% (incl. GST) of FUM over \$20,000,000.</li> </ul>	Monthly, Deducted from the Fund.
<b>Administration Fee</b>	<ul style="list-style-type: none"> <li>(i) until the FUM reaches \$30,000,000 a monthly fee of whichever is the greater of \$2,200 (incl. GST) or 1/12<sup>th</sup> of 0.11% (incl. GST) of FUM;</li> <li>(ii) when FUM reaches \$30,000,000 then a monthly fee of \$2,750 (incl. GST) plus 1/12<sup>th</sup> of 0.033% (incl. GST) of FUM over \$30,000,000.</li> </ul>	Monthly, Deducted from the Fund.
<b>Professional Indemnity Insurance</b>	From the Date of Issue until 30 April 2023 a monthly fee of \$110 (incl. GST), then from the rollover of the Trustee's policy, a reasonable proportion of the total premium of the Trustee's policy with a minimum monthly fee of \$110 (incl GST).	Monthly, Deducted from the Fund.
<b>Registry Service Fee</b>	\$275 (incl GST)	Monthly, Deducted from the Fund.
<b>Financial Statement Fee</b>	\$3,300 incl. GST for preparation of the annual financial statements	Annually, Deducted from the Fund.



## OTHER FEES AND COSTS

Until Allotment, the Trustee is entitled to any interest earned on the Application Money in the Application bank account prior to Allotment (the period is likely to be too short to justify calculation).

Each Unit Holder must pay a handling fee of \$110 incl GST for any deed of assignment, transfer or transmission of their interest in the Fund.

## ADVISOR PAYMENTS

If an Advisor introduces you to the Fund and you are liable for the Advisor's Fees the Trustee agrees to pay up to 5% of the Application Moneys to the Advisor as set out in the Application Form. However, any amount paid to the Advisor will reduce the number of Units you will receive in the Fund.

You will be required to agree to the payment on the Application Form and the details of the Advisor, including their bank account details, must be included in the Application Form.

## EXPENSES

All expenses reasonably and properly incurred by the Trustee, or the Investment Manager on behalf of the Trustee, in connection with the Fund (including the establishment and administration of the Fund) or in performing the Trustee's obligations under the Trust Deed are payable or can be reimbursed out of the Fund. These expenses include trustee fee, administration, custodial, prime broking, transaction, accounting, audit, government charges, taxation, adviser, and establishment expenses.

### Prime Brokerage Costs

Prime brokerage costs incurred in the normal course of trading (e.g. borrowing costs, short selling costs etc.) are not included in the management costs. These costs are borne by the Fund as a transaction cost.

### Underwriting and Sub-Underwriting Rebate

The Investment Manager may identify investment opportunities that involve underwriting or sub-underwriting arrangements. The Investment Manager may make such investments not for the purposes of providing underwriting but rather for investing in accordance with the investment strategy of the Fund.

The Investment Manager will rebate any underwriting, sub-underwriting, or placement fees it may receive back to the Fund.

### Buy-Sell spread

This takes into account estimated transaction costs such as brokerage costs, government or bank charges and market spreads pertaining to the acquisition or disposal of all the Assets of the Fund. These are reflected as a percentage difference between the Issue Price and the Redemption Price.

## 10. INVESTING IN THE FUND

### Who Can Invest in the Fund?

The Fund is only open to investors who qualify as a Wholesale Client as defined in the Corporations Act. An investor will generally be regarded as a Wholesale Client if:

- the investment into the Fund is at least \$500,000, or
- a qualified accountant certifies that the person has net assets of at least \$2.5 million, or
- a qualified accountant certifies that the person had a gross income for each of the last two financial
  - years of at least \$250,000, or
- the client is a professional investor, or
- the client is a Sophisticated Investor.

### Minimum Investment

The minimum investment into the Fund is \$100,000 subject to the Trustee's discretion to accept a lower amount. Subsequent investments must be greater than \$25,000.

### When to invest in the Fund?

Units will be issued on the First Day of each calendar month. Completed applications for Units in the Fund and cleared Application Money must be received by the Trustee before the 25th day of the prior month.

Units in the Fund will be issued at the price applicable as at the close of business on the last day of the prior month (the Dealing Day).

### Issue Price

On the first Allotment, the Issue Price will be \$1.00 per Unit; and thereafter, the Issue Price will be the Net Asset Value on the last Dealing Day, divided by the number of Units on Issue, plus the Buy-Sell Spread, rounded up or down as appropriate to the nearest one tenth of one cent (or otherwise as the Trustee decides).

### Buy-Sell Spread

The buy/sell spread is the amount determined by the Trustee to be associated with the acquisition or disposal of Assets, being:

- (a) when calculating the Issue Price of a Unit, the amount that the Trustee reasonably estimates as reflecting any costs and expenses which would be incurred if all the Assets were to be acquired at the relevant time, per Unit; and
- (b) when calculating the Redemption Price of a Unit, the amount that the Trustee reasonably estimates as reflecting the total costs and expenses which would be incurred if all the Assets were to be sold at the relevant time, per Unit,

necessary to avoid an adverse impact on other Unit Holders because of an issue or a Redemption of Units, but the Trustee may at any time in connection with a particular Application or Redemption treat these costs to be a lesser sum or zero.

On Application and Redemption, the Buy-Sell spread is 0.20% of the Net Asset Value.

### How to Invest

If you decide that you wish to invest in the Fund, please complete the Application Form which accompanies the Information Memorandum or by completing the online Application Form available on the Trustee's website <https://primarysecurities.com.au/application-forms/>

The Trustee has the right to accept or reject any Application in whole or in part in its absolute discretion. The address provided on the Application Form must be the residential or registered address of the Applicant and not the address of their advisor. Postal address may also be provided but must be in addition to the residential or registered address.

### Application Money

Payment of the Application Money is to be made to the following Application Account:

Bank: Westpac Banking Corporation  
 Account Name: Primary Securities Ltd atf Anadara Battery Transition Fund Application Account  
 BSB: 036-306  
 Account No.: 590255

### Making Additional Investments

Additional investments can be made at any time by completing an Existing Investor Application Form, which can be completed via your Investor Portal (details of your login will be provided on Allotment of your initial investment) or by contacting the Investment Manager or the Trustee and making payment of additional investment into the Application Account.

Additional investment funds will be added to the Fund by the Trustee once accepted.

## 11. REDEMPTIONS

### How to make a Redemption from the Fund

After the Minimum Initial Investment Term, Unit Holders may redeem their investment if they wish to do so. Redemptions will be processed Quarterly after the Minimum Initial Investment Term. Redemptions can be requested via your Investor Portal or alternatively please contact the Trustee by email [registry@primarysecurities.com.au](mailto:registry@primarysecurities.com.au) and the necessary form will be provided to you for completion. The completed form must be received by the Trustee at least 45 days before the end of the quarter.

A Redemption Notice must specify the number of Units to be redeemed or the value of the processed redemption to be received.

Upon receipt of a valid Redemption Notice, the Trustee will inform the Investment Manager.

Unit Holders may choose to send Redemption Notices by post or email to the Trustee, however, if sent by post they bear the risk of such requests not being received. The Trustee and the Investment Manager accept no responsibility or liability for any loss caused as a result of non-receipt or late receipt of any mail or for any loss caused in respect of any action taken as a consequence of such instruction believed in good faith to have originated from properly authorised persons.

### Redemption Price

The Redemption Price will be calculated using the Net Asset Value on the last Dealing Day, divided by the number of Units on Issue, less the Buy-Sell Spread, rounded up or down as appropriate to the nearest one tenth of one cent (or otherwise as the Trustee decides).

## 12. DISTRIBUTIONS

The Fund will distribute all its net taxable income (gross assessable income net of deductible expenses) 6 monthly, being 30 June and 31 December.

Unit Holders may elect to either receive cash distributions (only paid to Australian resident bank accounts) or to reinvest in additional Units in the Fund. Unit Holders who elect to receive distributions via bank transfers will receive their distribution within one month after the end of the relevant distribution period.

Distributions will automatically be reinvested in Units in the Fund if the Trustee does not receive Unit Holder instructions to pay out such distributions including the Unit Holder's bank account details.

The Trustee may at its absolute discretion distribute the capital of the Fund to Unit Holders.

## 13. COMMUNICATION AND REPORTING

Unit Holders in the Fund are provided with ongoing communication and comprehensive reporting comprised of the following:

### **Quarterly Report**

A Quarterly Report prepared by the Investment Manager that provides market commentary and an overview of the Fund's performance.

### **Transaction Confirmation Report**

A Confirmation Report for any applications and redemptions to and from the Fund.

### **Quarterly Unit Holder Statement**

A quarterly Unit Holder Statement that summarises the Unit Holder's investment in the Fund. The statement details the total Unit holdings, applicable Unit Price and the current value of the investment.

### **Distribution Report**

A Distribution Report upon allocation of any annual (or special) distribution notifying the Unit Holder of the value of the reinvestment and/or payment to their nominated bank account.

### **Annual Taxation Statement**

If the Fund has paid a distribution during the financial year the Unit Holder will receive a Taxation Statement. These are issued annually to provide the Unit Holder with taxation information including a detailed summary of the components of distributions that have been paid.

### **Annual Report**

Annual Financial Reports will be made available to Unit Holders.

## 14. TAXATION

The following taxation information has been prepared by Ernst & Young.

### Disclaimer

The information in this report applies only to the following:

- Investors who are Australian resident individuals,
- complying superannuation entities,
- companies holding their investments on capital account, and
- non-resident Investors who will hold, together with associates, a beneficial interest of less than 10% in the Fund.

It is recommended that all Investors seek independent professional advice on the tax consequences of acquiring, owning and disposing of Units, based on their particular circumstances as the commentary in this report is necessarily general in nature. Investors who are not resident in Australia should also obtain specific advice on the taxation implications, including such implications arising in their local jurisdiction as a result of investment into the Fund.

### Taxation of the Fund

There are a number of regimes that may apply to trusts including Division 6, Division 6C, the Managed Investment Trust (“MIT”) rules and the Attribution Managed Investment Trust (“AMIT”) regime. As at the date of this Report, we understand the Fund intends to qualify and operate as a MIT, and will intend to make an irrevocable election for the Fund to be treated as an AMIT. On the basis that the Fund is an AMIT for an income year, it will be treated as a flow through entity where determined member components are attributed to Investors. The attributed member components will be advised to Investors on a yearly basis via the AMIT member annual (“AMMA”) statement.

Generally where a public trust, amongst other things, carries on any activities other than “eligible investment business” activities as defined in Division 6C of the Income Tax Assessment Act 1936 in any given year, the trust may be considered a public trading trust and any applicable tax will be assessed to the trustee/responsible entity at the corporate tax rate. We understand that the intention is that the Fund will not be subject to Division 6C. We note that “eligible investment business” activities includes, relevantly, investing in units in a unit trust or shares in a company etc.

Importantly, in the event that the Fund does not qualify as an AMIT for an income year (and is not subject to Division 6C) it should be treated as a flow through entity for tax purposes on the basis that the Investors are presently entitled to the income of the Fund.

The comments in this report have been prepared on the basis that the Fund will qualify as an AMIT for each income year.

### Australian Resident Investors

#### General

An Australian resident Investor will include in their assessable income amounts attributed to them which are intended to be equal to their share of the taxable income of the Fund. These amounts will be taxed to the Investor in the income year in which the income was derived by the Fund irrespective of the timing of the cash distributions made by the Fund.

If a net capital gain is included in the taxable income of the Fund (for example, on disposal of an asset), Australian resident Investors will be regarded as having derived a capital gain to the extent that the net

capital gain is attributed to the Investor. However, where a discount capital gain is included in the net capital gain of the Fund, Australian resident Investors will be required to gross-up the amount of the discount capital gain included in their assessable income. The grossed-up capital gain will be attributed to Investors under the AMIT regime. Australian resident Investors can then apply any available capital losses from other capital gains tax ("CGT") assets to offset the capital gain and then apply their CGT discount factor, if applicable (see further below).

Under the AMIT regime, an Investor's tax cost base in their Units is increased where taxable income is "attributed" to them (inclusive of the non-assessable component of a discount capital gain). The tax cost base is decreased where cash distributions are made to an Investor in respect of their Units (whether these are income or capital amounts). In addition, reductions are made in respect of certain tax offsets (such as the franking credit tax offset and foreign income tax offset). Where an Investor's tax cost base is reduced to zero, a taxable capital gain will be made where further non-taxable distributions are paid to Investors. Investors will be advised of the net cost base adjustment amount in their AMMA statement.

#### Gains and losses on disposal of units

To the extent that an Investor sells or transfers their Units to a third-party, a capital gain or loss may arise. A capital gain may occur where the Investors' proceeds on disposal exceed the cost base of the Units. A loss may occur where the Investors' proceeds are less than the reduced cost base of the Units. Provided the 12-month holding period of the Units is satisfied, CGT discounts may be available to reduce the assessable gain by 50% for Australian individuals and certain trusts or 33.33% for complying superannuation funds. Companies are not entitled to the CGT discount.

The cost base of Units should be maintained by Investors. In this regard, the cost base of Units should be the cost of acquiring the Units (including brokerage costs and upfront fees) adjusted for any increases or decreases required under the AMIT regime (refer above).

#### **Non-Resident Investors**

The Fund will be required to withhold tax from Australian sourced income attributed to non-resident Investors. The amount to be withheld is dependent on a range of factors including the source of the attributed amount and the country of residence of the Investor.

Unfranked dividends, interest and royalties derived by the Fund that are attributed to the Investor will be subject to withholding tax which is generally imposed at a rate of 30% for royalties and unfranked dividends and 10% for interest. Non-resident Investors who are residents of a country that has entered into a Double Tax Agreement with Australia may be entitled to a lower rate of withholding tax. The availability of tax relief under Australia's Double Tax Agreements will need to be determined on a case by case basis. Attributed income other than dividends, interest and royalties from the Fund (if any) may be subject to withholding tax. The Fund will withhold tax from such attributed amounts to the extent they represent taxable income of the Fund other than non-Australian sourced income or capital gains on assets that are not "taxable Australian property" ("taxable Australian property" mainly includes direct and indirect interest in real property/land situated in Australia).

If a net capital gain is included in the taxable income of the Fund (for example, on disposal of an asset), non-resident Investors will be regarded as having derived a capital gain to the extent that the net capital gain is attributed to the Investor. However, where a discount capital gain is included in the net capital gain of the Fund, any withholding tax on capital gains on assets that are taxable Australian property will be payable on the gross amount of the capital gain (i.e. the CGT discount does not apply in calculating amounts subject to withholding tax).

The withholding tax rate will depend on the country in which the relevant non-resident Investor is a resident. For residents of countries with which Australia has an “effective” Exchange Of Information (“EOI”) Agreement on tax matters and which have been specified in the legislation for these purposes the rate will normally be 15% (or 10% in circumstances where the clean building MIT requirements are met). For residents of other countries i.e. non-EOI countries, the withholding rate will be 30%. There may be deemed fund payments the Fund attributes an amount of non-cash income to Investors. We understand that this is unlikely to occur based on the distribution policy.

We note that the MIT withholding rate for foreign investors resident in EOI countries on Fund payments that are attributable to ‘Non-Concessional MIT Income’ (“NCMI”) is 30%. The NCMI includes certain income attributable to MIT cross staple arrangement income, MIT trading trust income, MIT residential housing income and MIT agricultural income as defined. We understand the Fund does not intend to derive amounts of NCMI.

On the basis that all non-resident investors hold less than 10% (together with their associates) of the units in the Fund, no Australian CGT should be payable on the disposal of units in the Fund.

### **Annual Reporting**

The Fund will be required to provide distribution information (including tax components) to the ATO on an annual basis by lodging the Annual Investment Income Report (“AIIR”).

The Fund will also provide AMMA statements to Investors in accordance with the ATO’s guidelines for AMITs each year. The AMMA statement will provide details in relation to an Investor’s cash distribution and the Investor’s attributed components for the income year.

### **Tax File Number and Australian Business Number Requirements**

It is not compulsory for a Fund’s Investor to quote a Tax File Number (“TFN”), claim a valid exemption for providing a TFN, or (in certain circumstances) provide an Australian Business Number (“ABN”). However, failure to obtain an appropriate TFN or ABN from Investors will result in the Fund being required to withhold at the top marginal rate (currently 47% for the 2021/22 financial year, including the Medicare levy of 2% of taxable income) with respect to amounts attributed to the Investor (which may be creditable in their tax return).

### **Goods and Services Tax (GST)**

The acquisition and disposal of units in the Fund by the Investors will not be subject to Goods and Services Tax (“GST”). However, GST may apply to fees charged to the Investors by the Fund, the Responsible Entity or the Investment Manager. All fees are quoted inclusive of GST and Reduced Input Tax Credits.

### **Stamp Duty**

#### Acquisition or disposal of investments by the Fund

The Fund may be required to pay stamp duty on the acquisition of its investments, depending on the nature and if applicable, acquired shareholding percentage of those investments.

No stamp duty should be payable on the Fund’s disposal of its investments.

#### Acquisition or disposal of investments by investors

To the extent that the Fund (which is not characterized as a “wholesale unit trust” for stamp duty purposes) invests in shares, an Investor in the Fund may be subject to stamp duty in the following jurisdictions:

- Victoria - if the Investor alone, or together with associated persons or together with other Investors acting in concert or as part of substantially one arrangement, acquires an interest of 20% or more in the Fund, or having an interest of 20% or more in the Fund (whether alone or together with associated persons) acquires a further interest in the Fund when the Fund holds, or has agreed to acquire, an interest of 20% or more of the shares in a Victorian landholder; or
- Queensland - on any acquisition of an interest in the Fund when the Fund holds, or has agreed to acquire, an interest of 50% or more of the shares in a Queensland landholder.

Stamp duty may also be payable by Investors on the acquisition of their interests in the Fund if the Fund invests in other assets comprised of dutiable property located in Queensland (this includes tangible and intangible assets such as goodwill, intellectual property, loans and licenses, etc.).

Where stamp duty applies, the rates of duty that may apply are dependent on a number of factors and are determined on a case by case basis. Accordingly, Investors should seek their own tax advice with respect to the stamp duty consequences arising from their interests in the Fund in this regard.

#### **Providing Your Tax File Number**

The Application that forms part of this Product Disclosure Statement includes provision to quote your Tax File Number (TFN), Australian Business Number (ABN) or TFN exemption. As outlined there, you may choose not to do so, however, if you do not quote your TFN, ABN or exemption we are obliged to deduct tax at the highest marginal rate plus any relevant Government levies (including the Medicare Levy) from any income received on your behalf.

#### **Goods and Services Tax (GST)**

The Fund is registered for GST. GST is not imposed on the application for, or redemption of Units in the Fund or on any distributions from it. GST will be charged on or incorporated in various expenses paid by you, including the fees charged for managing and administering your Investment.

## **15. DETAILS OF THE MATERIAL AGREEMENTS**

#### **Trust Deed**

The Trust Deed is available for inspection at the offices of the Trustee during normal business hours by contacting the Trustee by email at [registry@primarysecurities.com.au](mailto:registry@primarysecurities.com.au) and requesting that a copy be made available to you.

The Trust Deed may only be amended as if it were a registered scheme under the Corporations Act. This means that the Trust Deed may be modified, or repealed and replaced with a new Trust Deed by:

- special resolution of all Unit Holders in the Fund;
- the Trustee if the Trustee reasonably considers the change will not adversely affect the Unit Holder's rights.

#### **Financial Services Agreement**

The Trustee and the Investment Manager have entered into a Financial Services Agreement dated 16 March 2023 in which the Trustee agrees to appoint the Investment Manager with respect to the Fund, to issue this IM and be trustee of the Fund. The Trustee also agrees to undertake the Administration Services.



Under the agreement, the Investment Manager must indemnify the Trustee against any loss incurred by the Trustee arising from any claim against the Trustee in relation to the Fund except where caused by the Trustee's wilful, negligence, fraudulent, reckless or unlawful acts or omissions.

### Investment Management Agreement

The Trustee and the Investment Manager have entered into an Investment Management Agreement dated 16 March 2023 whereby the Investment Manager is appointed to invest and manage the Assets within the Fund in accordance with the Investment Mandate set out in this IM.

The services of the Investment Manager are reviewed annually and may be terminated with immediate effect upon (for amongst other reasons):

- (a) an Insolvency Event in relation to the Investment Manager; or
- (b) making Trade Executions which do not comply with the Investment Mandate; or
- (c) failing to remedy a material breach of the Investment Management Agreement within 30 Business Days of notice thereof being provided by the Trustee.

## 16. DISPUTE RESOLUTION AND COMPLAINTS

The Trustee will deal with any Complaint in accordance with s912A(2) of the Corporations Act.

The Trustee has appointed Ms Anna Catelli as its Complaints Officer.

If you have a Complaint, please contact the Complaints Officer:

Phone: +61 8 9430 5262  
 Email: [complaints@primarysecurities.com.au](mailto:complaints@primarysecurities.com.au)  
 Post: PO BOX 732, Fremantle WA 6959

A copy of the Complaints handling procedure is available on request free of charge. A summary is available on the Trustee's website: [www.primarysecurities.com.au/about-us/about-primary/complaints-procedure/](http://www.primarysecurities.com.au/about-us/about-primary/complaints-procedure/)

If after contacting the Trustee regarding your Complaint, your Complaint is not resolved to your satisfaction then you may access the external dispute resolution service known as the Australian Financial Complaints Authority (AFCA) which the Trustee is a member.

AFCA may be contacted:

- by phone on 1300 931 678 (or whichever number is for the time being applicable);
- by email to [info@afca.org.au](mailto:info@afca.org.au) (or whichever email address is for the time being applicable);
- by writing to GPO Box 3, Melbourne, VIC 3001 (or whichever address is for the time being applicable).

ASIC has a Freecall Infoline 1300 300 630 (or such other number as is being used for the time being) which the Complainant may use to make a Complaint and obtain information.

## 17. ADDITIONAL INFORMATION

### No Assurance of Investment Performance or Suitability

Investment in financial products involves risk. Past performance of financial products or indices is no assurance of their future performance. The performance of financial products (including hedging), portfolios and strategies, and the return of capital are not guaranteed or assured by the Trustee or the Investment Manager or any other related entity or any of their respective directors or officers and employees. An investment in a financial product may have the potential for capital growth and income but may also carry the risk that the total return on the investment may be less than the amount contributed directly by the investor.

The information in this Information Memorandum is produced without any consideration of the investment objectives, financial situation or particular needs of any person who may read it. Potential investors should obtain their own independent financial, legal and tax advice on investing in the Fund.

### Anti-Money Laundering

In order to comply with current or future regulations aimed at the prevention of money laundering and counter-terrorism financing, including but not limited to the laws and regulations of Australia in force from time to time (AML/CTF law), appropriate detailed identification and verification about an Applicant will be required, which may include identification of underlying beneficial owner(s). The Trustee may delay or refuse to accept an Application (and return any funds received with the Application without interest) of a prospective Applicant who delays or fails to produce any information the Trustee request for verification purposes or if the Trustee is concerned that the Application may breach any obligation of, or cause us to commit or participate in an offence under the AML/CTF law, and the Trustee will incur no liability to you if they do so.

Applications will not be accepted or processed until all required information has been received to the Trustee's satisfaction (including any additional information that may be requested) and the Trustee is satisfied all client identification procedures have been completed, and any other obligations under the AML/CTF law have been complied with. The Trustee may also require you to provide additional information and identification documents to those listed in the Application Form.

By applying, you warrant that:

- (a) You are not aware and have no reason to suspect that:
  - the monies used to fund your investment have been or will be derived from or related to any money laundering, terrorism financing or other illegal activities, whether prohibited under Australian law, international law or convention or by agreement ('illegal activity'); or
  - the proceeds of your investment will be used to finance any illegal activities.
- (b) You, your agent, or your nominated Authorised Representative, will provide to the Trustee with all additional information and assistance that may be requested in order to comply with their obligations under any AML/CTF law.
- (c) You are not a 'politically exposed' person or organisation for the purposes of any AML/CTF law.

### **Foreign Account Tax Compliance Act (FATCA)/Common Reporting Standards**

As part of the application process you must complete a self-certification form. This form is being used to comply with legislation which gives effect to the OECD Common Reporting Standard and the US legislation known as FATCA. The Trustee is required to collect and report to the Australian Taxation Office (ATO) certain information about the tax residency of account holders. The ATO shares this information with the competent authorities of other jurisdictions as a means of countering global tax evasion. For more information, refer to the ATO website: <http://www.ato.gov.au>

### **Privacy**

The information requested on the Application Form is used by the Trustee for the purposes of processing your Application and, if your Application is accepted to administer your investment including reporting to you. The Trustee or the Investment Manager may be unable to process your Application without this information.

You agree, by submitting your Application Form, that the Trustee and the Investment Manager may disclose the information to any independent share registry, to any agents, contractors or service providers including banks and professional advisers.

The Corporations Act requires the Trustee to include information about you (including your name, address and details of the Units you hold) in the Register. The information contained in the Register must remain there even if you cease to be a Unit Holder.

The Trustee may use your contact details to let you know of future offers of the Trustee or the Investment Manager, but if you do not want to receive these, please contact the Trustee on (08) 9430 5262 or by email to [registry@primarysecurities.com.au](mailto:registry@primarysecurities.com.au).

If you do not provide the information requested in the Application Form, your Application may not be processed. You have a right to seek access to the information held about you, and (in writing) to ask the Trustee or the Investment Manager to correct any information which is held about you and which you believe is inaccurate, incorrect or out of date.

### **Labour, Environmental, Social and Ethical Standards**

The Trustee does not take into account any labour, environmental or ethical standards when investing in the Fund.

### **No Overall Minimum Subscription**

There is no overall minimum subscription with respect to the Fund. This is different to the minimum subscription of \$100,000 which is required with each new Applicant.

### **Consent**

The Investment Manager has given, and has not before the issue of the IM withdrawn its written consent to be named herein, and to the statements made by or based on statements made by or about him in this IM in the form and context in which they appear, as the Investment Manager of the Service prior to the issue of this IM. Ernst Young has given, and has not before the issue of the IM withdrawn its written consent to be named herein, and to the statements made by or based on statements made by or about them in this IM in the form and context in which they appear.

## 18. KEY TERMS AND GLOSSARY

The following words and expressions have the following meanings in this Information Memorandum unless the context requires otherwise:

Administrator	Primary Securities Ltd ABN 96 089 812 865
Adviser	The financial adviser identified in your Application Form who must be an Authorised Representative of an AFS licensee authorised to provide financial product advice to retail clients.
Allotment	The Allotment of Units to a Unit Holder on acceptance of their Application.
AML / CTF Act	<i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i> (Cth).
Applicant	Any person who has completed and delivered to (a) the Trustee; or (b) any person who a duly authorised lawful agent of the Trustee; an Application but who is not yet a Unit Holder.
Application Account	One or more special trust bank accounts or cash management accounts established in the name of the Trustee and kept solely for the purpose of depositing Application Money in relation to the Fund.
Application Form	The Application Form.
Application Money	The amount required to be paid, or the value of any cash or other property to be transferred, to the Trustee by an Applicant accompanying their Application Form.
ASIC	The Australian Securities and Investment Commission.
Assets	All the assets, including cash and financial products in the Fund.
ASX	The Australian Securities Exchange.
Buy-Sell Spread	The buy/sell spread amount determined by the Trustee, being up to 0.2% to be associated with the acquisition or disposal of Assets, being: (a) when calculating the Issue Price of a Unit, the amount that the Trustee reasonably estimates as reflecting any costs and expenses which would be incurred if all the Assets were to be acquired at the relevant time, per Unit; and (b) when calculating the Redemption Price of a Unit, the amount that the Trustee reasonably estimates as reflecting the total costs and expenses which would be incurred if all the Assets were to be sold at the relevant time, per Unit, necessary to avoid an adverse impact on other Unit Holders because of an issue or a Redemption of Units, but the Trustee may at any time in connection with a particular Application or Redemption treat these costs to be a lesser sum or zero.

Calculation Period	Three month period ending on 31 March, 30 June, 30 September and 31 December each year.
Capital Raising	Relating to the actions that a company takes in order to find new capital to finance its activities.
Cash	Any funds which have not been converted into financial products.
Complainant	A person making a Complaint.
Complaint	An expression of dissatisfaction made to or about an organisation (including the Trustee and the Investment Manager (if applicable)), related to its products, services, staff or the handling of a complaint where a response or resolution is explicitly or implicitly expected or legally required.
Complaints Officer	The complaints officer of the Trustee for the time being.
Corporations Act	The Corporations Act 2001 (Cth).
Custodian	HSBC
Date of Issue	The date the Information Memorandum is issued.
Date of First Allotment	The date the first Application is allotted.
Dealing Day	Close of business on the last day of the prior month
Derivative	A derivative is a security with a price that is dependent upon or derived from one or more underlying assets. The derivative itself is a contract between two or more parties based upon the asset or assets. Its value is determined by fluctuations in the underlying asset. The most common underlying assets include stocks, bonds, commodities, currencies, interest rates and market indexes. The Fund does not permit Derivatives.
Dividend	A sum of money paid by a company to its shareholders out of its profits (or reserves).
Exchange	ASX, ASX 24 and Chi-X Australia and of the clearing facilities operated by ASX Clear and ASX Clear (Futures) or any other exchange in which the Broker participates.
FATCA	The Foreign Account Tax Compliance Act and is United States (US) legislation aimed at improving compliance with US tax laws. FATCA imposes certain due diligence and reporting obligations on Australian financial institutions including the Trustee and those of other non-US countries, to report US citizen or US tax-resident Account Holders to the US Internal Revenue Service.
Fund	Anadara Battery Transition Fund.
FUM	Funds Under Management being the aggregate amount of all Assets at that time
GST	Goods and Services Tax as defined in <i>A New Tax System (Goods and Services Tax) Act 1999</i> .
High Water Mark	The Net Asset Value per unit at the end of the most recent Calculation Period in respect of which a Performance Fee was paid to the Investment Manager or a Distribution paid to Unit Holders.

	Where the Performance Fee is paid for the first time the Net Asset Value for the purposes of this definition means \$1.00.
Hurdle Rate	The latest target cash rate published prior to a Calculation Period by the Reserve Bank of Australia plus 2% per annum.
Information Memorandum or IM	This Information Memorandum and any further supplementary or replacement information memorandums.
In specie	The actual financial product or Asset being transferred rather than selling the financial product or Asset and transferring the proceeds of the sale of the financial product or Asset.
Insolvency Event	means any of the following events occurring in relation to a party: <ul style="list-style-type: none"> <li>(a) a liquidator, receiver, receiver and manager, administrator, official manager or other controller (as defined in the Corporations Act), trustee or controlling trustee or similar official is appointed over any of the property or undertaking of the party;</li> <li>(b) the party or the party's property or undertaking becomes subject to a personal insolvency arrangement under part X Bankruptcy Act or a debt agreement under part IX Bankruptcy Act;</li> <li>(c) the party is, or becomes unable to, pay its debts when they are due or is or becomes unable to pay its debts within the meaning of the Corporations Act, or is presumed to be insolvent under the Corporations Act;</li> <li>(d) the party ceases to carry on business; or</li> <li>(e) an application or order is made for the liquidation of the party or a resolution is passed or any steps are taken to liquidate or pass a resolution for the liquidation of the party, otherwise than for the purpose of an amalgamation or reconstruction.</li> </ul>
Investment Manager	Anadara Asset Management Pty Ltd, ABN 98 113 959 596.
Investment Mandate	The investment strategy or plan applied by the Investment Manager and described in Section 6.
Long	A buy or other position that will benefit from rising prices.
Minimum Initial Investment Term	12 months from date of Allotment.
Month	Calendar month ending on the last Day of the month.
Net Asset Value	The value of the assets less the liabilities of the Fund.
P.A	Per annum.
Performance Fee	The fee so called described as the Performance Fee in Section 8: Fees and other costs.
RBA	Reserve Bank of Australia.
Rebalancing	Occurs when the Investment Manager is required to buy or sell Assets to bring the Fund back in line with the Investment Mandate. For example, if the Investment Mandate requires a certain

	percentage of a type of stock and percentage has been breached because of a redemption.
Redemption	Refers to a reduction of Assets as a result of a Unit Holder requesting a payment of funds. This may be achieved by a transfer of some of the Assets in specie.
Short	A sale or other position that will benefit from falling prices. The Fund does not permit short selling.
Total Management Fee	The aggregate of each fee charged by the Investment Manager from each of the Unit Holders.
Trustee	Primary Securities Ltd ABN 96 089 812 635 AFSL 224107.

## 19. WHOLESALE CLIENT INFORMATION

Following is a summary of the main categories of what constitutes a “wholesale client”.

1. Invest at least \$500,000 at one time.	
2. Invest at least \$500,000 together with an associate at one time.	<p>Reasons the investor and someone else can be associated include:</p> <ul style="list-style-type: none"> <li>➤ The other person is a trustee of a trust in relation to which the investor benefits or is capable of benefiting.</li> <li>➤ The other person is a person with whom the investor is acting in concert, or proposes to act in concert, in respect of the investment.</li> <li>➤ The other person is a person with whom the investor is, or is proposing to become associated, whether formally or informally, in any other way in respect of the investment.</li> </ul>
3. The investor and a body corporate which the investor wholly owns and controls together invest at least \$500,000 in aggregate.	See below for the meaning of ‘control’.
4. The investor has an accountant’s certificate that shows that they have net assets of at least \$2.5 million or gross income for each of the last two financial years of at least \$250,000. The certificate must not be more than 2 years old.	In calculating the \$2.5 million or \$250,000 the investor can include the net assets or gross income (as relevant) of any company or trust it controls. See below for meaning of ‘control’.
5. The investor is a company or trust controlled by someone who has an accountant’s certificate as mentioned in number 4.	‘Control’ means you have the capacity to determine the outcome of decisions about the company or trust’s financial and operating policies. The practical influence you can exert (rather than the rights you can enforce) is the issue to be considered and any practice or pattern of behaviour affecting the company or trust’s financial or operating policies is to be taken into account (even if it involves a breach of an agreement or a breach of trust).
6. The investor is a business which is not a small business.	A small business is one that employees less than 100 employees if that business is or includes the manufacture of goods, or otherwise is a business which employs less than 20 people.
7. The investor is a subsidiary or holding company of another body corporate which is a wholesale client.	
8. The investor has a financial services licence.	



<p>9. The investor is the trustee of a superannuation fund with net assets of at least \$10 million.</p>	
<p>10. The investor controls at least \$10 million.</p>	<p>Including any amount held by an associate or under a trust that the investor manages.</p>
<p>11. The AFSL holder considers the investor to be a sophisticated investor.</p>	<p>a. The Trustee must be satisfied on reasonable grounds, that the client has previous experience in using financial services and investing in financial products that allows the client to assess:</p> <ul style="list-style-type: none"> <li>(i) the merits of the Trust;</li> <li>(ii) the value of the Units in the Trust;</li> <li>(iii) the risks associated with holding Units in the Trust;</li> <li>(iv) the client's own information needs and</li> <li>(v) the adequacy of the information given by the Trustee.</li> </ul> <p>b. The Trustee must give the client before or at the time when the Units are issued, a written statement of the Trustee's or AFSL holder's reasons for being satisfied as stated above.</p> <p>c. The client must sign a written statement before or at the time when the product or service is provided, acknowledging that the Trustee:</p> <ul style="list-style-type: none"> <li>(i) has not provided the client a Product Disclosure Statement or any other document that would normally be required to be given to a retail client and</li> <li>(ii) has no other obligations towards the client that would apply if the client were retail.</li> </ul>