

# octopus investments

A brighter way



## Disclaimer and Important Information

This term sheet ('**Feeder Fund Term Sheet**') has been prepared in relation to the Octopus Australia Sustainable Investments Feeder Fund ('**OASIS Feeder**') and supplements the information memorandum for the Octopus Australia Sustainable Investments Fund dated 4 December 2023 set out in the annexure to this Feeder Fund Term Sheet ('**OASIS IM**') and must be read in conjunction with that document.

To the extent of any inconsistency between the OASIS IM and this Feeder Fund Term Sheet in respect of information relating to the OASIS Feeder, this Feeder Fund Term Sheet will prevail.

This Feeder Fund Term Sheet dated 4 December 2023 is issued by Octopus Aust OASIS Manager Pty Ltd (ACN 660 429 532) ('**Manager**') as the investment manager of the OASIS Feeder. The Manager (AR Number 001298071) is as an authorised representative of Octopus Investments Aust Pty Ltd (ACN 626 662 039, AFSL No. 520121).

Existing and prospective unitholders in the OASIS Feeder ('**Feeder Investors**') will own units in the OASIS Feeder ('**Feeder Units**'). From time to time, iPlatforms Nominees Pty. Ltd. (ACN 632 914 464) (AFSL No. 519552), as the trustee for the OASIS Feeder ('**Feeder Trustee**'), may issue Feeder Units in accordance with the trust deed of the OASIS Feeder ('**Feeder Trust Deed**'). The Manager reserves the right to modify, withdraw, reject or cancel any offering made pursuant to this Feeder Fund Term Sheet at any time before accepting any subscription or commitment from a Feeder Investor.

The Manager has prepared and is the issuer of this Feeder Fund Term Sheet. iPlatforms Nominees Pty. Ltd. has not prepared this Feeder Fund Term Sheet and to the maximum extent permitted by law, disclaims liability to

any person for reliance on this Feeder Fund Term Sheet.

Statements in this Feeder Fund Term Sheet are made only as of the date of this Feeder Fund Term Sheet, unless otherwise stated. The Manager, OIA and the Feeder Trustee are not responsible for providing updated information to any prospective investors of the OASIS Feeder ('**Prospective Feeder Investors**').

This Feeder Fund Term Sheet is circulated to a limited number of Prospective Feeder Investors on a confidential basis by the Manager. Prospective Feeder Investors must be, and investments in the OASIS Feeder can only be made by, 'wholesale clients' as defined in section 761G of the Corporations Act and each recipient of this Feeder Fund Term Sheet ('**Term Sheet Recipient**') represents and warrants that it is, and at all times will be, a 'wholesale client' for the purposes of the Corporations Act or certain New Zealand wholesale investors (as set out below). As such, this Feeder Fund Term Sheet has not been, will not be and is not required to be lodged with the Australian Securities and Investments Commission, and no offer or issue made under or in connection with this Feeder Fund Term Sheet requires a product disclosure statement or other disclosure document as defined under the Corporations Act. The OASIS Feeder is not, nor is it required to be, a registered managed investment scheme for the purposes of Chapter 5C of the Corporations Act. No action has been taken to permit a public offering of the Feeder Units in any jurisdiction where action for that purpose would be required. This Feeder Fund Term Sheet does not constitute an offer to sell or a solicitation of an offer to buy Feeder Units in any jurisdiction outside Australia and New Zealand unless expressly authorised by the Feeder Trustee and permitted by law in such jurisdiction to make such offer or solicitation.

Nothing in this Feeder Fund Term Sheet takes into account the investment objectives, financial situation, or particular needs of any Prospective Feeder Investors, nor does this Feeder Fund Term Sheet purport to contain all the information that a Prospective Feeder Investor may require in evaluating a possible investment in the OASIS Feeder, or all the information that would be required in a product disclosure statement prepared in accordance with the requirements of the Corporations Act. Prospective Feeder Investors should carry out their own due diligence on the OASIS Feeder and of the information contained in or referred to in this Feeder Fund Term Sheet and should form their own assessment and take independent professional advice on the merits and risks of an investment in the OASIS Feeder and the legal, regulatory, tax and investment consequences and risks of doing so. Prospective Feeder Investors should also carefully review the information and warnings set out in Section 11 'Key Risks' of the OASIS IM and this Feeder Fund Term Sheet.

No representation or warranty, express or implied, is, or will be, given by the Manager, OIA or the Feeder Trustee or any of their respective associates, advisers, directors, officers, employees or agents (**'Relevant Feeder Parties'**) and, without prejudice to any liability for, or remedy in respect of, any fraudulent misrepresentation, and no responsibility or liability or duty of care is, or will be, accepted by the Relevant Feeder Parties as to the fairness, accuracy, completeness, currency, reliability or reasonableness of the information or opinions contained in this Feeder Fund Term Sheet or any other written or oral information made available to any Prospective Feeder Investor or its advisers in connection with any proposed subscription, commitment or otherwise in connection with this Feeder Fund Term Sheet. In particular, but without prejudice to the generality of the foregoing, no representation or warranty is given as to the achievement or reasonableness of any future projections, forecasts, targeted

returns, or illustrative returns (**'Forward-Looking Information'**).

Past performance information contained in this Feeder Fund Term Sheet, or in such other written or oral material, is not an indication of future performance. Such information has not been audited or verified by an independent party and should not be seen as any indication of returns, which might be received by Feeder Investors. Similarly, where Forward-Looking Information is, or related statements or expressions of opinion are given, it or they should not be regarded by any Term Sheet Recipient as a guarantee, prediction or definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. A number of factors, in addition to the risk factors stated in this Feeder Fund Term Sheet, could cause actual results to differ materially from those in any Forward-Looking Information. There can be no assurance that the OASIS Feeder's investment strategy or objectives will be achieved or that Feeder Investors will receive a return on the amount invested.

In making an investment decision, Prospective Feeder Investors must rely on their own examination of the OASIS Feeder, the Manager, OIA, the Feeder Trustee, and any other information they consider relevant.

To the fullest extent possible, by accepting delivery of this Feeder Fund Term Sheet, each Prospective Feeder Investor releases each Relevant Feeder Party in all circumstances (other than fraud) from any liability whatsoever and howsoever arising from its use of this Feeder Fund Term Sheet or any information or communications in connection with this Feeder Fund Term Sheet, or due to information being omitted from this Feeder Fund Term Sheet, whether by way of negligence or otherwise. In addition, no responsibility, liability or duty of care is, or will be, accepted by any Relevant Feeder Party for the accuracy, reliability or completeness of the information contained in

this Feeder Fund Term Sheet, updating this Feeder Fund Term Sheet (or any additional information), correcting any inaccuracies in it, or providing any additional information to any Prospective Feeder Investor. Nothing contained in this Feeder Fund Term Sheet (nor any other information made available to Prospective Feeder Investors in the further due diligence materials provided) is, or shall be relied upon as a promise, representation, warranty, or guarantee, whether as to the past, present, or future. Accordingly, to the extent permitted by law, no Relevant Feeder Party shall be liable for any loss (whether direct, indirect or consequential) or damage suffered by any person as a result of relying on any statement in, or omission from, this Feeder Fund Term Sheet or in, or omitted from, any other information or communications in connection with any proposed subscription of Feeder Units or commitment to the OASIS Feeder.

This Feeder Fund Term Sheet is not intended to be a complete representation of the terms and conditions of an investment in the OASIS Feeder. Prospective Feeder Investors should review the Feeder Trust Deed, the investment management agreement between the Feeder Trustee and the Manager ('**Feeder IMA**'), any subscription agreement (or similar document) to be entered by the Prospective Feeder Investor in connection with that Prospective Feeder Investor's subscription for Feeder Units or commitment to the OASIS Feeder ('**Feeder Subscription Agreement**') and the Application Documents (as that term is defined in section 9.7 'Application Documents' of this Feeder Fund Term Sheet (together '**Feeder Fund Documents**') for further information regarding the rights and obligations of Feeder Investors and of the Feeder Trustee and the Manager. In the event of any inconsistency between this Feeder Fund Term Sheet and the Feeder Fund Documents, the Feeder Fund Documents will prevail.

This Feeder Fund Term Sheet is proprietary to the Manager, a trade secret and furnished to

Term Sheet Recipients on a confidential basis. By accepting delivery of this Feeder Fund Term Sheet, the Term Sheet Recipient agrees not to reproduce or distribute this Feeder Fund Term Sheet, in whole or in part, by electronic or any other means, and not to disclose any of its contents (other than to obtain advice on it from a legal, business, investment or tax adviser), except with the prior written consent of the Manager. By accepting this Feeder Fund Term Sheet, each Term Sheet Recipient acknowledges and agrees that they understand the contents, and agrees to abide by the terms and conditions, of this Disclaimer and Important Information. If any of the restrictions, set out above or below are unacceptable, this Feeder Fund Term Sheet should be returned to the Manager immediately.

The Manager has not authorised any person to give any information or make any representation concerning any transaction that may be described herein, other than by providing this Feeder Fund Term Sheet or such further information as may be furnished by the Manager, all of which will be subject to the same terms as this Feeder Fund Term Sheet and, if given or made, such information or representation must not be relied upon as having been so authorised.

No reliance should be placed upon the contents of this Feeder Fund Term Sheet by any person who may decide to apply for Feeder Units or make a commitment to the OASIS Feeder. This Feeder Fund Term Sheet does not constitute, and may not be used for the purposes of, an offer to subscribe for Feeder Units, make a commitment to the OASIS Feeder or an invitation to apply to participate in the OASIS Feeder by any person in any jurisdiction in which such offer or invitation is not authorised or in which the person endeavouring to make such offer or invitation is not qualified to do so or to any person to whom it is unlawful to make such offer or invitation.

Prospective Feeder Investors should not construe the contents of this Feeder Fund Term Sheet as legal, tax, financial, investment, accounting, or other advice or as a recommendation by the Relevant Feeder Parties that any Prospective Feeder Investor should acquire any Feeder Units.

Trustee, the Manager, or any Relevant Feeder Parties incurring any liability whatsoever.

**All financial and other data in this Feeder Fund Term Sheet is at 4 December 2023 unless otherwise stated.**

Each Term Sheet Recipient may ask questions of representatives of the Manager concerning the terms and conditions of participation in the OASIS Feeder, and may request to obtain any additional information in connection with the contents of this Feeder Fund Term Sheet. The Manager may, at its discretion, make updates to the information in this Feeder Fund Term Sheet or make further information available to Prospective Feeder Investors in response to such questions, or of its own volition, and any updates or further information will be subject to the same terms as this Feeder Fund Term Sheet.

## **IMPORTANT INFORMATION FOR NEW ZEALAND INVESTORS**

The offer of Feeder Units is not being, and will not be, made in New Zealand to persons other than 'wholesale investors' within the meaning of clause 3(2) of Schedule 1 of the FMCA ('**FMCA Schedule 1**'), which covers "investment businesses", persons meeting the "investment activity criteria", "large" persons and "governmental agencies" as defined in each case in FMCA Schedule 1.

Applications or any requests for information from persons in New Zealand who do not meet the above criteria will not be accepted.

If you are a New Zealand investor, and apply for Feeder Units, you warrant that you meet the above eligibility criteria and agree that you will not sell the Feeder Units within 12 months after they are issued, in circumstances where disclosure would be required under Part 3 of the FMCA or in circumstances which may result in the Feeder

## 1. Executive Summary

Refer to section 1 (*Executive Summary*) of the OASIS IM, except in respect of the sub-sections set out below.

### Overview

This Feeder Fund Term Sheet is issued by the Manager on 4 December 2023. It supplements the OASIS IM and must be read in conjunction with that document. To the extent of any inconsistency between the OASIS IM and this Feeder Fund Term Sheet in respect of the OASIS Feeder, this Feeder Fund Term Sheet will prevail.

This Feeder Fund Term Sheet has been prepared on an exceptions basis and contains information with respect to the OASIS Feeder only insofar as such information differs from what is contained in the OASIS IM. Where there are no differences to the OASIS IM, cross-references to the equivalent sections of the OASIS IM have been included in this Feeder Fund Term Sheet, where applicable.

Certain sections of the OASIS IM may be applicable only to direct investors in OASIS, and so will not be relevant to Feeder Investors as indirect investors in OASIS. Where this is the case, a notice to that effect has been included in the OASIS IM.

Unless otherwise stated, defined terms used in this Feeder Fund Term Sheet have the same meaning as in the OASIS IM.

### The OASIS Feeder

The OASIS Feeder is an unregistered wholesale Australian unit trust for income tax purposes to be established at first close for the fund in mid-to-late February 2024. The OASIS Feeder invests indirectly in OASIS via a wholly-owned entity, OASIS Feeder Co Pty Ltd (ACN 673 072 752) ('**OASIS Feeder Co**').

Through its indirect investment in OASIS, the OASIS Feeder has exposure to OASIS' investment in two other investment vehicles, being OAMT (which gives exposure to green and brownfield renewable energy and storage infrastructure) and OASIS DevTrust (which owns the development rights to further assets which OAMT may build in the future). The aggregate exposure by OASIS in the OASIS DevTrust is capped at 10% of GAV of OASIS.

It is intended that first close of the OASIS Feeder platform will occur in mid-to-late February 2024, with subsequent closes and periods for the acceptance of new applications for Feeder Units to be determined by the Feeder Trustee (on the recommendation of the Manager) from time to time.

An overview of the OASIS Feeder is provided below in section 2 'Key Features'.



## 2. Key Features

### 2.1 Octopus Australia Sustainable Investments Feeder Fund (OASIS Feeder)

Term	Description
Fund Structure	Open-ended, unregistered wholesale Australian unit trust
Manager	Octopus Aust OASIS Manager Pty Ltd
Administrator	iPlatforms Pty. Ltd.
Base Currency	Australian Dollar
Minimum Investment	\$100,000
Investment Objective	The OASIS Feeder will invest indirectly, via OASIS Feeder Co, in OASIS which invests in a portfolio of Australian clean energy infrastructure assets (including associated businesses), being construction, development, and operational assets.
	The target net internal rate of return for the OASIS Feeder is 10-12% (post-annual management fees and before tax) over the long term.
Investment Strategy	As the OASIS Feeder will only have exposure to OASIS, refer to section 2.1 ( <i>Key Features</i> ) of the OASIS IM for the Investment Strategy of OASIS.
Target Geographies	Australia
Deal Allocation	There is no deal allocation process for OASIS Feeder as its sole investment will be an indirect interest in OASIS.
	Refer to section 2.1 ( <i>Key Features</i> ) of the OASIS IM for information regarding the deal allocation process for OASIS.
Initial Raising	Mid-to-late February 2024
Distributions	Semi-annual (June, December)
Responsible Investment	Refer to section 7 ( <i>Responsible Investment</i> ) of the OASIS IM.

## 3. About Octopus Investments

Refer to section 3 (*About Octopus Investments*) of the OASIS IM, except in respect of the sub-sections set out below.

### 3.7 The Feeder Trustee

The trustee for the OASIS Feeder is iPlatforms Nominees Pty. Ltd. (ACN 632 914 464), a licensed entity holding Australian Financial Services Licence No. 519552.

iPlatforms Nominees Pty. Ltd. acts as the trustee for a large number of unregistered Australian unit trusts, with a particular focus on alternative investments such as private credit, private equity, infrastructure, property finance, technology and hedge funds.

The Feeder Trustee has the legal responsibility to operate the OASIS Feeder and act on behalf of Feeder Investors in accordance with the Feeder Trust Deed and its fiduciary obligations. These responsibilities include:

- issuing and redeeming Feeder Units;
- maintaining a register of unitholders;
- appointing the Manager;
- keeping accounts;

- applying for and settling the purchase, disposal or secondary transfer of units in OASIS;
- making distributions in accordance with the Feeder Trust Deed;
- preparing distribution statements; and
- ensuring the OASIS Feeder's compliance with the Feeder Trust Deed.

The Feeder Trustee may delegate some of its functions to the Manager or to iPlatforms Pty. Ltd. (ACN 632 918 542) (as the administrator of the OASIS Feeder).

Information about the fees that the Feeder Trustee receives from the OASIS Feeder and its proposed entitlement to expenses incurred in operating the OASIS Feeder are set out in section 10 'Fees and Expenses' of this Feeder Fund Term Sheet.

## **4. Octopus Australia Sustainable Investments Fund (OASIS)**

Refer to section 4 (*Octopus Australia Sustainable Investments Fund (OASIS)*) of the OASIS IM for an overview of OASIS.

## **5. Investment Approach & Process**

As OASIS Feeder will only have an indirect exposure to OASIS, refer to section 5 (*Investment Approach & Process*) of the OASIS IM for the investment approach and process relating to investments by OASIS and OAMT.

## **6. Asset Optimisation**

Refer to section 6 (*Asset Optimisation*) of the OASIS IM regarding optimisation of assets invested in by OASIS and OAMT.

## **7. Responsible Investment**

Refer to section 7 (*Responsible Investment*) of the OASIS IM regarding OIA and the Octopus Group's approach to responsible investment.

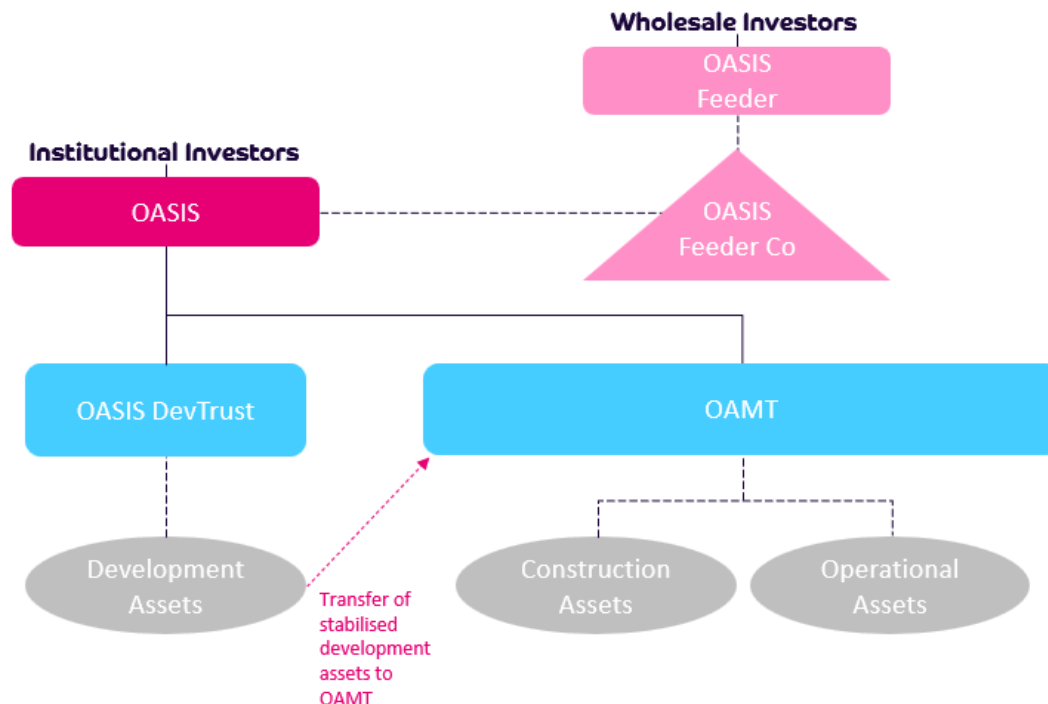


## 8. Structure & Governance

Refer to section 8 (*Structure & Governance*) of the OASIS IM for the structure and governance arrangements relating to OASIS and OAMT, and the sub-sections set out below in respect of the structure and governance of the OASIS Feeder.

### 8.1 Fund Structure

The chart below is a simplified Fund structure chart provided for illustrative purposes only. A detailed structure chart is provided in Appendix 3.



#### OASIS Feeder

The OASIS Feeder has been formed for the purpose of providing wholesale investors with indirect exposure to renewable energy infrastructure assets through its investment, via OASIS Feeder Co, in OASIS.

The OASIS Feeder's indirect investment in OASIS provides Feeder Investors with exposure to construction and operational assets (via OASIS' investment in OAMT), and to development assets via the OASIS DevTrust (a wholly-owned sub-trust of OASIS).

iPlatforms Nominees Pty. Ltd. (ACN 632 914 464) is the trustee of the OASIS Feeder. The Feeder Trustee has appointed the Manager

pursuant to the Feeder IMA to provide certain investment management services, including to assist in the day-to-day operation of the OASIS Feeder.

For information relating to OASIS, the OASIS DevTrust and OAMT, refer to section 8 (*Structure & Governance*) of the OASIS IM.

#### 8.2 OAMT Unitholders' Committee

Section 8.2 (*Unitholders' Committee*) of the OASIS IM sets out information regarding the composition and operation of the OAMT Unitholders' Committee.

As noted in that section, the trust deed of OASIS sets out the arrangements for the

appointment of representatives of OASIS on the Unitholders' Committee, which may comprise one or more representatives of a unitholder of OASIS. The OASIS Feeder Co will waive any entitlement it may have as a unitholder in OASIS to appoint a representative to the Unitholders' Committee.

That being said, certain reserved matters of the Unitholders' Committee require approval of the OASIS unitholders by way of 'Special Resolution' (being a resolution passed by at least 75% of the votes cast by OASIS unitholders entitled to vote on the resolution) prior to any approval being given by the relevant representatives on the Unitholders' Committee. These matters are:

- approval to amend the investment strategy of OAMT;
- approval of an exit or liquidity alternative in respect of OAMT;
- approval of the admission of an additional unitholder in OAMT;
- approval for the removal of the existing, and appointment of a replacement, trustee of OAMT;
- approval of a proposed change of control of the investment manager of OAMT; and
- approval of certain conflicted transactions relating to OAMT.

As a unitholder in OASIS, the OASIS Feeder Co will be entitled to vote on the above Special Resolution matters subject to a back-to-back Feeder Special Resolution at the OASIS Feeder level (i.e. if a Feeder Special Resolution is passed, the OASIS Feeder Co will vote in favour of the Special Resolution relating to the relevant reserved matter of the Unitholders' Committee).

### **8.3 Combined Fund Matters for OAMT**

See section 8.3 (*Combined Fund Matters*) of the OASIS IM regarding the two matters relating to OAMT that require the combined approval of the unitholders of OASIS and OREO.

For the two combined approval matters, there will also be a back-to-back approval resolution at the OASIS Feeder, with the relevant threshold for approval aligning with the threshold for the combined approval matter (i.e. if a Feeder Special Resolution is passed, the OASIS Feeder Co will vote in favour of the Combined Fund Special Resolution matter in respect of OAMT).

### **8.4 Feeder Investor Approval Rights**

Similar to OASIS, the day-to-day decision making and management of the OASIS Feeder will be undertaken by the Manager.

Certain reserved matters relating to the OASIS Feeder will require approval by the Feeder Investors by way of Feeder Special Resolution. These include the removal of:

- the Feeder Trustee in accordance with the terms the Feeder Trust Deed; and
- the Manager in accordance with the terms of the Feeder IMA, provided that the Feeder Special Resolution is passed by Feeder Investors who together constitute more than 50% of the total number of Feeder Investors in the OASIS Feeder.

The relevant matters requiring Feeder Investor approval are set out in the Feeder Trust Deed and the Feeder IMA.

In addition, as the OASIS Feeder Co is a unitholder in OASIS, the OASIS Feeder Co is entitled to vote on Special Resolution matters in OASIS. With the exception of the back-to-back approval matters set out further below, the OASIS Feeder Co's vote on such Special Resolution items will be exercised by a representative nominated by the Manager as

the investment manager of the OASIS Feeder ('**OASIS Feeder Product Manager**').

The OASIS Feeder Product Manager will be subject to appropriate conflicts of interest protocols in their role, act on behalf of the OASIS Feeder Co and the Feeder Investors, may be removed with the consent of Feeder Investors holding Feeder Units representing at least 90% (by value) of the votes that may be exercised, and may be replaced with a replacement OASIS Feeder Product Manager nominated by the Manager.

### **OASIS Unitholder Back-to-Back Approvals**

For certain OASIS Special Resolutions matters, back-to-back approvals will be sought from the Feeder Investors with respect to those matters on which OASIS Feeder Co, as a unitholder OASIS, is required to vote, with the approval thresholds for each such matter aligning with the corresponding threshold under the trust deed in respect of OASIS. These matters are:

- Approval to terminate and wind-up OASIS (Feeder Special Resolution).
- Approval of certain related party transactions for OASIS (Feeder Special Resolution).
- Approval to amend the investment strategy and guidelines of OASIS (Feeder Special Resolution).
- Approval for an investment by OASIS that does not satisfy the OASIS investment strategy and guidelines and/or target return, or is located outside of Australia (Feeder Special Resolution).
- Approval for the OASIS Trustee to accept an offer to reinvest its distributions in the OAMT (Feeder Special Resolution).
- Approval to amend the trust deed of OASIS in circumstances where the rights or obligations attaching to units (or units

of a class), or the rights of a unitholder to the income or capital of OASIS, are altered or affected in any way (Feeder Special Resolution).

- Approval to amend the OASIS investment management agreement in circumstances where the amendment is: (i) in a situation of actual or potential conflict of interest affecting the Octopus group; or (ii) in a manner that would reasonably be expected to have an adverse effect on OASIS or on the rights or interests of OASIS unitholders as a whole (Feeder Special Resolution).
- Approval of a change of control of the Manager as the investment manager of OASIS (Feeder Special Resolution).
- Approval for the appointment of a replacement trustee of OASIS in circumstances where the OASIS Manager has committed an unremedied material breach of the OASIS investment management agreement.
- Compulsory retirement of the OASIS Trustee (Feeder Special Resolution).
- Removal of the Manager as the investment manager of OASIS for cause (Feeder Special Resolution).
- Removal of the Manager as investment manager of OASIS without cause (Feeder Super Majority Resolution).

### **8.5 Conflicts of Interest**

The Feeder IMA sets out the OASIS Feeder Conflicts Management Protocol ('**Feeder Conflicts Management Protocol**'), which applies to the Manager and the OASIS Feeder Product Manager and seeks to identify and manage actual, potential, or perceived conflicts of interest that may arise as between the OASIS Feeder, OASIS, the Manager and the OASIS Manager.

The Feeder Conflicts Management Protocol addressed matters including:

- the management of any actual or potential conflict of interest between the OASIS Feeder, OASIS, the Manager and the OASIS Manager; and
- the management of any actual or potential conflict of interest between the OASIS Feeder, on the one hand, and the Manager (as an Octopus Australia entity) on the other (including by ensuring that the Manager and the OASIS Feeder Product manager are obligated to ensure that the interests of the OASIS Feeder are prioritised and making transparent and defensible the process surrounding any conflicted transactions).

### 8.6 Key Person Event

There are no key person requirements in respect of the OASIS Feeder.

### 8.7 Termination of Manager

Refer to section 8.7 (*Termination of Manager*) of the OASIS IM regarding termination of the OASIS Manager. This section sets out information relating to resignation and termination of the Manager as investment manager of the OASIS Feeder.

#### Resignation of Manager

The Manager may resign as the investment manager of the OASIS Feeder on giving the Feeder Trustee six months' written notice (or such shorter notice period as agreed with the Feeder Trustee, acting reasonably).

Pursuant to the Feeder IMA, if the Manager resigns, the Manager will be entitled to receive accrued but unpaid Management Fees and a Performance Fee calculated based on a notional distribution of all OASIS Feeder assets as at the date of termination (such fees

to be paid as soon as, in the reasonable opinion of the Feeder Trustee, the OASIS Feeder has sufficient cash and, in any event, within 6 months of the date of resignation) and any accrued reimbursable expenses (to be paid within 14 days of the presentation of an invoice by the Manager).

#### Termination by the Manager

The Manager may terminate the Feeder IMA in the following circumstances:

- (a) at any time, if the Feeder Trustee suffers an insolvency event, and a replacement trustee is not appointed within 45 days of such insolvency event;
- (b) upon the Manager giving the Feeder Trustee 45 days' written notice, if the Feeder Trustee is in material breach of its obligations under the Feeder IMA, where the breach is not reasonably capable of remedy, and a replacement trustee is not appointed within 45 day notice period;
- (c) at any time by the Manager giving written notice to the Feeder Trustee if the Feeder Trustee is in material breach of its obligations under the Feeder IMA, where the breach is reasonably capable of remedy, and the Feeder Trustee does not remedy such breach, and a replacement trustee is not appointed, within 45 day notice period;
- (d) at any time, if the Feeder Trustee fails to:
  - (i) perform its role under the Feeder IMA in a professional and diligent manner, and to a standard reasonably expected of a person who professionally performs such functions, which causes material loss to the OASIS Feeder or material reputational damage to the Manager;
  - (ii) maintain adequate capital, cash flow and financial resources to perform its functions and obligations under the Feeder IMA;

- (iii) design and, as necessary, implement disaster recovery plans which are reasonably designed to be effective in respect of its material obligations under the Feeder IMA; or
  - (iv) hold all appropriate licences, consents or approvals, or otherwise ceases to benefit from an exemption from the requirement to hold any such licence, consent or approval necessary to perform its obligations under the Feeder IMA;
- (e) at any time if an unapproved change of control occurs with respect to the Feeder Trustee; and
- (f) at any time if the Feeder Trustee, or any of its officers, employees or agents who are to exercise powers or perform functions under the Feeder IMA:
- (i) commits an act or omission which may cause the Manager to materially breach relevant law or any offer document which causes material loss to the OASIS Feeder or material reputational damage to the Manager;
  - (ii) is found by a court to have committed an offence that may be punishable by a fine of more than \$10,000 or any term of imprisonment (other than a spent conviction as defined in the *Crimes Act 1914* (Cth));
  - (iii) is found to have engaged in serious misconduct that may reasonably be seen as giving rise to serious doubts as to their good character and honesty; or
  - (iv) is disqualified from acting as a director of a company or has been disqualified, banned or suspended from performing any role by a regulator under a relevant law.
- Pursuant to the Feeder IMA, if the Manager terminates the Feeder IMA, the Manager's entitlement to Management Fees, Performance Fees and any accrued

reimbursable expenses will be the same as if the Manager had resigned (see above).

#### **Removal of Manager for Cause**

The Feeder Investors may, by resolution passed by Feeder Investors who, in aggregate, hold at least 75% of the total number of units in the OASIS Feeder on issue and who together constitute more than 50% of the total number of Feeder Investors, remove the Manager if it has been finally determined by a court of competent jurisdiction that:

- (a) the Manager has acted with gross negligence or wilful default in connection with its duties and obligations under the Feeder IMA; or
- (b) the Manager has committed fraud in connection with the Feeder IMA, other than the fraud of an employee, officer, contractor or agent of the Manager in the circumstances as set out in the Feeder IMA.

The Manager may also be removed for cause if the Manager is subject to an insolvency event or ceases to be an authorised representative of an AFSL holder (unless the Manager holds its own AFSL or is exempt from the requirement to hold an AFSL), or otherwise ceases to hold the necessary authorisations under relevant law to carry out its duties under the Feeder IMA.

Pursuant to the Feeder IMA, if the Manager is removed for cause, the Manager will be entitled to receive all accrued but unpaid Management Fees and a Performance Fee calculated based on a notional distribution of all OASIS Feeder assets as at the date of termination (to be paid as soon as, in the reasonable opinion of the Feeder Trustee, the OASIS Feeder has sufficient cash and, in any event, within 6 months of the date of termination or entitlement) and any accrued reimbursable expenses (to be paid within 14 days of the presentation of an invoice by the Manager), provided that the Manager has

reimbursed the OASIS Feeder for any adverse financial consequence suffered by the Feeder Trustee, the OASIS Feeder or any Feeder Investor as a result of the Manager's fraud, gross negligence or wilful default, with such reimbursement amount to be agreed in good faith between the Feeder Trustee and the Manager within 10 business days following termination of the Manager.

### 8.8 Retirement of the Trustee

Refer to section 8.8 (*Retirement of the Trustee*) of the OASIS IM for information regarding removal of the OASIS Trustee.

In respect of removal of the Feeder Trustee as trustee of OASIS Feeder, the Feeder Trustee:

- may retire as trustee of the OASIS Feeder at any time, provided the Feeder Trustee provides not less than three months' notice to Feeder Investors; and
- must retire as trustee of the OASIS Feeder if required to do so by way of Feeder Special Resolution, or following receipt of written notice from the Manager requesting that the Feeder Trustee retire,

in each case, in accordance with the terms of the Feeder Trust Deed.

### 8.9 Side Letters

The Feeder Trustee and the Manager may (but are under no obligation to) enter into side letters or other agreements and arrangements ('**Side Letters**') with one or more Feeder Investors. Side Letters may enable Feeder Investors to have differential terms or may waive or supplement certain rights or obligations relating to that Feeder Investor. Unless required by applicable law, the Feeder Trustee and the Manager are not required to disclose the contents of any Side Letter.

### 8.10 Co-investment Rights

The investment management agreement in respect of OASIS contemplates that, in certain circumstances, the Manager may offer investors in OASIS the opportunity to co-invest alongside OASIS (or a wholly-owned sub-trust of OASIS) in an investment opportunity that the Manager determines is appropriate for co-investment ('**Co-investment Rights**'). OASIS Feeder Co will waive any entitlement it may have as a unitholder in OASIS to any Co-investment Rights (with the effect that the OASIS Feeder will not have the benefit of such Co-investment Rights).

## 9. Fund Operations

This section relates to fund operations for the OASIS Feeder, and retains heading numbering from the OASIS IM. Refer to section 9 (*Fund Operations*) of the OASIS IM in respect of the fund operations for OASIS and OAMT.

### 9.1 Administrator

The OASIS Feeder is administered by iPlatforms Pty. Ltd. (ACN 632 918 542) to perform certain administrative and operational services.

### 9.3 Valuation Process

The Feeder Trustee may, under the Feeder Trust Deed, undertake valuations of the OASIS Feeder assets at any time using valuation methods it decides from time to time.

The Feeder Trustee will rely on valuations undertaken in respect of OASIS (with adjustments made for any assets of liabilities solely in respect of the OASIS Feeder (e.g. cash)) in order to determine the net asset value of the OASIS Feeder.

### 9.5 Distributions

Income and capital proceeds which are available for distribution will, after satisfying



or making provision for any actual or potential fees, costs, expenses and liabilities of the OASIS Feeder, be distributed to the Feeder Investors pro rata in accordance with the Feeder Trust Deed.

It is intended that distributions of net income of the OASIS Feeder will be made to Feeder Investors bi-annually and at such other times as determined by the Feeder Trustee, in its sole discretion, and distributions of capital proceeds will be made as soon as practicable after the relevant amount becomes available for distribution.

## 9.6 Liquidity

### Redemption Requests

Unless the Feeder Trustee otherwise decides, Feeder Investors will not be able to redeem their interests in the OASIS Feeder within five years of the date on which they were first issued Feeder Units ('**Initial Investment Date**').

Following the fifth anniversary of a Feeder Investor's Initial Investment Date:

- requests to redeem interests in the OASIS Feeder ('**Feeder Redemption Requests**') may be submitted by that Feeder Investor every quarter, no later than 30 days prior to the end of the relevant quarter in which the Feeder Redemption Request is made; and
- no later than 10 business days prior to the end of each quarter, the Feeder Trustee must consider any Feeder Redemption Requests received during that financial year and notify the Feeder Investor whether it accepts or denies the Feeder Redemption Request.

If the Feeder Trustee accepts a Feeder Redemption Request (either in whole or in part), the Feeder Trustee must use reasonable endeavours to satisfy the Feeder Redemption Request within 36 months of the end of the

financial year in which the Feeder Redemption Request was made.

It is intended that Feeder Redemption Requests will generally be satisfied from available cash, including proceeds from new applications for Feeder Units.

### Secondary Liquidity & Transfers

The Feeder Trustee may, at any time, offer Feeder Investors the ability request to sell their Feeder Units to the Feeder Trustee via the process set out in the Terms and Conditions and on the Applications Platform (as those terms are defined below). The Feeder Trustee will only facilitate a purchase of Feeder Units where there is another investor on the Applications Platform who is willing to buy Feeder Units, at the price that the buying investor is willing to pay. The process above will be conducted by the Feeder Trustee on a reasonable endeavors basis and there is no guarantee that Feeder Units will be sold.

The Feeder Trustee may approve (in its absolute discretion) a transfer of Feeder Units subject to the Terms and Conditions.

## 9.7 Applications

Applications for Feeder Units must be received by the Feeder Trustee via the process set out in the application materials at the following address: [Octopus Investments Applications Platform](#) ('**Applications Platform**'). All relevant information and documentation requested by the Feeder Trustee in connection with an application for Feeder Units must be provided to the Feeder Trustee.

Applications in the OASIS Feeder may be submitted quarterly in line with the quarterly valuation for the OASIS Feeder (or at such other time as determined by the Feeder Trustee, following a recommendation of the Manager), and must be made in accordance with the Feeder Trust Deed. The application



materials and the terms and conditions for the OASIS Feeder ('**Terms and Conditions**') (available on the Applications Platform) (together, '**Application Documents**'), together with the other Feeder Fund Documents, will form the terms of a Prospective Feeder Investor's investment in the OASIS Feeder. Any applications that do not meet these requirements may be rejected by the Feeder Trustee. Applications are made online on the Applications Platform. By clicking "I AGREE", a Prospective Feeder Investor acknowledges and agrees that:

- it is subscribing for Feeder Units;
- it has read the Application Documents and the other Feeder Fund Documents (including the key risks of investing in the OASIS Feeder, as set out in this Feeder Fund Term Sheet and the OASIS IM), and understand that they are binding on it;
- the Application Documents supersede any and all previous correspondence, agreements or understanding between it and the Feeder Trustee; and
- the Feeder Trustee does not guarantee the OASIS Feeder performance, the repayment of capital, any particular rate of return or any distribution to any person.

An investment in the OASIS Feeder is only available to 'wholesale clients' as defined in section 761G of the Corporations Act or to 'wholesale investors' within the meaning of clause 3(2) of the FMCA Schedule 1. Before making an investment decision, each Prospective Feeder Investor should read the Application Documents and the other Feeder Fund Documents in full and assess whether the product is appropriate given its objectives, financial situation or needs. Feeder Units will be issued at the prevailing application price which will be calculated in accordance with the terms of the Feeder Trust Deed and will

be based on the net asset value as at the most recent quarter end, subject to any appropriate adjustments permitted under the Feeder Trust Deed. Feeder Units will be issued in the month post quarter end. The Feeder Trust Deed sets out the detailed mechanics for the admission of new Feeder Investors and the issue of Feeder Units.

## 10. Fees and Expenses

The Manager is entitled to receive fees for its services as the investment manager of the OASIS Feeder. From time to time, differential fee arrangements may apply to one or more Feeder Investors.

All fees and expenses are stated on a GST exclusive basis, unless expressly stated otherwise. Where GST is incurred, the OASIS Feeder may be entitled to claim some or all the associated input tax credits. The fees and expenses in this section are accurate as at the date of this Feeder Fund Term Sheet.

### 10.1 Management Fee

A '**Management Fee**' of 0.95% per annum of the Net Asset Value of the OASIS Feeder will be paid quarterly in advance out of the assets of the OASIS Feeder to the Manager.

The quarterly Management Fee is calculated as follows:

$$A = \left( \frac{B}{C} \right) \times D - E$$

where:

- A = The Management Fee for the Quarter;
- B = 0.0095;
- C = 4;
- D = The Net Asset Value of the OASIS Feeder; and
- E = The OASIS Feeder's proportionate share of the 'Management Fee' payable to the OASIS Manager by the OASIS Trustee pursuant to the

investment management agreement relating to OASIS.

Net Asset Value has the meaning given to that term in the Feeder Trust Deed.

As the OASIS Feeder will bear its pro-rata amount of the 'Management Fee' charged by the OASIS Manager as a unitholder in OASIS, the Management Fee charged by the Manager to the Feeder Trustee will be offset against such amount, such that Feeder Investors shall only ever bear their proportion (based on their unitholding) of a Management Fee that is equal to 0.95% per annum of the Net Asset Value of the OASIS Feeder.

### 10.2 Performance Fee

A **Performance Fee** calculated at 20% of the outperformance of the Feeder Investor's Feeder Units (subject to a high water mark, and net of the Management Fee) against a hurdle rate of 9.0% per annum net IRR will be payable to the Manager out of the assets of the OASIS Feeder in respect of each three-year period following the establishment of the OASIS Feeder ('**PF Period**').

50% of the accrued Performance Fee in a given PF Period will be held back in order to offset any underperformance in the subsequent PF Period. However, the Manager is not required to return any previously paid Performance Fees in the event that the calculated underperformance in the subsequent PF Period exceeds the amount of the performance fee that is held back from the previous PF Period.

### 10.3 Termination Fee

The consequences of the termination of the Manager in accordance with the Feeder IMA, including with respect to fees, are set out in section 8.7 'Termination of Manager' of this Feeder Fund Term Sheet.

### 10.4 Trustee Fee

The Feeder Trustee's fees will initially be:

- 10bps of net asset value (subject to a minimum fee of \$30,000) per annum payable to the Feeder Trustee for its trustee services; and
- 10bps of net asset value (subject to a minimum fee of \$30,000) per annum payable to the Feeder Trustee for administrative costs.

The Feeder Trustee's fees will be reviewed at two year intervals following the establishment of the OASIS Feeder and may change as a result of such review.

In addition, the Feeder Trustee will be entitled to a one-off 'Establishment Fee' of \$10,000.

### 10.5 Feeder Fund Expenses

The Feeder Trustee and the Manager will be entitled to be reimbursed out of the OASIS Feeder for all fees, costs, and expenses (plus applicable GST) related to the ongoing operations of the OASIS Feeder that have been properly incurred by them in accordance with the Feeder Trust Deed and the Feeder IMA (as applicable), provided that any such fees, costs and expenses are only recovered once under the Feeder Fund Documents.

#### Establishment Costs

The OASIS Feeder will bear any fees, costs and expenses incurred in connection with the establishment of the OASIS Feeder (including the admission of Feeder Investors) ('**Establishment Costs**') provided that: (a) the reimbursement of Establishment Costs may be made at one or more times during the term of the OASIS Feeder in one or more instalments; and (b) the maximum amount that may be paid out of the OASIS Feeder on any one occasion must not exceed 0.75% of the aggregate of all contributed capital as at the time of such reimbursement.

### **Manager Service Providers – Expenses**

The Manager may appoint and engage any brokers, investment advisers, valuers, legal practitioners, managers, administrators, registry service providers and other professional advisers and consultants as the Manager considers necessary, usual, or desirable for the purposes of providing services in accordance with the Feeder IMA.

Such persons may include related entities of the Manager, provided that their appointment is on arm's length terms. The Manager will be entitled to be indemnified and reimbursed for such engagement of service providers out of the assets of the OASIS Feeder in accordance with the Feeder IMA.

### **Trustee Service Providers – Expenses**

The Feeder Trustee may also appoint or engage delegates, agents, and advisers (including associates or employees of the Feeder Trustee) to assist the Feeder Trustee in carrying out its duties and obligations under the Feeder Fund Documents. The costs incurred in such an engagement may, subject to the Feeder Trust Deed, be payable out of the assets of the OASIS Feeder.

### **10.6 Other Fees**

The OASIS Feeder will incur fees for platform, administration and accounting services. These fees will be charged directly to the OASIS Feeder.

## 11. Key Risks

The table below sets out the key risks that are applicable to an investment in the OASIS Feeder. In addition to these key risks, Feeder Investors are also subject to the risks of an indirect investment in OASIS. In this regard, refer to section 11 (*Key Risks*) of the OASIS IM.

Risk	Description
No Right to Control the OASIS Feeder's Operations	Subject to limited exceptions as set out in the Feeder Fund Documents, Feeder Investors will have no right, ability, or opportunity to control the day-to-day operations of the OASIS Feeder. Instead, this role will be performed by the Feeder Trustee (with recommendations of the Manager, as applicable) in compliance with the OASIS Feeder's objectives and governing documents.
Restrictions on Transfer	Feeder Units will only be transferable in accordance with the transfers regime under the Trust Deed (see section 9.6 'Liquidity').
OASIS Control	The OASIS Feeder's primary asset exposure will come through its indirect investment (via the OASIS Feeder Co) in OASIS. Responsibility for OASIS asset level decisions does not sit with the OASIS Feeder.
Indefinite Term	The OASIS Feeder will not have a specified term, or end date at which the asset(s) and investments held by the OASIS Feeder must be realised.
Limited Liquidity	<p>Unless otherwise approved by the Feeder Trustee, a Feeder Investor will not be entitled to make requests to redeem their interests in the OASIS Feeder prior to the fifth anniversary of their Initial Investment Date.</p> <p>The OASIS Feeder will indirectly invest in funds that are acquiring investments of a long-term and illiquid nature which may be difficult to value and sell, or otherwise liquidate, and their realisable value may be less than their intrinsic value. Accordingly, there is no guarantee that redemption requests that are accepted by the Feeder Trustee will be satisfied within the 36-month period following the end of the relevant financial year in which the request was made. The risk accompanying an investment in the OASIS Feeder is therefore greater than the risk of investing in publicly traded securities.</p>
Suitability of Investment	An investment in the OASIS Feeder is not suitable for all investors, and is available only to 'wholesale clients' (as defined in section 761G of the Corporations Act). Each Prospective Feeder Investor must have the financial ability and experience to understand, the willingness to accept, and the financial strength to withstand, the extent of their exposure to the risks and lack of liquidity inherent in an investment in the OASIS Feeder.

Distributions	Distributions will be made in accordance with the Feeder Trust Deed, and at the discretion of the Feeder Trustee. There can be no assurance that the operation of the OASIS Feeder will be profitable, that the OASIS Feeder will be able to avoid losses or that cash from its investments will be available for distribution to Feeder Investors. The OASIS Feeder will have no source of funds from which to pay distributions to Feeder Investors other than income and gain received on its investments and the return of capital.
Target Net Returns	Target return figures take into account various assumptions, including, but not limited to, those relating to the income generated from purchasers of energy produced by investments, capital appreciation, financing benefits, defaults, expenses, and other fees (including performance-based fees). Target net returns are calculated post annual management and performance fees, but before tax. There can be no assurance that the important assumptions underlying any such target return will prove to be accurate. Accordingly, there can be no assurance that the OASIS Feeder will meet its objectives or its target net return or avoid significant losses.
Absence of Recourse to the Manager and Indemnification	The Feeder Fund Documents limit the circumstances under which the Manager indemnifies the OASIS Feeder against any liabilities incurred by the OASIS Feeder as a result of certain actions taken by the Manager, its officers, employees, or agent. The Manager will also have no liability in relation to a service provider appointed under the Feeder Fund Documents, provided the Manager exercised reasonable care when selecting and supervising the relevant service provider. The OASIS Feeder will indemnify the Manager from and against any and all claims, except in certain circumstances as set forth in the Feeder Fund Documents. Such liabilities may be material and have an adverse effect on the returns to the OASIS Feeder.
Allocation of Expenses	The OASIS Feeder will pay all fees, costs and expenses properly incurred by the Feeder Trustee and Manager in connection with the ongoing operations of the OASIS Feeder under the terms of the Feeder Trust Deed, the Feeder IMA and the Services and Platform Agreement. To the extent that the Feeder Fund Documents do not specify the manner in which an investment-related expense will be allocated, the Manager will determine the appropriate allocation of that expense.
Compliance with Corporations Act, AFSL and the FMCA	iPlatforms Nominees Pty. Ltd. is an AFSL holder and a professional provider of trustee services. It acts as trustee for a number of unregistered managed investment schemes. Similarly, OIA is an AFSL holder and has appointed the Manager as its authorised representative. This means that there is a risk that, should there be a breach by iPlatforms Nominees Pty. Ltd. or OIA of any of their obligations under the Corporations Act or the conditions of their respective AFSLs or (for the purposes of offers to New Zealand wholesale investors) the FMCA, this may

	lead to enforcement action by ASIC or the Financial Markets Authority (as applicable), including the potential suspension of their AFSL. As iPlatforms Nominees Pty. Ltd. is the Feeder Trustee and the Manager is an authorised representative of OIA, this could cause disruption to the operation of, or reputational damage to, the OASIS Feeder.
Changes to the Feeder Trustee	The proper management and administration of the OASIS Feeder may be affected in the event of, among other matters: (a) any changes to the key personnel of the Feeder Trustee; (b) the Feeder Trustee becoming insolvent or encountering financial difficulties; or (c) a change of trustee of the OASIS Feeder in accordance with the Feeder Trust Deed.
Conflicts of Interest	The OASIS Feeder and the Manager may be affected by actual, potential or perceived conflicts of interest, and there is a risk that these conflicts may not be appropriately managed. For details on the procedure to be followed in the event of an actual, potential or perceived conflict, refer to sections 8.5 ( <i>Conflicts of Interest</i> ) of this Feeder Fund Term Sheet.
OASIS Feeder Structure	<p>Although feeder vehicles are a common investment structure, the OASIS Feeder structure presents certain unique risks to Feeder Investors. For example, because Feeder Investors will have only indirect exposure to OASIS (via the OASIS Feeder Co and the OASIS Feeder), they will not be able to participate in the rights afforded to direct investors in OASIS (including certain voting rights, information and reporting rights, and rights to attend meetings of unitholders in OASIS). Similarly, Feeder Investors will not have the benefit of privity of contract with OASIS, meaning that they will not be able to bring direct contractual claims against the OASIS Trustee or the OASIS Manager.</p> <p>Additionally, the OASIS Fund may be materially affected by the actions of direct investors in OASIS. For example, if , subject to any limitations on withdrawals, a large investor withdraws from OASIS, the other investors in OASIS, including the OASIS Feeder (indirectly, via OASIS Feeder Co), may experience higher pro rata operating expenses, thereby producing lower returns. Substantial withdrawals of capital by direct investors in OASIS may also necessitate the liquidation of downstream assets at a time and in a manner that does not provide the most economic advantage for OASIS or the OASIS Feeder, which could ultimately affect the returns of Feeder Investors.</p>
Multiple Levels of Expense	Feeder Investors will (indirectly, via OASIS Feeder Co) bear a proportionate share of expenses and costs of OASIS (in addition to any expenses and costs at the OASIS Feeder level). As such, Feeder Investors may incur higher expenses as a result of an investment via the OASIS Feeder than if they were permitted to invest directly into OASIS, and the rate of return on their

	investment in the OASIS Feeder may therefore be lower than the rate of return of a direct investment in OASIS.
Performance Drag	Applications in the OASIS Feeder may be submitted quarterly basis, however there can be no guarantee that the timing of the Feeder Trustee's acceptance of such applications will align with any drawdowns on the commitment of OASIS Feeder Co in OASIS. If there is a mismatch in such timing, with the effect that cash paid by one or more Feeder Investors in connection with their application(s) for Feeder Units cannot be immediately invested by the Feeder Trustee, there is a risk of cash drag which could ultimately affect the returns of Feeder Investors.
Currency	For New Zealand investors, the currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

## 12. Renewable Asset Risks

The OASIS Feeder does not have any direct exposure to renewable assets, but invests indirectly in such assets through its investment in the OASIS Feeder Co, OASIS and OAMT. Refer to (*Renewable Asset Risks*) of the OASIS IM, which sets out the key risks for such renewable assets.

## 13. Tax

### 13.1 Introduction

The following tax comments provide an overview of the relevant Australian income tax, capital gains tax ('CGT'), GST and stamp duty implications for potential Australian and foreign resident wholesale Prospective Feeder Investors of the OASIS Feeder, including Australian superannuation funds, of acquiring, holding and disposing of an interest in the OASIS Feeder under Australian tax and duty laws as at the date of this Feeder Fund Term Sheet. Tax and duty laws are constantly changing, and therefore the tax and duty outcomes outlined in this summary may cease to be correct in the future.

Australian tax and duty laws are complex. This summary is general in nature and is not intended to be either a definitive or

exhaustive statement of all potential tax and duty implications for a Prospective Feeder Investor. In particular, the summary does not consider the investment objectives, financial position or needs of any person. The tax and duty laws of Australia or their interpretation may change during the period in which the Feeder Investors hold interests in the OASIS Feeder. The precise implications of ownership or disposal will depend upon each Feeder Investor's specific circumstances.

Prospective Feeder Investors should be aware that the actual Australian tax and stamp duty implications may differ from those summarised, depending on the individual circumstances of each Prospective Feeder Investor and the nature of the underlying investments held by the OASIS Feeder at a particular time. Prospective Feeder Investors



should seek their own professional advice on the tax and duty implications of holding or disposing of their interests, considering their specific circumstances. Non-resident unitholders should also obtain professional tax advice that considers the likely tax treatment in their country of residence.

For the purposes of interpreting the following comments, we note that the Feeder Trustee is the legal owner of the OASIS Feeder property from a legal perspective, and the entity that legally contracts with third parties. References to the OASIS Feeder in the following comments are to be read as references to the Feeder Trustee.

This summary assumes that Feeder Investors will hold their investment in the OASIS Feeder on capital account, are not considered to be carrying on a business of investing, trading in investments or investing for the purpose of profit making by sale, are not a financial institution or government authority, have not made an election under the Taxation of Financial Arrangements ('TOFA') rules, and are not exempt from tax in Australia or another country. It also assumes that non-resident unitholders will not hold their investment in the OASIS Feeder through a permanent establishment in Australia.

### **13.2 General**

Based upon the expected number of Feeder Investors, the OASIS Feeder should be considered a public unit trust. On the basis that OASIS Feeder is anticipated to hold a less than 20% interest in an underlying trading business (and should not be considered to have the ability to control, either directly or indirectly, the affairs or operations of a trading business), the OASIS Feeder is not expected to be treated as a trading trust. For income tax purposes, the OASIS Feeder should therefore be a "flow-through" entity on the basis that it is not expected to satisfy the "public trading trust" ('PTT')

requirements. The taxation comments that follow are on this basis.

For completeness, we note that in circumstances where the OASIS Feeder begins to satisfy the trading trust requirement of a PTT, the OASIS Feeder would be taxed in the same manner as an Australian company at the corporate tax rate of 30%. Distributions from the PTT would be treated the same as dividends and may be franked.

It is the intention of the Feeder Trustee that the OASIS Feeder will not at any stage constitute a public trading trust.

### **13.3 Taxable income of the OASIS Feeder**

The Net Taxable Income of the OASIS Feeder should predominantly include dividends received from OASIS Feeder Co, which may be franked. The taxable income of the OASIS Feeder should be reduced by allowable deductions, including income tax losses carried forward (to the extent relevant).

Where the Net Taxable Income of the OASIS Feeder for an income year is negative, that tax loss will remain quarantined in the OASIS Feeder and may be available to shelter future taxable income derived by the OASIS Feeder, subject to the satisfaction of the trust loss recoupment rules.

Any capital losses realised by the OASIS Feeder on the disposal of a capital asset can be carried forward and offset against any future capital gains realised. Capital losses are not subject to the trust tax loss provisions.

### **13.4 Distributions**

#### **Australian-resident Unitholders**

The net income of the OASIS Feeder will be subject to tax in the hands of Feeder Investors on the basis that Feeder Investors should be presently entitled to all of the trust income and therefore to all of the net (taxable) income of the OASIS Feeder each income year.

Distributions to Feeder Investors may include ordinary income, capital gains, tax deferred amounts or other non-taxable amounts, including franking credits which can be distributed to unitholders when sourced from franked dividends. Feeder Investors should be assessed on taxable distributions from the OASIS Feeder at their marginal tax rate.

If the OASIS Feeder generates a capital gain, the Feeder Investors should include in their assessable income their share of the net capital gain and may be entitled to the CGT discount available to them (e.g., 50% CGT discount for individuals and 33.3% discount for complying superannuation funds) in respect of this income where the underlying asset has been held for at least 12 months prior to disposal.

If the cash distribution to a Feeder Investor exceeds a Feeder Investor's share of the Net Taxable Income of the OASIS Feeder, the excess (generally referred to as a 'tax deferred' distribution) should generally not be assessable to the Feeder Investor. Similarly, a return of capital by the OASIS Feeder should not be immediately assessable to the Feeder Investor.

However, distributions of tax deferred amounts or returns of capital should generally reduce the Feeder Investor's CGT cost base of their Feeder Units in the OASIS Feeder. Once the CGT cost base of a Feeder Investor's Feeder Units has been reduced to nil any additional tax deferred amounts or capital distributions should result in a taxable capital gain arising to the unitholder in respect of that Feeder Unit.

If the cash distribution amount to a unitholder of the OASIS Feeder is less than a Feeder Investor's allocation of the OASIS Feeder's Net Taxable Income, the unitholder should be taxed on the Net Taxable Income allocated to it without a corresponding increase to the

CGT cost base of Feeder Units in the OASIS Feeder.

### **Non-resident Unitholders**

The Feeder Trustee must withhold tax from the Australian sourced income to which non-resident Feeder Investors are presently entitled, and certain payments made to non-resident Feeder Investors. The rates of withholding tax are as follows:

- Franked dividends: Nil
- Unfranked dividends: 30% unless reduced by a double tax agreement.
- Interest: 10%
- Distributions of capital gains arising from the disposal of assets that are taxable Australian property ('TAP') will be subject to 30% withholding tax. An exemption from this withholding tax liability should apply where the capital gains arise in relation to the disposal of non-TAP assets (and the investments are held on capital account). These outcomes would need to be considered on an asset-by-asset basis at the time of the relevant exit.
- Capital gains from the disposal of other assets: Nil, provided the OASIS Feeder qualifies as a fixed trust.
- Other income with an Australian source: the Feeder Trustee will be taxed at 30% where the non-resident Feeder Investor is a company, or up to the top marginal rate (i.e., 45%) if the Feeder Investor is not a company.
- Other income with a foreign source: Nil.

### **13.5 Sale or Redemption of Feeder Units**

A Feeder Investor should hold a tax cost base in the units of the OASIS Feeder equal to the subscription price paid, plus any related costs.

The tax implications upon disposal of units in the OASIS Feeder will vary depending on a number of factors, including whether the

unitholder holds the Feeder Units on revenue or capital account. Ultimately, this will be a question of fact having regard to each Feeder Investor's subjective intention when subscribing for units in the OASIS Feeder.

#### **Australian-resident unitholder Capital account**

Where units in the OASIS Feeder are held on capital account by an Australian-resident Feeder Investor, any capital gain arising upon exit should be taxed at the Australian-resident unitholder's marginal tax rate. Discount CGT treatment may be available to reduce any capital gain realised by the relevant Australian-resident Feeder Investor if:

- The Feeder Units had been held for at least 12 months prior to exit; and
- The Australian-resident unitholder is an individual, trust or complying superannuation entity.

Companies are mostly not entitled to discount CGT treatment.

#### **Revenue account**

Where units in the OASIS Feeder are held on revenue account by an Australian-resident unitholder, any gain arising upon exit should be taxed as ordinary income at the Australian-resident unitholder's marginal tax rate.

#### **Non-resident unitholder Capital account**

Where a non-resident Feeder Investor disposes of their units in the OASIS Feeder, any capital gain or capital loss arising from the exit will be disregarded unless the Feeder Units are considered to be taxable Australian property. An asset will be TAP for the purposes of Australian tax law if it is either an interest in Australian real property (e.g., land) or an indirect Australian real property interest.

Given that the OASIS Feeder will not have a direct interest in Australian real property,

disposal of units in the OASIS Feeder should only be subject to Australian CGT if, broadly:

- more than 50% of the value of the OASIS Feeder is derived from taxable Australian real property ('TARP'), including leasehold interests in real property in Australia, whether directly or indirectly; and
- the non-resident unitholder, together with any associates, directly holds at the time of the disposal, or owned throughout a 12-month period that began no earlier than 24 months before the time of the disposal, 10% or more of the units in the OASIS Feeder.

Whether the above two tests are satisfied is ultimately a question of fact, and will depend upon the relevant facts and circumstances at the time of a non-resident unitholder's exit.

#### **Revenue account**

Any gain arising on exit will prima facie be taxed in the hands of a non-resident unitholder at 30% if a company, or the unitholder's marginal rate if an individual, unless the units in the OASIS Feeder are not TAP and the gain is not considered to be Australian sourced or reduced under a treaty agreement between Australia and the jurisdiction in which the non-resident unitholder is tax resident.

### **13.6 GST**

No GST should be payable by a Feeder Investor in respect of the acquisition or disposal of units or in respect of distributions received from the OASIS Feeder. However, Feeder Investors should consult their own tax advisor regarding their recovery on input tax credits on the associated costs.

### **13.7 Stamp Duty**

Generally, no duty should be payable on the acquisition and holding of Feeder Units by a Feeder Investor, so long as that Feeder Investor, alone or on an aggregated basis with its associated or related persons or together

with other Feeder Investor acting in concert or as part of substantially one arrangement, does not acquire an interest in the OASIS Feeder which meets or exceeds the percentage acquisition threshold set by each State or Territory. The current acquisition threshold in all States and Territories is 50%, except in Victoria (where the acquisition threshold is 20%, unless the OASIS Feeder qualifies as a 'wholesale unit trust and noting this will also be the case in New South Wales from 1 February 2024) and Queensland (where any acquisition of Feeder Units may attract duty, unless the OASIS Feeder qualifies as a "public unit trust").

### **13.8 7.8 Tax file numbers**

Feeder Investors are not required to quote their tax file number ('**TFN**') to the Feeder Trustee. If TFN or exemption details are not provided, tax may be required to be deducted by the OASIS Feeder from unitholder distributions at the maximum marginal tax rate (plus Medicare levy for Australian tax residents), which is currently 47%. Feeder Investors that hold Feeder Units as part of an enterprise may quote their Australian Business Number instead of their TFN.

## Appendix 1: Glossary of Terms

Defined terms used in this Feeder Fund Term Sheet have the same meaning as in the OASIS IM unless otherwise stated, or as set out below.

**Application Documents:** means the application materials and the terms and conditions for the OASIS Feeder (available at <https://octopusinvestments.iplatforms.com.au/>).

**Feeder Fund Documents:** means the Feeder Trust Deed, the Feeder IMA, any Feeder Subscription Agreement and the Application Documents.

**Feeder Fund Term Sheet:** means this term sheet.

**Feeder IMA:** means the investment management agreement relating to the OASIS Feeder between the Feeder Trustee and the Manager dated on or after the date of this Feeder Fund Term Sheet, as amended from time to time.

**Feeder Investor:** means a holder of Feeder Units.

**Feeder Special Resolution:** means a resolution passed by at least 75% of the votes cast by Feeder Investors (other than Feeder Investors who are in default) entitled to vote on the resolution.

**Feeder Super Majority Resolution:** means a resolution passed by at least 90% of the votes cast by Feeder Investors (other than Feeder Investors who are in default) entitled to vote on the resolution.

**Feeder Subscription Agreement** means any subscription agreement to be entered into in connection with a Feeder Investor's commitment to, or application for Feeder Units in, the OASIS Feeder between, among other parties, the relevant Feeder Investor, the Feeder Trustee and the Manager.

**Feeder Trust Deed:** means the trust deed in relation to the OASIS Feeder dated on or after the date of this Feeder Fund Term Sheet, as amended from time to time.

**Feeder Trustee:** means iPlatforms Nominees Pty. Ltd. (ACN 632 914 464) (AFSL No. 519552) in its capacity as the trustee for the OASIS Feeder.

**Feeder Unit:** means a unit in the OASIS Feeder.

**FMCA:** means the Financial Markets Conduct Act 2013 (NZ).

**Manager:** means Octopus Aust OASIS Manager Pty Ltd (ACN 660 429 087).

**OASIS Feeder:** means the Octopus Australia Sustainable Investment Feeder Fund, established by the Feeder Trust Deed.

**OASIS Feeder Co:** means OASIS Feeder Co Pty Ltd (ACN 673 072 752).

**OASIS Feeder Product Manager:** means the representative nominated by the Manager to exercise the OASIS Feeder Co's vote on matters requiring the approval of unitholders in OASIS.

**OASIS IM:** means the information memorandum in relation to OASIS dated 4 December 2023.

**OASIS Manager** means Octopus Aust OASIS Manager Pty Ltd (ACN 660 429 087) as the investment manager of OASIS.

**OASIS Trustee** means Equity Trustees Limited (ACN 004 031 298) in its capacity as trustee of OASIS.

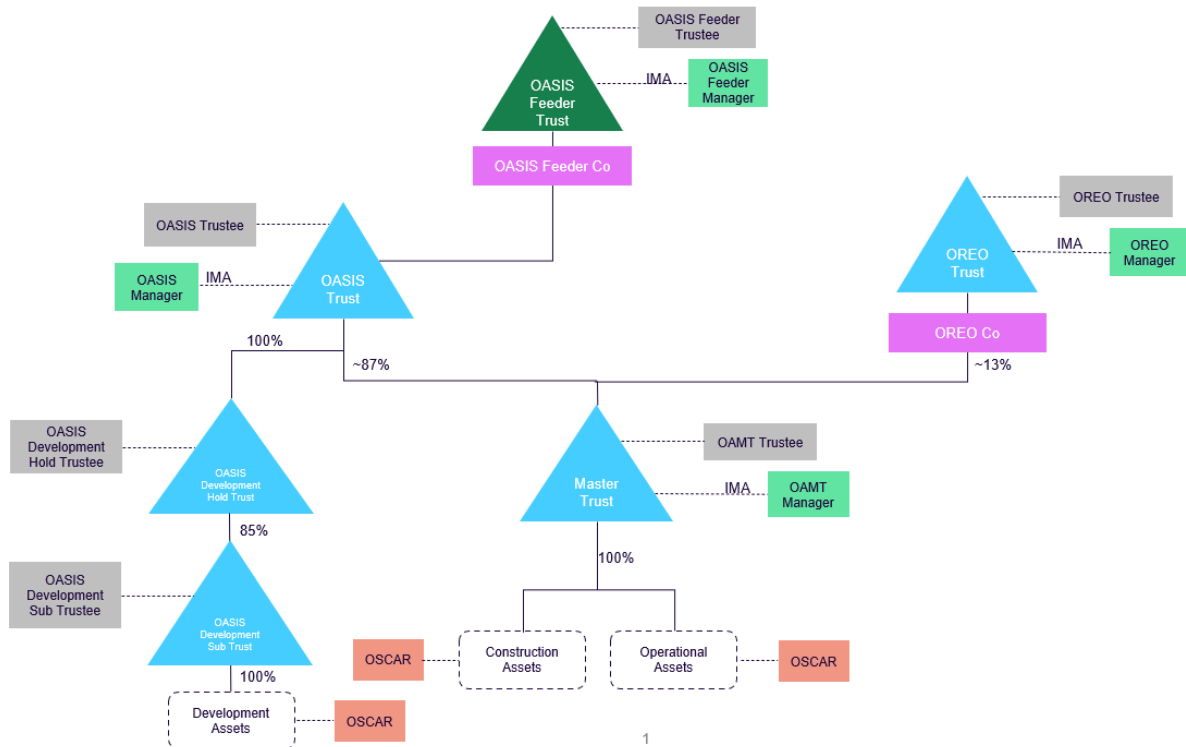
**Services and Platform Agreement** means the agreement of that name between the Manager, iPlatforms Nominees Pty. Ltd. and iPlatforms Pty. Ltd. in relation to the operation of the OASIS Feeder dated on or after the date of this Feeder Fund Term Sheet.

## **Appendix 2: Octopus Team - Key Biographies**

Refer to Appendix 2 (*Octopus Team – Key Biographies*) of the OASIS IM.



## Appendix 3: Structure (First Close)



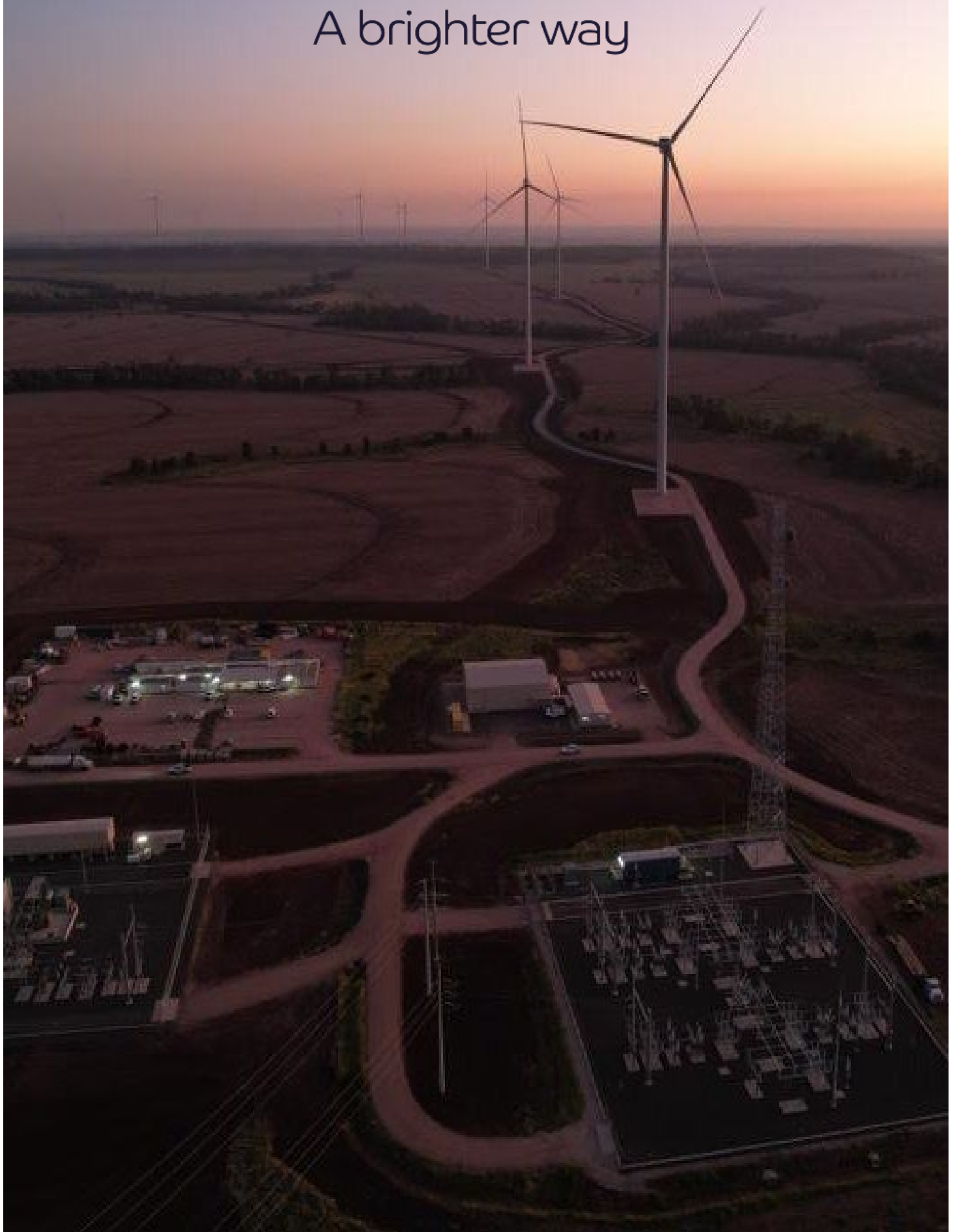
The above diagram represents the structure of the fund, including the OASIS Feeder and OREO wholesale fund with additional detail listed below.

Structure	
<b>Master Trust</b>	Octopus Australia Master Trust
<b>OASIS Development Hold Trust</b>	OASIS Development Hold Trust
<b>OASIS Development Sub Trust</b>	OASIS Development Sub Trust
<b>OASIS Feeder Co</b>	OASIS Feeder Co Pty Ltd
<b>OASIS Feeder Trust</b>	Octopus Australia Sustainable Investments Feeder Fund
<b>OASIS Trust</b>	Octopus Australia Sustainable Investments Fund
<b>OREO Trust</b>	Octopus Renewable Energy Opportunities Fund
<b>OREO Co</b>	OREO Co Pty Ltd
Parties	
<b>OAMT Manager</b>	Octopus Aust MT Manager Pty Ltd
<b>OAMT Trustee</b>	EQT Responsible Entity Services Limited
<b>OASIS Feeder Manager</b>	Octopus Aust OASIS Manager Pty Ltd
<b>OASIS Feeder Trustee</b>	iPlatforms Nominees Pty. Ltd.
<b>OASIS Manager</b>	Octopus Aust OASIS Manager Pty Ltd
<b>OASIS Trustee</b>	Equity Trustees Limited
<b>OASIS Development Hold Trustee</b>	EQT Australia Pty Ltd
<b>OASIS Development Sub Trustee</b>	OASIS Development Nominee Pty Ltd
<b>OREO Manager</b>	Octopus Aust OREO Manager Pty Ltd
<b>OREO Trustee</b>	Equity Trustees Limited
<b>OSCAR</b>	OSCAR Management Aust Pty Ltd

## **Annexure – OASIS IM**

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## Disclaimer and Important Information

This Information Memorandum ('**Memorandum**') has been prepared in relation to the Octopus Australia Sustainable Investments Fund ('**Fund**' or '**OASIS**') for the benefit of existing and prospective unitholders who have made, or will make, a direct investment into OASIS ('**Investors**').

If you are investing in OASIS indirectly, including via any feeder vehicle, then the information in this Memorandum should be read in conjunction with any information memorandum or similar document prepared in relation to vehicle through which you are investing.

This Memorandum dated 4 December 2023 is issued by Octopus Aust OASIS Manager Pty Ltd (ACN 660 429 532) ('**Manager**') as the investment manager of OASIS.

The Manager (AR Number 001298071) has been appointed as an authorised representative of Octopus Investments Aust Pty Ltd ACN 626 662 039, Australian Financial Services Licence ('**AFSL**') No: 520121 ('**OIA**').

Investors will own units in the Fund ('**Units**'). From time to time, Equity Trustees Limited (ACN 004 031 298) (AFSL No. 240975) in its capacity as trustee for the Fund ('**Trustee**') may issue Units in accordance with the trust deed of the Fund ('**Trust Deed**'). The Manager reserves the right to modify, withdraw, reject or cancel any offering made pursuant to this Memorandum at any time before accepting any subscription or commitment from an Investor. Prospective investors of the Fund ('**Prospective Investors**') who are foreign should consider Appendix 4 'Selling Restrictions' of this Memorandum which describes the circumstances in which Units may or may not be available to foreign Prospective Investors based on the relevant Prospective Investor's jurisdiction.

The Manager has prepared and is the issuer of this Memorandum. The Fund was established on 5 July 2022 and the trustee of the Fund is Equity Trustees Limited. Equity Trustees Limited has not prepared this Memorandum and to the maximum extent permitted by law, disclaims liability to any person for reliance on this Memorandum.

Statements in this Memorandum are made only as of the date of this Memorandum, unless otherwise stated. The Manager, OIA and the Trustee are not responsible for providing updated information to any Prospective Investors.

This Memorandum is circulated to a limited number of Prospective Investors on a confidential basis by the Manager. Prospective Investors must be, and investments in the Fund can only be made by, 'wholesale' clients as defined in section 761G of the *Corporations Act 2001* (Cth) ('**Corporations Act**') and each recipient of this Memorandum ('**Recipient**') represents and warrants that it is, and at all times will be, a 'wholesale' client for the purposes of the Corporations Act. As such, this Memorandum has not been, will not be and is not required to be lodged with the Australian Securities and Investments Commission, and no offer or issue made under or in connection with this Memorandum requires a product disclosure statement or other disclosure document as defined under the Corporations Act. The Fund is not, nor is required to be, a registered managed investment scheme for the purposes of Chapter 5C of the Corporations Act. No action has been taken to permit a public offering of the Units in any jurisdiction where action for that purpose would be required. This Memorandum does not constitute an offer to sell or a solicitation of an offer to buy Units in any jurisdiction outside Australia unless expressly authorised by the Trustee and permitted by law in such jurisdiction to make such offer or solicitation.

Nothing in this Memorandum takes into account the investment objectives, financial situation, or particular needs of any Prospective Investors, nor does this Memorandum purport to contain all the information that a Prospective Investor may require in evaluating a possible investment in the Fund, or all the information that would be required in a product disclosure statement prepared in accordance with the requirements of the Corporations Act. Prospective Investors should carry out their own due diligence on the Fund and of the information contained in or referred to in this Memorandum and should form their own assessment and take independent professional advice on the merits and risks of an investment in the Fund and the legal, regulatory, tax and investment consequences and risks of doing so. Prospective Investors should also carefully review the information and warnings set out in Section 11 'Key Risks' of this Memorandum.

No representation or warranty, express or implied, is, or will be, given by the Manager, OIA or the Trustee or any of their respective associates, advisers, directors, officers, employees or agents (**'Relevant Parties'**) and, without prejudice to any liability for, or remedy in respect of, any fraudulent misrepresentation, and no responsibility or liability or duty of care is, or will be, accepted by the Relevant Parties as to the fairness, accuracy, completeness, currency, reliability or reasonableness of the information or opinions contained in this Memorandum or any other written or oral information made available to any Prospective Investor or its advisers in connection with any proposed subscription, commitment or otherwise in connection with this Memorandum. In particular, but without prejudice to the generality of the foregoing, no representation or warranty is given as to the achievement or reasonableness of any future projections, forecasts, targeted returns, or illustrative returns (**'Forward-Looking Information'**).

Past performance information contained in this Memorandum, or in such other written or oral material, is not an indication of future performance. Such information has not been audited or verified by an independent party and should not be seen as any indication of returns, which might be received by Investors in the Fund. Similarly, where Forward-Looking Information is, or related statements or expressions of opinion are given, it or they should not be regarded by any Recipient as a guarantee, prediction or definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. A number of factors, in addition to the risk factors stated in this Memorandum, could cause actual results to differ materially from those in any Forward-Looking Information. There can be no assurance that the Fund's investment strategy or objectives will be achieved or that Investors will receive a return (including any target return) on the amount invested.

In making an investment decision, Prospective Investors must rely on their own examination of the Fund, the Manager, OIA, the Trustee, and any other information they consider relevant.

To the fullest extent possible, by accepting delivery of this Memorandum, each Prospective Investor releases each Relevant Party in all circumstances (other than fraud) from any liability whatsoever and howsoever arising from its use of this Memorandum or any information or communications in connection with this Memorandum, or due to information being omitted from this Memorandum, whether by way of negligence or otherwise. In addition, no responsibility or liability or duty of care is, or will be, accepted by any Relevant Party for the accuracy, reliability or completeness of the information contained in this Memorandum, updating this Memorandum (or any additional information), correcting any inaccuracies in it, or providing any additional information to any Prospective Investor. Nothing contained in

this Memorandum (nor any other information made available to Prospective Investors in the further due diligence materials provided) is, or shall be relied upon as a promise, representation, warranty, or guarantee, whether as to the past, present, or future. Accordingly, to the extent permitted by law, no Relevant Party shall be liable for any loss (whether direct, indirect or consequential) or damage suffered by any person as a result of relying on any statement in, or omission from, this Memorandum or in, or omitted from, any other information or communications in connection with any proposed subscription of Units or commitment to the Fund.

This Memorandum is not intended to be a complete representation of the terms and conditions of an investment in the Fund. Prospective Investors should review the Trust Deed, the investment management agreement between the Trustee and the Manager ('**Investment Management Agreement**') and the relevant subscription deed to be entered by the Prospective Investor in connection with that Prospective Investor's subscription for Units or commitment to the Fund ('**Subscription Deed**') (together '**Fund Documents**') for further information regarding the rights and obligations of Investors in the Fund and of the Trustee and the Manager. In the event of any inconsistency between this Memorandum and the Fund Documents, the Fund Documents will prevail.

This Memorandum is proprietary to the Manager, a trade secret and furnished to Recipients on a confidential basis. By accepting delivery of this Memorandum, the Recipient agrees not to reproduce or distribute this Memorandum, in whole or in part, by electronic or any other means, and not to disclose any of its contents (other than to obtain advice on it from a legal, business, investment or tax adviser), except with the prior written consent of the Manager. By accepting this Memorandum, each Recipient acknowledges and agrees that they understand the contents, and agrees to abide

by the terms and conditions, of this Disclaimer and Important Information. If any of the restrictions, set out above or below are unacceptable, this Memorandum should be returned to the Manager immediately.

The Manager has not authorised any person to give any information or make any representation concerning any transaction that may be described herein, other than by providing this Memorandum or such further information as may be furnished by the Manager, all of which will be subject to the same terms as this Memorandum and, if given or made, such information or representation must not be relied upon as having been so authorised.

No reliance should be placed upon the contents of this Memorandum by any person who may decide to apply for Units or make a commitment to the Fund. This Memorandum does not constitute, and may not be used for the purposes of, an offer to subscribe for Units, make a commitment to the Fund or an invitation to apply to participate in the Fund by any person in any jurisdiction in which such offer or invitation is not authorised or in which the person endeavouring to make such offer or invitation is not qualified to do so or to any person to whom it is unlawful to make such offer or invitation.

Prospective Investors should not construe the contents of this Memorandum as legal, tax, financial, investment, accounting, or other advice or as a recommendation by the Relevant Parties that any Prospective Investor should acquire any Units.

Each Recipient may ask questions of representatives of the Manager concerning the terms and conditions of participation in the Fund, and may request to obtain any additional information in connection with the contents of this Memorandum. The Manager may, at its discretion, make updates to the information in this Memorandum or make further information available to Prospective Investors in response to such questions, or of

its own volition, and any updates or further information will be subject to the same terms as this Memorandum.

**All financial and other data in this Memorandum is at 20 October 2023 unless otherwise stated.**

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## 1. Executive Summary

### 1.1 About Octopus Australia

Octopus Capital Aust Pty Ltd ('OCA', together with OIA, OSCAR (each as defined below) and their subsidiaries, 'OA' or 'Octopus Australia') is an Australian based renewable energy manager. The team consists of over 40 professionals covering all aspects of investment, development, construction, operations, and energy markets.

The team manages over A\$1.4bn in assets across wind, solar, storage and hybrid technology projects and has a pipeline of projects totalling A\$8.5bn in value. Funding for these assets is provided by the OA Platform which consists of two funding products: OASIS (described herein) as well as the Octopus Renewable Energy Opportunities Fund ('OREO'), which jointly invest into the Octopus Australia Master Trust ('OAMT') (collectively, the 'OA Platform').

OA's strategy is organised around three pillars:

#### Energy Infrastructure

The OA team is creating an integrated portfolio of renewable energy and storage assets designed to take a defensible position within the various Australian state energy markets. The team is backed by years of Australian energy and renewable energy experience across the entire asset lifecycle. In support of the strategy, the following teams were established:

#### Investment and Development

The Investment & Development team is led by Darren Brown and Sonia Teitel, with a combined 40 years of experience in the Australian energy market. The team's skill set covers the full lifecycle of energy assets allowing the team to acquire projects at any stage: development, greenfield and/or brownfield.

#### Engineering and Grid

The team has in-house engineering expertise to support all aspects of energy development and operations including project design, grid connections, and monitoring operations.

#### Funds

The team has built the OA Platform to give investors access to the renewable infrastructure opportunity in Australia's energy transition via OA's integrated team.

#### OSCAR – OA's in-house asset manager

Octopus's in-house team work directly with the assets and are contracted to optimise performance and manage on-going operations. OA has in-housed these core functions for its assets to better align asset performance with Fund performance as well as to bring our investors closer to the assets which they are supporting.

#### Energy Markets and Technology

OA takes a data driven approach to constructing its portfolio of assets using market and asset level data to develop proprietary models of the Australian energy market. These insights guide the team's portfolio construction decisions and allow the assets within the portfolio to work together to develop innovative energy products (such as Power Purchase Agreements, 'PPAs').

The team utilises industry leading software and granular market data including intra-day energy pricing, asset level performance, weather data, insights on grid build out, and macro-economic data to develop an in-house view of how the energy market will evolve as clean energy becomes the dominant source of generation.

#### Change

OA focuses on the impact its business and portfolio have not only on the local communities where its assets operate, but also within the wider state energy ecosystems and on a national level where OA has key relationships.

OA is also focused on how renewable energy can redefine how infrastructure projects are

developed in partnership with Australia's First Nations communities. Desert Springs Octopus is a joint venture OA has established with these communities to which has the potential to become the world's largest majority indigenous owned renewable energy company. Desert Springs Octopus has access to one of the largest indigenous controlled land areas in the world.

OA is engaged with both the Australian Federal Government and various state governments each of which have a vested interest in supporting a renewable energy industry in each state. The Federal Government, through the Clean Energy Finance Corporation (CEFC), is an investor in OA's funds, and both the Victorian and Queensland Governments are offtakers of the energy generated from OA's assets.

#### **The OA Platform and the Octopus Australia Sustainable Investments Fund (OASIS)**

Octopus Australia built the OA Platform to give investors exposure to the full capabilities of its team and execution of its strategy.

The platform consists of two funds products designed to work symbiotically with each other to invest into the portfolio. The flagship offering is the OASIS, which gives investors exposure across the renewable energy lifecycle (development through to long term operations). The platform's other offering, OREO, co-invests with OASIS into construction and operational assets via OAMT. Unlike OASIS, however, OREO does not have exposure to development risk.

Each product's exposure to OAMT provides the respective investors with advantages such as: portfolio flexibility, investor alignment, improved liquidity, and access to scale providing greater operational and financial opportunities achieved from a diverse pool of energy generation.

Discussion of the OA Platform is in **Section 4**.

OASIS is an unregistered wholesale Australian unit trust. OASIS has investments into two pooling vehicles. First, as discussed above,

into OAMT which gives exposure to green and brownfield renewable energy and storage infrastructure. Second, into a wholly owned development trust known as the OASIS Development Hold Trust ('**OASIS DevTrust**') which owns the development rights to further assets which OAMT may build in the future. Exposure to the OASIS DevTrust is capped at 10% of Gross Asset Value ('**GAV**') of OASIS.

First close of the platform occurred in July 2022 for an aggregate amount of \$236m. The seed asset was a 100% interest in the 333MWp Darlington Point Solar Farm ('**DPSF**'), at the time Australia's largest, fully operational solar farm, located in New South Wales. Commitments were further utilised to purchase the development rights to 4 development projects within OASIS DevTrust

A second close of the platform was completed in October 2023 for \$321m to facilitate the acquisition of projects, including the 180MW Dulacca Wind Farm in Queensland.

#### **1.2 About Octopus Group**

OA is majority owned by its UK parent, Octopus Capital Limited (company number 03981143) ('**OCL**'), together with its subsidiaries, '**Octopus Group**') which was founded in 2000.

Octopus Group is an independent investment manager on a mission to invest in the people, ideas and industries that will change the world. Octopus Group has over 2,500 employees in London, New York, Melbourne, and Sydney, and approximately A\$25 billion of funds under management across listed investments, energy, ventures, and real estate. From a standing start in 2010, Octopus Group grew its energy investment business rapidly to become Europe's largest non-utility renewable energy investor and now has the equivalent of more than A\$8.5bn of energy assets under management. Octopus Group is one of the largest investors in renewable energy projects in Australia and Europe, managing over 240 assets on behalf of investors.

Octopus Group is a majority shareholder of 'Octopus Energy', one of the fastest growing energy retail businesses globally. Octopus Energy supplies 100% renewable electricity to more than 5 million customers in Europe, the

USA, New Zealand, and Japan and has licensed its advanced data and machine learning platform, Kraken, to support 30 million customer accounts worldwide

## 2. Key Features

### 2.1 Octopus Australia Sustainable Investments Fund (OASIS)

Term	IM Section	Description
Fund Structure		Open-ended, unregistered wholesale Australian Unit Trust
Manager		Octopus Aust OASIS Manager Pty Ltd
Administrator		Apex Fund Services (Australia) Pty Ltd
Base Currency		Australian Dollar
Minimum Investment		\$100,000
Investment Objective		<p>The Fund primarily focuses on investing indirectly in a portfolio of Australian clean energy infrastructure assets (including associated businesses), being construction, development, and operational assets.</p> <p>Target net internal rate of return for the Fund is 10.0-12.0% per annum (post-annual management fees and before tax) over the long term.</p>
Investment Strategy		The Fund has exposure to construction assets and operational assets through its investment in OAMT, alongside OREO. In addition, the Fund targets the acquisition of certain development assets, which may be sold to OAMT once the project is shovel ready and subjected to the Octopus Australia Conflicts Management Protocol.
Target Geographies		Australia
Deal Allocation		Investment opportunities identified by the Manager will be considered and sourced for the Fund (in relation to development assets) and OAMT (in relation to construction and operational assets) in accordance with the Octopus Australia Investment Committee Allocation Policy.

## 3. About Octopus Investments

### 3.1 Ownership Structure

OCL is a UK registered private limited company established under the *Companies Act 2006 (United Kingdom)*. OCA is an Australian registered proprietary limited company established under *The Corporations Act 2001 (Australia)*.

The ultimate beneficial owners of OCA are a combination of Octopus Australia employees (c.20% ownership) and OCL (c.80% ownership).

### 3.2 Track Record

Octopus Group has a history of delivering strong returns for investors across a geographically diversified set of solar, wind, storage, and biomass assets. Historical fund returns are available in the table below. Funds 1 to 6 invest in assets located in Europe whereas OASIS invests specifically in Australian assets.

#### Historical Renewables Fund Performance<sup>1</sup>

Fund Name	Fund 1	Fund 2	Fund 3 <sup>2</sup>	Fund 4	Fund 5	Fund 6 <sup>2</sup>	OASIS
Inception Date	May-2017	Sep-2018	Jan-2020	Jul-2021	Dec-2019	Apr-2021	Jul-2022
Number of Assets	26	15	3399	1	29	1039	4
Technology (MW)							
Solar PV	100%	100%	21%	-	49%	21%	
Onshore Wind	-	-	79%	-	51%	60%	
Biomass	-	-	-	100%	-	19%	
Storage	-	-	-	-	-	-	
Country (by MW)							
UK	100%	100%	100%	100%	35%	40%	-
France	-	-	-	-	29%	-	-
Sweden	-	-	-	-	10%	60%	-
Poland	-	-	-	-	14%	-	-
Australia	-	-	-	-	-	-	100%
As at date	Dec-2021	Dec-2021	Dec-2021	Dec-2021	Dec-2021	Dec-2021	Jun-2023
Capital raised (\$AUD) <sup>3</sup>	\$510m	\$188m	\$227m	\$279m	\$1,067m	\$707m	\$430m
Gross IRR	6.10%	6.70%	19.20%	NA	14.20%	NA	3.40%
Net IRR	5.50%	6.20%	18.60%	NA	12.40%	NA	3.20%

<sup>1</sup> The track record above relates to OEG, of which Octopus Australia was formerly a part. In 2021, OEG joined the Octopus Energy group (and therefore the OEG track record is as at December 2021). Octopus Australia remained part of the Octopus Group and, in July 2022, Octopus Australia launched its first fund.

<sup>2</sup> Fund 3 and Fund 6 include rooftop solar portfolio.

<sup>3</sup> Capital Raised in GBP converted to AUD on 31 December 2021 at the FX Conversion rate of 1.86031.

Octopus Australia was established in 2018 and as such possesses a short performance history. To supplement the OASIS historical return in the table above, the table below demonstrates the expected return of our portfolio of projects (over the long term) including those that are in development, construction and operational.

### Octopus Australia Asset Track Record

Investments	Vehicle	Stage	Acquisition Date	Sale to OASIS / OAMT	Equity Invested	Target Return Range
Darlington Point Solar Farm	SMA	Construction	Dec-18	Jul-22	[CONFIDENTIAL]	
Fulham Solar and BESS	SMA	Development	Dec-20	-	\$4m	1.5-2.0x
Giffard Wind Farm	SMA	Development	Apr-21	-	\$2m	3.0-5.0x
Dulacca Wind Farm	SMA	Construction	Aug-21	Oct-23	\$219m	[CONFIDENTIAL]
Blind Creek Solar and BESS	SMA	Development	Dec-21	-	\$10m	3.0x
Darlington Point Solar Farm	OAMT	Operational	Jul-22	-	\$235m	8.0-9.0%
Hay Plains Wind Farm	OASIS	Development	Apr-23	-	\$12.5m	3.0-4.0x
Ardandra Solar and BESS	OASIS	Development	Apr-23	-	\$3.9m	2.5-3.0x
Theodore Solar and BESS	OASIS	Development	May-23	-	\$0.4m	2.5-3.0x
Blackstone BESS	OASIS	Development	Sept-23	-	\$14.9m	2.5-3.0x

### 3.3 Organisational Structure

OA is comprised of (5) business divisions; Investment and Development, Energy Markets and Technology, Asset Management, Funds Management and, Legal and Operations with operations overseen by its board of directors and managed by the investment committee comprised of senior

management from across its business divisions, as shown in the diagram below.

Investors benefit from the team's depth of renewable energy and infrastructure expertise gained from backgrounds as diverse as electrical engineering, energy policy, asset management, investment management and origination and energy markets modelling.



### 3.4 Octopus Australia Investment Committee

The Octopus Australia Investment Committee ('OA IC') ensures continuity of the strategy. The committee members bring more than 60 years of combined tenure with Octopus Group and more than 90 years of investing and infrastructure experience.

The OA IC is comprised of 6 employees of the Octopus Group and 1 independent member, with the 1 alternate.

Individual biographies are provided in Appendix 2.

#### Investment Committee Members

##### **Chris Hulatt**

Co-Founder & Group Head of Strategy, OI  
*24 years with Octopus*

##### **Sam Reynolds (Chair)**

Managing Director, OA  
*12 years with Octopus*

##### **Jonathan Digges (alternate)**

Chief Investment Officer, OI  
*9 years with Octopus*

##### **Iain McClea**

General Counsel, OA  
*11 years with Octopus and Octopus Group Companies*

##### **David Hastings**

Managing Director, OEG  
*5 years with Octopus*

##### **Darren Brown/Sonia Teitel**

Co-Heads Investment & Development, OA  
*3 years each with Octopus*  
*Note: this seat of the IC alternates between directors so as not to have self-review of transactions presented*

##### **Michael Johnston**

Independent IC Member  
*0.3 years with Octopus (7 years with the Clean Energy Finance Corporation)*

### 3.5 Key Team Members

Key members of the OA team bring with them deep renewable energy expertise across origination, development, asset management, energy markets and funds management. The breadth of experience gained in corporate finance, project development, energy markets and funds management, means the team possess deep expertise across the entire asset lifecycle.

Key team members sit across 5 verticals: Investment and Development, Energy Markets and Technology, Asset Management, Funds Management and Legal and Operations.

Fund product heads are responsible for the management of each of the Octopus Australia investment products: OAMT, OASIS, and OREO.

Biographies for each of the below members are included in Appendix 2.

#### Key OA Infrastructure Professionals

##### **Sam Reynolds (Chair)**

Managing Director, OA  
*12 years with Octopus*

##### **Jonathan Filbey**

Chief Financial Officer, OA  
*10 years with Octopus*

##### **Darren Brown**

Co-Head Investment & Development, OA  
*3 years with Octopus*

##### **Sonia Teitel**

Co-Head Investment & Development, OA  
*3 years with Octopus*

##### **Eric Caesar**

General Manager - Assets, OA  
*2 years with Octopus*

##### **Brenton Farr**

Development Director, OA  
*1 year with Octopus*



**Brent Collyer**

Director Energy Markets Analytics, OA  
*1 year with Octopus*

**Fund Product Heads**

**Jonathan Filbey**

OAMT

**Timothy Kok**

OASIS

**Sophie Gibbons**

OREO

**3.6 OSCAR Management Aust Pty Ltd**

OSCAR Management Aust Pty Ltd (ACN 634 670 232) ('**OSCAR**') stands for Octopus Service Contract and Revenue Management and was incorporated by Octopus Australia to undertake asset-level services across development, construction, and asset management. The scope of which includes:

**Development**

- Securing core consents for projects (land options, development approval, grid connections).
- Setting the revenue strategy for assets by securing PPAs and setting the trading strategy for any contracted capacity.
- Developing the site design.
- Securing project finance.
- Negotiating construction contracts.
- Community engagement support.
- Financial due diligence.
- Stakeholder management.

**Construction**

- Construction and warranty period management services.
- Specialist grid connection services.

**Asset Management:**

- Long term operational asset management services.
- Asset enhancement services.

- Investor reporting and valuation.
- Community, environment, social and governance ('**ESG**') and impact focus.
- Oversight and enforcement of the Operations & Maintenance contract.

Through the asset lifecycle, OSCAR will seek to deliver on investment case returns as well as proactively seek out areas where additional value/returns to investors can be achieved. OSCAR will contract from members of the OA asset management team.

Whilst construction and operation costs will be incurred regardless of whether a related or third-party service provider is engaged, through internalising the capabilities, OSCAR can provide transparent pricing in line with market data. This assists OA to align fund and asset management to bring about a better outcome for OAMT and OASIS investors.

In an instance where OSCAR does not have the specialist skills required to implement any of the above services, OSCAR will work closely with an outsourced third party to ensure that the best outcomes are achieved for the relevant Octopus Australia fund.

**3.7 The Trustee**

The trustee for the Fund is Equity Trustees Limited, a licensed entity holding AFSL No. 240975. Equity Trustees Limited was established in 1888 and is a subsidiary of EQT Holdings Limited. EQT Holdings Limited is a publicly listed company on the Australian Securities Exchange (ASX: EQT) with offices in Melbourne, Sydney, Brisbane, and Perth. The Trustee looks after the interests of the Investors using the qualities, capabilities, and experience of its team. The Trustee's directors, professional and administrative employees (comprising lawyers, accountants, and scheme specific consultants) have years of practical and professional experience.

The Trustee may delegate some of its functions to the Manager, however the Trustee has the legal responsibility to operate the Fund and act on behalf of Investors in accordance with the Trust Deed and its fiduciary obligations. These responsibilities include:

- issuing and redeeming Units in the Fund;
- maintaining a register of unitholders;
- keeping accounts;
- making distributions in accordance with the Trust Deed;
- ensuring the Fund's compliance with the Trust Deed.

Information about the fees that the Trustee receives from the Fund, and its proposed entitlement to expenses incurred in operating the Fund are set out in the Fees and Expenses section of this Memorandum.

The Board of the Trustee (the '**Trustee Board**') comprises five Executive Directors. The Trustee Board is committed to promoting and maintaining high standards of integrity and conducting its business professionally and ethically for the benefit of all its stakeholders. The Trustee Board in carrying out its functions, will always act honestly, fairly and with integrity.

### **3.8 Diversity & inclusion**

The OA diversity and inclusion policy provides a framework to ensure all our employees are encouraged, valued, and supported in the workplace, both by OA and by their colleagues. Its purpose is to enhance workplace diversity, equity, and inclusion ('**DE&I**') by outlining objectives, actions and ongoing assessment of results.

Core to this policy is that all employees have the right to contribute, succeed, and be recognised, regardless of our background.

To ensure OA fulfils its ethical responsibilities, OA is committed to:

- Building a team of diverse and inclusive professionals from a wide variety of background, one which is representative of the communities in which OA operates.
- Promoting positive behaviours and practices within our company and the wider community.
- Promoting the importance of DE&I in the renewable energy industry and driving the shift towards a more diverse sector.
- Promoting a continuous cycle of learning and development in the DE&I space through internal training and recognition programs, and by working with and learning from industry peers.
- Conducting periodic reviews of this policy and the status of its implementations.

To meet these objectives, each year an action plan is prepared by the Diversity working group for the calendar year ahead.

### **3.9 Octopus Australia Culture**

Octopus Australia invests in the people, ideas and industries that can change the world and unlock a brighter tomorrow. Octopus Australia's key focuses are building a sustainable planet and empowering people underpinned by a belief that the best financial returns will come from investing in companies that care about their impact on the world. Not only should this make a bigger impact on environmental and societal progress, but it also makes investment sense.

Octopus Group is a partner for the long term. Privately owned, Octopus Group thinks long term and deploys capital with discipline and patience. Octopus Group is B-Corp certified, with impact at its heart.

## 4. Octopus Australia Sustainable Investments Fund (OASIS)

### 4.1 Overview

OASIS is a renewable energy infrastructure fund with exposure to construction and operational assets through its investment in the OAMT.

The OAMT structure provides investors with a series of advantages including:

- A single portfolio of assets allowing for the harmonisation of operations (portfolio wide PPA's, operational economies of scale, etc) and finance (portfolio level project finance).
- Alignment of OA fund mandates when pursuing opportunities.
- Greater overall access to liquidity.

OASIS will also target the acquisition of development assets which may be transferred to OAMT following completion of the development (i.e. 'construction ready' status).. OA will utilise deep in-house commercial, technical and grid expertise to identify opportunities for OASIS to develop renewable energy projects. The objective of which is to unlock a large diverse pipeline of energy infrastructure investment opportunities. Development opportunities require relatively low capital commitments but secure an exclusive pipeline of deployment in addition to providing capital enhancement.

The target net internal rate of return for OASIS is 10.0-12.0% per annum (post-annual management fees and before tax) over the long term. OASIS will invest principally in Australian renewable energy assets.

The term of the fund is not fixed which is consistent with the strategy of building a portfolio of renewable energy assets that

replicate a firmed offtake profile, improving long-term investor returns.

### 4.2 Market Context

Octopus Australia sees a generational opportunity for an experienced manager to build an investment platform to fuel the transition to a green energy future.

The attractive fundamentals for Australia's renewable energy future include:

- Energy Supply. The Australian Energy Market Operator ('AEMO') confirmed in December 2021 that coal power fired power stations are likely to retire two to three times faster than anticipated. AEMO's most likely scenario is that more than 50% of the National Energy Market's coal capacity will withdraw by 2030.
- Energy Demand. Demand for energy is expected to grow as Australia decarbonises and more activities are connected to electricity use. As an example, OA's analysis indicates that a modest uptake of electric vehicles has the potential to alter demand and intraday energy prices.
- Market Pricing. There is a systematic shortage of supply looming as coal retirements accelerate, supporting higher energy prices. 70% of New South Wales' energy capacity is sourced from black coal. When just one coal fired power station that supplies c20-25% of capacity is removed, prices can increase ~1-2x.
- Flight to Quality. Quality platforms with experienced teams such as OA who can source, develop and operate quality assets will secure financing and PPA's. Passive ownership models are at risk of competition from experienced operators.
- Long-term Capital. Given the Australian superannuation system's

need for long duration, stable cash yielding assets and vocal support from members, the institutional capital

base has been increasingly participating in the renewable energy sector.

#### 4.3 Fund Strategy

Octopus Australia will utilise its diverse team of experienced energy, investment, and asset management professionals and, its network of development partners to deliver returns through the strategy based on the parameters in the following table.

Parameter	Description
Strategy	<p><b>Active Portfolio Management</b></p> <ul style="list-style-type: none"> <li>By leveraging rigorous internal research, Octopus Australia can optimise the portfolio in each state to maximise revenues.</li> <li>Active management improves portfolio flexibility to capture value, particularly from merchant exposures and offers Octopus Australia the ability to craft offtake agreements that replicate firmed energy profiles.</li> </ul> <p><b>Development Pipeline</b></p> <ul style="list-style-type: none"> <li>Octopus Australia is uniquely positioned to identify and invest in development stage assets by utilising its deep in-house commercial, technical and grid expertise. Securing an exclusive pipeline ensures visibility of deployment into the future and offers capital enhancement.</li> </ul> <p><b>Team</b></p> <ul style="list-style-type: none"> <li>Over 40 dedicated infrastructure professionals on the ground in Australia across a broad range of expertise including grid, investment, community engagement, engineering, energy markets, asset management and legal.</li> </ul> <p><b>Data</b></p> <ul style="list-style-type: none"> <li>Octopus Australia's internal energy modelling and analysis expertise utilise a proprietary framework to determine optimal portfolio construction and revenue strategy.</li> <li>The framework, underpinned by energy market forecasting models, utilises historical analysis of the grid as well as insights from forecast models, to select the best assets that will maximise portfolio returns in each state.</li> </ul>
Drivers	<ul style="list-style-type: none"> <li>Coal fleet retirement (energy supply)</li> <li>Grid electrification (energy demand)</li> <li>Price volatility</li> </ul>
Technologies	<ul style="list-style-type: none"> <li>Solar</li> <li>Storage (BESS)</li> <li>Wind</li> <li>Hydrogen</li> </ul>
Investment restrictions	<ul style="list-style-type: none"> <li>Aggregate portfolio leverage will not exceed 65% of GAV.</li> <li>At any one time, more than 50% of generation from sites within the Portfolio will be covered by a fixed price contract, with a target of more than 60% under normal market conditions (as determined by the Manager, acting reasonably).</li> <li>Investment in development opportunities will not exceed 10% of GAV.</li> </ul>

<b>Approach</b>	<p>Focused on investments where:</p> <ul style="list-style-type: none"> <li>• 100% of the asset is available for purchase.</li> <li>• The asset can be purchased at development stage.</li> <li>• Competitive auction processes are avoided.</li> </ul> <p>The Fund may acquire a mix of controlling and non-controlling interests in renewable energy assets and may use a range of investment instruments in pursuit of the Fund's investment objective and strategy, including but not limited to equity and debt investments.</p> <p>In addition, derivatives relating to (but not limited to) interest rates, wholesale energy prices and currency may be entered into (whether by the Fund directly, a portfolio entity of the Fund or OAMT) for the purposes of reducing risks associated with those exposures.</p>
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#### 4.4 Portfolio Construction

Portfolio construction is led by OA's Energy Markets and Technology team which utilizes a data driven approach to understand what mix of renewable energy assets, in which state markets and on what areas of the energy grid infrastructure the Investment team should be targeting to deliver on the Fund strategy outlined above.

OA has developed a customised energy analytics framework: "Why, What, where" to target assets for the portfolio. The framework, underpinned by energy market forecast models built in global leading energy modelling software PLEXOS, utilises historical analysis of the grid as well as insights from forecast models to select the target assets that will maximise portfolio returns in each Australian state. The framework utilises data analysis from the market as well as the team's experience to answer three crucial questions when building the portfolio:

- **Why** – Given the historic and forecast market fundamentals (supply and demand) and the market infrastructure (both from a policy and grid perspective), are the macroeconomics driving value in the future a compelling reason as to why to invest?

- **What** – Given the macro fundamentals, what technology types are best poised to capture value?

- **Where** – Which state markets and in what location on the grid will such assets best capture value?

Amongst other metrics, the analytics framework predominantly looks at weather patterns, demand, price curves, grid constraints, network capacity as well as government policy, to select the best complementary mix of assets in a portfolio to maximise returns.

#### 4.5 Deal Allocation Policy

OAMT has a right of first refusal over any potential investment opportunity that satisfies its investment strategy and target returns.

Octopus Australia will participate in investments subject to the Octopus Australia Investment Committee Allocation Policy, a copy of which is available in the due diligence materials.

#### 4.6 Origination Strategy

The Investment team has developed a broad origination strategy for securing assets in line with the portfolio construction strategy stated above, by accessing the market in the following ways:

- **Development** – OA has an internal asset team that is developing in-house, early-stage projects for exclusive acquisition by OAMT (and ultimately OASIS as a direct unitholder in OAMT). As noted above, asset-level services for the Fund relating to a project will be carried out by OSCAR, which is a related entity of OA.

- **Partnership** – OA has a good working relationship with credible domestic and international renewable energy developers working in Australia. The team are formalising working relationships with these partners for an exclusive pipeline of assets for acquisition by OAMT.

- **M&A** – the OA investment team are abreast of assets which are undergoing M&A processes and will look to selectively access the M&A market where such assets provide a strategic acquisition for the portfolio or where the portfolio provides a competitive advantage in the tendering process.

## 5. Investment Approach & Process

### 5.1 Investment Objectives

OIA's objective is to create an integrated portfolio of green energy generation and storage assets which has a defensible position within the Australian energy markets. As such, the portfolio is poised to capture the value in the energy transition by having low-cost renewable energy generation available as incumbent fossil fuel generation retires. Diversity of technology (wind and solar) along with flexibility (storage) is key not only for supplying energy as needed to the market, but also for more active participation in the energy market. Active participation includes developing more innovative OTC energy products for large energy buyers (PPAs) as well as participation in traded energy products. Such participation is in line with the activities of incumbent fossil fuel generators; however, renewable energy must participate and compete in these arenas to become a core source of power for the Australian market.

Clean energy assets are well poised to compete with fossil fuels in the broader energy market as renewable generators are cost competitive on both a long run as well as short run basis. In the long run, renewable energy assets are now the cheapest form of new energy generation: that is, the energy price captured by a renewable energy asset can be lower than new fossil fuel generators and still meet a requisite return on a capital. In the short term, renewables are monetising a more inexpensive fuel source, the wind and sunlight (which are freely available) as opposed to fossil fuels which have a more substantial marginal cost for extraction and refinement.

With the above, OA designed OASIS to benefit from OA's portfolio positioning in the energy

market to drive sustainable returns and yields. This is achieved through exposure to long dated fixed price energy contracts with credit worthy offtakers (PPAs) as well as long term Australian energy market fundamentals.

### 5.2 Investment Process

In respect of investment opportunities sourced for OASIS (development projects) and for OAMT (construction and operational assets), the following investment process is undertaken:

- **Deal Sourcing:** The Manager and the OAMT Manager actively monitor the renewable energy market to source development and investment opportunities utilising strong relationships throughout the Australian market. These relationships have been developed through leveraging OA's extensive Australian network as well as Octopus Group's dominance in the European renewable energy market, both of which represent long-standing relationships with top sellers, advisers, developers, operators, and construction contractors. An initial Green Light Committee ('GLC') meeting will be held to consider whether, based on a preliminary review of the commercial terms, key risks and mitigants, an opportunity fits the OAMT mandate. The GLC consists of senior members from OIA's investments, legal and funds teams including Managing Director, Sam Reynolds.

- **Deal Screening:** The deal screening process involves analysis of available materials received from the vendor or adviser, which could include a teaser, information memorandum, vendor financial model, adviser reports or draft contracts depending on the level of project development that has been completed. The Manager or the OAMT Manager (as applicable) then creates an in-house financial model for the project, performing sensitivity analysis on key risks for the project to determine suitability.



- **Non-Binding Offer ('NBO'):** The Manager or the OAMT Manager (as applicable) will issue an NBO to the vendor, which is a detailed term sheet giving the vendor an indication of the valuation and payment terms, key assumptions used to derive the valuation, any conditions and approvals required, a clear path to execution and expectations of the process to acquisition, all of which are subject to further due diligence on the project.

- **Approval in Principle ('AIP'):** Once the Manager or the OAMT Manager (as applicable) has originated a potential opportunity for OASIS or OAMT (as applicable), screened the site initially for its appropriateness and commenced negotiations with a vendor, the investment management team will prepare an investment paper and seek an AIP from the OA IC. The paper outlines the transaction opportunity and its appropriateness for OASIS's or OAMT's (as applicable) strategy and details the process and status of negotiations with the vendor. The investment paper also presents the due diligence plan the team intends to carry out. The granting of an AIP by the OA IC authorises the Manager or the OAMT Manager (as applicable) to commence incurring third-party due diligence costs. A consistent and rigorous project finance bank standard due diligence process is then applied to each investment opportunity, consisting of legal, commercial, technical, grid, counterparty, financial and tax.

- **Final Investment Decision ('FID'):** The investment team of the Manager or the OAMT Manager (as applicable) will then present the results of the due diligence process and seek approval from the OA IC to continue with and complete the transaction. The OA IC will typically focus on key points raised by the due diligence findings, final deal structure, transaction terms, deal status, timing and negotiating tactics. The OA IC will then issue an FID and, if positive, will provide

feedback on pricing, risk and return expectations. The Manager or the OAMT Manager (as applicable) will then proceed to negotiate final terms with the vendor within the framework approved by the OA IC. The OA IC will remain involved in discussions in respect of a potential investment opportunity, even after the issue of a FID, and will issue further confirmatory approvals if the terms of the transactions change.

- **Deal Finalisation and Completion:** Final contract negotiations will be conducted, and the investment team of the Manager or the OAMT Manager (as applicable) will issue a pre-completion note to the OA IC before moving to financial close.

## 6. Asset Optimisation

OSCAR draws upon OA's operational and energy markets expertise to maximise value, deliver outperformance, and identify and drive specific operational and financial improvements through active portfolio management.

### 6.1 Operational

**Power sales:** OSCAR utilises OA's Energy Markets and Technology team for its monetisation strategy of the energy portfolio. This is done via a combination of energy trading, energy product development and long-term power purchase agreement sales. The team leverages economies of scale offered by a large and diverse portfolio and a tightening power market to attempt to improve on the investment case.

**Contract management:** The OSCAR team manages the Engineering, Procurement and Construction ('EPC') contractor through the construction warranties of each site, this is typically 2-4 years after commissioning. The team is focussed on ensuring that this process delivers value to investors, this includes ensuring the site is in good physical condition and that any defects are claimed against the construction warranties. The team will also pursue the EPC contractor for any compensation owed for historical underperformance.

**Grid availability:** The Transmission and Distribution Network Service Providers and grid operators are a key counterparty in the day-to-day operation of the assets. The OSCAR team maintains a close relationship with these stakeholders, holding regular face-to-face meetings and tracking their maintenance schedules. This relationship has resulted in a significantly reduced frequency

and severity of grid outages. By way of example, OSCAR has led an initiative with AEMO and TransGrid to improve the system strength of south-west New South Wales, allowing them to bring on more generation, and in exchange DPSF's connection timelines were accelerated. OSCAR has also developed a joint project with TransGrid to relieve constraints in the south-west New South Wales network and, in doing so, has increased the amount of generation exported by DPSF.

**Stakeholder engagement:** OA is a long-term manager of its assets, with each asset wholly owned by OA's clients for the entire life of the asset. This means OSCAR is able to make long-term decisions to create the most value from the assets over time. This includes working with landowners and communities in a consultative way to enable ongoing farming operations to co-exist with projects long term, at a best-practice standard. OA's standing in the communities in which it develops is essential to the successful delivery of its projects.

### 6.2 Health and Safety

Adverse impacts associated with health and safety are assessed and monitored by the OSCAR team and/or health, safety, and environment ('HSE') consultants. No investment can be made without an appropriate HSE sign off and quality and competency reviews are periodically conducted by HSE consultants.

## 7. Responsible Investment

### 7.1 Impact Strategy

OIA has a core impact goal of accelerating the transition to net zero through investments in a diversified portfolio of renewable energy assets. As at 31 December 2022 the energy generation capacity of OIA's renewable assets portfolio is estimated to have avoided 2.1m annual tonnes of carbon, equivalent to taking 956,000 cars off the road and, powered the equivalent of 532,000 homes with clean energy.

These investments consider a wide range of stakeholders when making decisions, including OIA's customers, shareholders, employees, the community, and the environment. This is aligned to commitments as a **certified B Corporation (B Corp)**.

OIA is aligned with the United Nations Sustainable Development Goals (UN SDG's). In particular, OIA contributes and tracks performance against the following SDG's:

- SDG 4. Quality Education
- SDG 8. Decent Work and Economic Growth.
- SDG 7. Affordable and Clean Energy
- SDG 12. Responsible Consumption and Production.
- SDG 15. Life on Land
- SDG 17. Partnership for the Goals

The Impact Strategy considers activities through three lenses – People, Planet and Performance – to ensure that activities integrate ESG risks and bring to life additional impact opportunities. The Impact Strategy defines ESG and Impact as:

- **ESG** – a vital risk management approach to identify and mitigate a range of potential issues to protect, and enhance the long-term value of investments

- **Impact** – what effect and influence an investment has on the local community, environment, and wider society.

Beyond the core objective of accelerating the transition to net zero, we seek to generate additional impact through People, Planet and Performance impact initiatives. We have categorised the impact of initiatives into:

- **Sustainable momentum** – initiatives that drive a sustainable future and mitigate impacts of climate change.
- **Stakeholder engagement** – initiatives that set targets with partners or explore future collaborations to propagate positive change.
- **Equality and wellbeing** – initiatives that promote equality and wellbeing for all stakeholders.
- **Innovation** - initiatives that explore opportunities and invest in areas of entrepreneurship and asset optimisation.

### 7.2 People

Investing in renewable energy has natural positive impacts on people (particularly for health reasons) and wider society by benefiting the economy.

Social factors that OIA consider to be the most important during due diligence and ongoing monitoring of assets include (but are not limited to):

- Health and safety
- Social licence
- Local employment
- Diversity and inclusion

Example of 'People' impact initiatives at Dulacca Wind Farm include:

- 70 of the 220-construction workforce were local which is the equivalent of 23% of the local population. The majority of the 15-person operational workforce are local. The operational life of the project is 30-years.
- The project directly supported seven for-purpose organisations and local community groups throughout the construction phase, with grants totalling \$18,000. Construction personnel represented the project at various community events.
- 30 students from the local primary school toured the site which was used to demonstrate career opportunities and educate them on renewable energy.

**Health and Safety:** OA recognises its health and safety responsibilities, and keeping people safe remains its highest priority. We have put arrangements in place to ensure that health and safety risks are managed effectively. OA employs specialist HSE consultants to ensure that health and safety procedures are embedded into our model of investing and managing assets. This integration is achieved through: Technical compliance standards, diligence and benchmarking of contractors, audits and ongoing oversight and continuous improvement.

Where health and safety activities are outsourced, we ensure that they are managed by reputed counterparties who meet all the relevant industry and regulatory commitments. Expected standards are documented in all service contracts and adherence to these are continually monitored by the Directors and Board of the companies.

OA actively tracks and monitors various accident and incident classifications from events where there is a statutory requirement to report to the relevant Australian government bodies. This includes incidents classified as accidents, near misses, dangerous occurrences, and general safety observations.

**Modern Slavery:** We engage closely with Tier 1 suppliers to ensure that they have the required policies and procedures in place to mitigate the risk of modern slavery. Our Anti-Modern Slavery Policy sets out our commitment to developing and implementing policies and procedures to better understand, assess and manage modern slavery risks in our operations and supply chain.

OA's Anti-Modern Slavery Policy includes six key objectives, which are broken down in a separate '**Action Plan**' into targets with individual owners and timelines. OIA's recently established internal '**Modern Slavery Group**' meets regularly to discuss issues as they arise and to ensure that we are progressing with OA's Action Plan targets. The Modern Slavery Group comprises a cross-section of people from across our Australian business, including development, construction and operations, finance, and legal.

OA is also part of the Clean Energy Council's ('CEC') 'Modern Slavery Working Group' which meets periodically to discuss issues the renewable energy industry is facing, how to address them and to share experiences.

**Promoting a "Just transition":** Just Transition refers to the movement that encourages wider and fairer distribution of benefits from the switch to clean energy. OA's partners and subcontractors commit to standards promoting equal opportunities, ensuring workplace best practice standards are upheld, and encouraging diversity and inclusion for all.

**Diversity and Inclusion:** Equality and wellbeing are fundamental to OA's impact ambitions. We are part of the CEC's 'Diversity and Inclusion working group' that meets monthly to accelerate solutions and set best practice across the industry.

We provide directors to the underlying project companies and ensure diversity is considered when appointing them. Currently, company boards across OA are made up of a complementary mixture of social backgrounds with a gender composition of 30/ 70 (women/men). OA have targets to hit 50/50 in the coming years.

### 7.3 Planet

The core sustainable investment objective of OA is to accelerate the transition to net zero through its investments, building and operating a diversified portfolio of renewable energy assets to help facilitate the transition to a more sustainable future. This directly contributes to climate change mitigation.

It is expected OA will quantify and report organisational GHG emissions in alignment with the World Resources Institute's Greenhouse Gas Protocol 'Corporate Accounting and Reporting Standard' and 'Corporate Value Chain (Scope 3) Standard'. This approach consolidates the organisational boundary according to the operational control approach.

The Scope 3 categories are yet to be determined and will be quantified in the next annual report. The team have engaged with project suppliers to collect the necessary data. At this stage the data is not sufficient to make reasonable estimates.

Examples of 'Planet' impact initiatives are as follows:

1. A \$5.5m, c.500ha biodiversity stewardship scheme has been established to generate the required biodiversity credits to offset the DPSF.

2. The contractor's onsite environmental representative provided site waste materials to local schools and residents for re-use. High school students fabricated outdoor chairs and tables for use in the primary school. Local residents used steel and timber for a range of fabrication works around their properties. Direct donations were well over 120,000kgs of steel for reuse as building materials.

### 7.4 Performance

OA views the Impact Strategy as integral to the delivery of the core investment objective, and not as a cost. ESG processes and policies are a prudent risk management tool that improve the financial performance of the investments while reducing risks. The aim is to maximise the number of green electrons produced by the portfolio.

Every investment we make is assessed against our People, Planet and Performance framework through an ESG scoring matrix. Through this matrix, ESG risks are considered at every stage of investing in renewable energy assets by the team. It is used as a tool to drive ESG engagement and ensure that ESG risks are promptly identified, appropriately investigated, and carefully mitigated where necessary.

Materiality of risks included in the ESG matrix is determined using guidance from the Sustainability Accounting Standards Board framework that identifies financially material ESG risks by asset class. The key risks for renewable energy assets are political and regulatory; conflicts; environmental damage (biodiversity, carbon, pollution); health & safety; unfair advantage; and community relations.

### Task Force on Climate-related Financial Disclosures (TCFD)

OA, as part of the wider Octopus Group is a supporter of the recommendations of the Task Force on Climate-related Financial Disclosures.

Examples of 'Performance' impact initiatives are as follows:

- Fulham Solar Farm was awarded a supply contract by the Victorian Government under its reverse VRET2 auction. This will deliver grid benefits to the Latrobe Valley and Gippsland region to replace coal generation. This will provide a secure revenue stream to investors and minimise energy price volatility.
- A PPA was executed with Smartest Energy for 25% of output from DPSF, taking contracted revenues up to 80% with the existing Delta PPA. This will help a large Australian corporate procure 100% renewable electricity for its operations and provide long term revenue certainty for DPSF.

Ensuring financial resilience is essential to the ongoing supply of renewable energy and support of the transition to net zero.

### 7.5 Octopus Giving

Octopus Giving Australia was set up in 2018 to help charities make the world a better place. As well as donating money and offering advice to our charity partners, we also actively encourage our people to roll up their sleeves

and get involved. We do this for two reasons. First, we know we have valuable skills to share. Secondly, we know that our people get a huge amount out of the time they give. From set up in 2018 through to 31 December 2022 Octopus Giving Australia has donated A\$32,000, supported 6 charities and volunteered 352 hours of time. OA is part of Octopus Group, which through Octopus Giving, donated £394,000 via matched funding and other charity initiatives and over 5,400 hours of volunteering during the year.

### 7.6 Desert Springs Octopus

In February 2022, OA entered into a joint venture with Indigenous company, Desert Springs Renewables, led by Bevan Mailman, a respected member of the First Nations community and Principal of Indigenous law firm, Jaramer Legal.

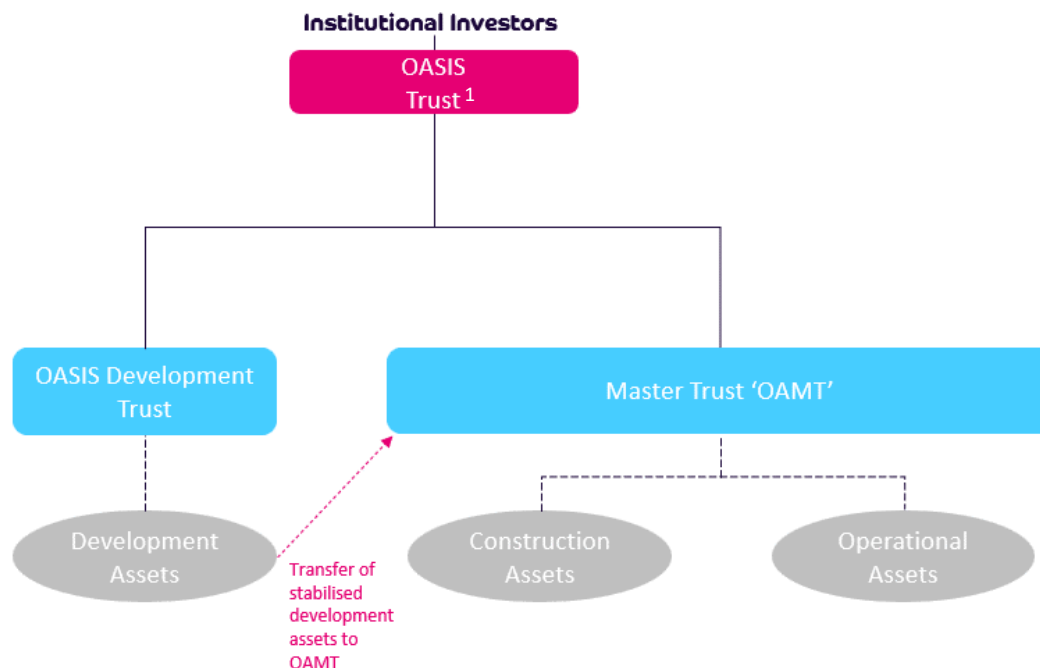
Desert Springs Octopus is a 70% Indigenous owned company which partners with First Nations communities in northern Australia to develop renewable energy assets, working with those communities from day one to identify and co-design project opportunities.

## 8. Structure & Governance

### 8.1 Fund Structure

The chart below is a simplified Fund structure chart provided for illustrative purposes only. A detailed structure chart is provided in Appendix 3.





<sup>1</sup> OASIS invests alongside OREO into OAMT. Refer to Appendix 3 for additional detail.

## Governance Structure

### OASIS Trust

OASIS has been formed for the purpose of providing indirect exposure to construction and operational assets via its investment in OAMT, and to development assets via the OASIS DevTrust (a wholly-owned sub-trust of OASIS).

Equity Trustees Limited (ACN 004 031 298) is trustee of OASIS. The Trustee has appointed the Manager pursuant to the Investment Management Agreement to provide certain investment management services, including to assist in the day-to-day operation of OASIS and the OASIS Development Hold Trust.

### OASIS Development Hold Trust

OASIS Development Hold Trust has been formed to acquire, indirectly via one or more sub-trusts, development opportunities which, once they have become stabilised assets, are intended to be transferred to OAMT on arm's

length terms (provided that those assets satisfy the investment strategy and criteria for OAMT). EQT Australia Pty Ltd (ACN 111 042 132) is trustee of the OASIS DevTrust.

### Master Trust

OAMT has been formed to acquire, construct and operate (as applicable) construction and operational (or near-fully constructed) assets, and to acquire certain developed assets from OASIS DevTrust (provided that such assets satisfy the investment strategy and criteria for OAMT).

EQT Responsible Entity Services Limited (ACN 101 103 011) is the trustee of OAMT. The OAMT Trustee has appointed the OAMT Manager pursuant to an investment management agreement to provide certain investment management services to OAMT and any wholly-owned sub-trusts of OAMT.

## 8.2 Unitholders' Committee

This section only applies to Investors who have a direct interest in OASIS, and not to



persons who may hold any indirect interest in OASIS, including via any feeder vehicle.

An investor committee for OAMT ('**Unitholders' Committee**') will be responsible for considering certain items reserved for the Unitholders' Committee, and the OAMT Manager must seek approval of the Unitholders' Committee prior to taking any action (other than preparatory steps) in respect of such reserved items.

The Unitholders' Committee will consist of representatives from the unitholders of OAMT which, as at the date of this Memorandum, are the Fund and OREO. Each of the Fund and OREO has the right to elect one representative for each 20% interest of the total number of units on issue held in OAMT, provided that:

- until the third anniversary of OAMT, the Fund will be guaranteed at least three representatives (being representatives of the three cornerstone Investors), and OREO will be guaranteed at least one representative; and
- following the third anniversary of the Fund, each of the Fund and OREO will be guaranteed at least one representative provided that it maintains an interest of at least 10% of the total number of units on issue.

Additionally, and at any time, the OAMT Manager may appoint up to an additional three representatives from the Fund or OREO who do not, at the relevant time, have a representative on the Unitholders' Committee.

Subject to the arrangements prior to the third anniversary of OAMT described above, representatives from the Fund on the Unitholders' Committee will be appointed by the Investors. If, at any time, the number of Investors exceeds the number of

representatives on the Unitholders' Committee available to the Fund, then representatives will be appointed by those Investors who, at the relevant time, have the highest aggregate paid-up capital in OASIS. During any period where not all Investors are represented on the Unitholders' Committee, certain reserved matters of the Unitholders' Committee will also require approval of the Investors by way of Special Resolution prior to any approval being given by the relevant representatives on the Unitholders' Committee.

### 8.3 Combined Fund Matters

There are also certain matters relating to the OAMT that require the combined approval of the Investors and unitholders of OREO, with voting rights in proportion to each investor's indirect interest in OAMT. These are:

- Removal of the OAMT Manager for cause (Combined Fund Special Resolution).
- Removal of the OAMT Manager without cause (Super Majority Fund Resolution).

### 8.4 Fund Investor Matters

Certain reserved matters relating to the Fund will require approval by the Investors by way of Special Resolution and Super Majority Resolution. These include, for example:

- Approval of a replacement Key Person (Special Resolution).
- Approval of certain related party transactions (Special Resolution).
- Compulsory retirement of the Trustee (Special Resolution).
- Removal of the Manager for cause (Special Resolution).
- Removal of the Manager without cause (Super Majority Resolution).

The relevant matters requiring Investor approval are set out in the Trust Deed and the Investment Management Agreement.

### 8.5 Conflicts of Interest

Octopus Australia has adopted the Octopus Australia Conflicts Management Protocol ('**Conflicts Management Protocol**'), which applies to the Manager, the OAMT Manager and the investment manager of OREO (together, '**Investment Managers**'). The Conflicts Management Protocol identifies and seeks to manage actual, potential, or perceived conflicts of interest which may arise as between the Fund, OREO and OAMT, and any investment manager.

The Conflicts Management Protocol addresses matters including:

- management of any actual or potential conflict of interest between the Fund, OREO and OAMT (including by ensuring that each investment manager has appointed separate personnel to manage each fund); and
- management of any actual or potential conflict of interest between the Fund, on the one hand, and the Manager (as an Octopus Australia entity) on the other (including by ensuring that the Manager is obligated to ensure that the interests of the Fund are ahead of its own and making transparent and defensible the process surrounding any conflicted transactions).

#### **Conflict Committee**

In the event of an actual, potential, or perceived investment conflict or where the Green Light Committee or OA Allocation Committee is unable to make an allocation decision, such allocation will be referred to the Octopus Investments Allocation Committee or Conflicts Committee to be evaluated in accordance with the conflicts of interest policy. The OIA Allocation Committee is responsible for approving the allocation of investment opportunities to their respective

funds. The intention is that the investment opportunity satisfies the funds mandate.

### 8.6 Key Person Event

This section only applies to Investors who have a direct interest in OASIS, and not to persons who may hold any indirect interest in OASIS, including via any feeder vehicle.

If, at any time:

(a) in respect of A Key Persons:

- Sam Reynolds no longer satisfies the Time Commitment (as that term is defined below); or
- there are fewer than two A Key Persons who continue to satisfy the Time Commitment; or

(b) there are no B Key Persons who continue to satisfy the Time Commitment,

(a '**Key Person Event**') the Trustee is prohibited from issuing any calls for funding from Investors and issuing any additional Units and may not make any new investment by the Fund, except in limited circumstances as set out in the Fund Documents, such as to fund existing follow-on investments.

Following a Key Person Event, the Manager has a period of six months to propose a replacement A Key Person and/or B Key Person (as applicable) for approval by the Investors by way of Special Resolution (such approval not to be unreasonably delayed or withheld). The process and timing for approval is set out in further detail in the Fund Documents.

**'A Key Person'** means each of Sam Reynolds, Sonia Teitel, Darren Brown, Iain McClea, or such other person as approved by the Investors by way of Special Resolution from time to time.

**'B Key Person'** means each of Chris Hulatt and Jonathan Digges, or such other person

approved by the Investors by way of Special Resolution from time to time.

**'Time Commitment'** means dedicating a sufficient amount of a Key Person's business time to the Fund as shall be necessary for the Fund to be properly and effectively managed, having regard to his or her role in respect of the Fund (assessed over a rolling six-month period).

## **8.7 Termination of Manager**

### **Resignation of Manager**

The Manager may resign as the investment manager of the Fund on giving the Trustee six months' written notice (or such shorter notice period as agreed with the Trustee, acting reasonably).

Pursuant to the Investment Management Agreement, if the Manager resigns, the Manager will be entitled to receive accrued but unpaid Management Fees (to be paid as soon as, in the reasonable opinion of the Trustee, the Fund has sufficient cash and, in any event, within 6 months of the date of resignation) and any accrued reimbursable expenses (to be paid within 14 days of the presentation of an invoice by the Manager) .

### **Removal of Manager for Cause**

The Investors may, by Special Resolution, remove the Manager for cause if:

- (a) the Manager has committed gross negligence or wilful default in connection with its duties and obligations under the Investment Management Agreement; or
- (b) the Manager has committed fraud, other than the fraud of an employee, officer, contractor or agent of the Manager in circumstances as set out in the Investment Management Agreement;
- (c) the Manager commits a material breach which has, or is likely to have, a materially adverse effect on the Fund or the ability of the Manager to perform its obligations under

the Investment Management Agreement and either (i) is not capable of being cured and the Manager does not reasonably compensate the Trustee within 20 business days (or such longer period as agreed by the Trustee); or (ii) is reasonably capable of being cured and the Manager has failed to remedy such breach within 20 business days (or such longer period as agreed by the Trustee);

(d) the OAMT Manager is removed for cause as investment manager of OAMT pursuant to the terms of the investment management agreement relating to OAMT;

(e) the Manager commits a persistent breach (as that term is defined in the Investment Management Agreement);

(f) an Octopus Group entity ceases to hold a co-investment stake in the Fund (see 'Octopus Group Commitment' below), or that Octopus Group unitholder commits a funding default in respect of its Units and fails to remedy such default within 20 business days; or

(g) an unapproved change of control occurs in relation to the Manager.

The Manager may also be removed for cause if the Manager is subject to an insolvency event or ceases to be an authorised representative of an AFSL holder (unless the Manager holds its own AFSL or is exempt from the requirement to hold an AFSL), or otherwise ceases to hold the necessary authorisations under relevant law to carry out its duties under the Investment Management Agreement.

Pursuant to the Investment Management Agreement, if the Manager is removed for cause, the Manager will be entitled to receive all accrued but unpaid Management Fees (to be paid as soon as, in the reasonable opinion of the Trustee, the Fund has sufficient cash and, in any event, within 6 months of the date of termination or entitlement) and any accrued reimbursable expenses (to be paid

within 14 days of the presentation of an invoice by the Manager), provided that the Manager has reimbursed the Fund for any adverse financial consequence suffered by the Trustee, Fund or any Investor as a result of the Manager's fraud, gross negligence, wilful default or a material breach, with such reimbursement amount to be agreed within 10 business days in good faith between the Trustee and the Manager.

#### **Removal of Manager without cause**

The Investors may, by Super Majority Resolution, remove the Manager without cause by providing at least six months' notice in writing (provided that no such removal may take effect prior to the fifth anniversary of the first closing of the Fund).

Where the Manager is terminated without cause, the Manager will be entitled to a management fee tail (being the equivalent of three years' of Management Fees, as calculated in accordance with the Investment Management Agreement), any accrued but unpaid Management Fees (both the management fee tail and Management Fees to be paid as soon as, in the reasonable opinion of the Trustee, the Fund has sufficient cash and, in any event, within 6 months of the date of termination) and any accrued reimbursable expenses (to be paid within 14 days of the presentation of an invoice by the Manager).

### **8.8 Retirement of the Trustee**

#### **Compulsory Retirement**

The Trustee must retire as trustee of the Fund:

- (a) following the third anniversary of the Fund, within six months of the Trustee receiving written notice from the Manager requesting that the Trustee retire;
- (b) upon receiving written notice from the Manager requiring that the Trustee retire on the basis of the Trustee's fraud, breach of

trust, wilful default or unremedied gross negligence in relation to the Fund;

(c) if the Investors approve by way of Special Resolution that the Trustee must retire;

(d) if the Trustee suffers an Insolvency Event;

(e) if the Trustee fails to remedy a breach of the Trust Deed which the Manager reasonably considers to be material;

(f) if the Trustee commits a material breach of the Investment Management Agreement which is grounds for the Manager to terminate that agreement; or

(g) if the Trustee's AFSL is suspended or revoked.

Prior to the removal of the Trustee:

- the Manager must nominate a suitable replacement trustee in writing (provided that the Manager is not itself in material breach of any of its obligations under the Fund Documents); and
- the Trustee must execute such documents and provide such information to the replacement trustee, which are necessary to effect the appointment of the replacement trustee.

#### **Voluntary Retirement**

The Trustee may retire by giving not less than:

- (a) six months' notice to the Manager (or such shorter period as agreed between the Trustee and the Manager); or
- (b) 21 days' written notice if the Manager is in material breach of any of its obligations under the Fund Documents.

Prior to its retirement, the Trustee :

- may, subject to the approval of the Manager, nominate a suitable replacement trustee, otherwise the Manager must, following consultation with the Investors, nominate a suitable replacement trustee (provided that the Manager is itself not in material breach of any of its obligations under the Fund Documents); and
- must execute such documents and provide such information to the replacement trustee, as are necessary to effect the appointment of the replacement trustee.

### 8.9 Side Letters

The Trustee and the Manager may (but are under no obligation to) enter into side letters or other agreements and arrangements ('**Side Letters**') with one or more Investors. Side Letters may enable Investors to have differential terms or may waive or supplement certain rights or obligations relating to that Investor. Unless required by applicable law, the Trustee and the Manager are not required to disclose the contents of any Side Letter.

## 9. Fund Operations

### 9.1 Administrator

A third-party administrator, Apex Fund Services (Australia) Pty Ltd, has been appointed to act as administrator of the Fund.

### 9.2 Fund Level Gearing

Fund level gearing is employed for:

1. Short-term liquidity.
2. To replace project level financing with portfolio finance to unlock improved financing terms and offer operational flexibility.

### 9.3 Valuation Process

The Fund's investments will be valued in accordance with relevant regulations and accepted accounting standards for each investment's type and jurisdiction.

Fund investments will be valued at least once every quarter (such timing for valuations to be consistent with valuation conducted by OAMT). At least one quarterly valuation in a financial year must be an independent valuation. The independent valuer is to be chosen from a panel of valuers as set out in the Fund Documents.

### 9.4 Octopus Group Commitment

For so long as an Octopus Group entity is investment manager of the Fund, the Manager (or its related entity) must maintain a minimum subscription in the Fund of units with an aggregate issue price of \$5,000,000. Octopus Administrative Services Limited (a related entity of the Manager).

### 9.5 Distributions

Income and capital proceeds which are available for distribution will, after satisfying or making provision for any actual or potential fees, costs, expenses and liabilities of the Fund, be distributed to the Investors pro rata in accordance with the Trust Deed.

It is intended that distributions of net income of the Fund will be made to Investors bi-annually and at such other times as determined by the Trustee, in its sole discretion, and distributions of capital proceeds will be made as soon as practicable after the relevant amount becomes available for distribution.

### 9.6 Liquidity

This section only applies to Investors who have a direct interest in OASIS, and not to persons who may hold any indirect interest in OASIS, including via any feeder vehicle.

#### Redemption Requests

Prior to the fifth anniversary of the Fund, Investors are not able to make requests to redeem their interests in the Fund ('Request').

Following the fourth anniversary of the Fund:

- Requests may be submitted by Investors no later than 90 days prior to the end of the financial year in which the Request is made; and
- no later than 10 business days prior to the end of each financial year, the Trustee must consider any Requests received during that financial year and notify the Investor whether it accepts or denies the Request.

If the Trustee accepts the Request, the Trustee must use reasonable endeavours to satisfy the Request within 36 months of the end of the financial year in which the Request was made. If any Requests that are accepted are not satisfied within such period, the Trustee and the Manager must consult with the Investor that submitted the Request and use reasonable endeavours to agree on a proposed liquidity plan.

#### 66% Threshold

If, at any time, the aggregate number of units the subject of one or more requests exceeds 66% of the units on issue in the Fund, the

Trustee and Manager must, within six months of the threshold being met, convene a meeting of Investors, and use reasonable endeavours to agree on a proposed liquidity plan to satisfy the Requests.

#### **OAMT Liquidity Review**

Within 3 months prior to the seventh anniversary of OAMT, the OAMT Trustee must:

- procure that the OAMT Manager provides the Unitholders' Committee with a report containing alternatives for a liquidity event of other exit mechanism; and
- as soon as reasonably practicable thereafter, convene a meeting of the Unitholders' Committee to discuss the report and, if appropriate, approve an exit.

If an exit is approved, then the OAMT Trustee and the OAMT Manager must take steps to implement the proposal as soon as reasonably practicable and, in any event, within 12 months of approval (subject to the option of a further 12-month extension).

#### **Transfers of Units and pre-emptive rights**

An Investor may, at any time, transfer some or all of its Units:

- in compliance with the permitted transfers regime (e.g., a transfer to a related entity of the Investor);
- by complying with the pre-emptive rights regime; or
- with the prior written consent of the Manager and the other Investors,

in each case, in accordance with the relevant process as set out in the Trust Deed and subject to compliance with any further restrictions on transfers set out in the Trust Deed.

Furthermore, in certain circumstances where there is a change of control of an Investor, the

Trustee may, following a recommendation of the Manager, determine that the Investor has deemed to offer its units for transfer at 90% of the redemption price per unit. The applicable process for an Investor change of control, including customary exclusions from a change of control, are set out in further detail in the Fund Documents.



## 10. Fees and Expenses

This section only applies to Investors who have a direct interest in OASIS, and not to persons who may hold any indirect interest in OASIS, including via any feeder vehicle.

The Manager is entitled to receive fees for its services as the investment manager of the Fund. From time to time, differential fee arrangements relating to the Management Fee may apply to one or more Investors.

All fees and expenses are stated on a GST exclusive basis, unless expressly stated otherwise. Where GST is incurred, the fund may be entitled to claim some or all the associated input tax credits. The fees and expenses in this section are accurate as at the date of this Memorandum.

### 10.1 Management Fee

A **Management Fee** of 0.95% per annum of the Net Asset Value, of the Fund, payable to the Manager, will be paid quarterly in advance out of the assets of the Fund.

The quarterly management fee is calculated as follows:

$$A = \left( \frac{B}{C} \right) \times D$$

where:

- A = The Management Fee for the Quarter;
- B = 0.0095;
- C = 4; and
- D = The Net Asset Value of the Fund.

Net Asset Value has the meaning given to 'Net Fund Value' in the Trust Deed.

### 10.2 Performance Fee

Performance Fee arrangements (if applicable) will be negotiated on an Investor-by-Investor basis and will be documented in the relevant Investor's Subscription Deed.

### 10.3 Termination Fee

The consequences of the termination of the Manager in accordance with the Investment Management Agreement, including with respect to fees, are set out above (see section 8.7 'Termination of Manager').

### 10.4 Trustee Fee

The Trustee's fees will be 3bps of GAV of the Fund, subject to a minimum annual fee payable to the Trustee for its trustee and custodial services equal to \$70,000 (plus GST) per annum, adjusted annually for CPI (which will decrease to \$55,000 (plus GST) per annum, adjusted annually for CPI, in the event that the Trustee ceases to perform custodial services).

### 10.5 Fund Expenses

The Trustee and the Manager are entitled to be reimbursed out of the Fund for all fees, costs, and expenses (plus applicable GST) related to the ongoing operations of the Fund that have been properly incurred by them in accordance with the Trust Deed and Investment Management Agreement (as applicable), provided that any such fees, costs and expenses are only recovered once under the Fund Documents.

### Manager Service Providers – Expenses

The Manager may appoint and engage any brokers, investment advisers, valuers, legal practitioners, managers, administrators, registry service providers and other professional advisers and consultants as the Manager considers necessary, usual, or desirable for the purposes of providing services in accordance with the Investment Management Agreement. Such persons may include related entities of the Manager, provided that their appointment is on arm's length terms. The Manager is entitled to be indemnified and reimbursed for such engagement of service providers out of the

assets of the Fund in accordance with the Investment Management Agreement.

**Trustee Service Providers – Expenses**

The Trustee may also appoint or engage delegates, agents, and advisers (including associates or employees of the Trustee) to assist the Trustee in carrying out its duties and obligations under the relevant Fund Documents. The costs incurred in such an engagement may, subject to the Trust Deed, be payable out of the assets of the Fund.

**OSCAR**

OSCAR will be engaged in relation to certain asset-level services pursuant to the terms of the OSCAR management agreements (such terms of engagement to be provided in the relevant project documentation). The costs associated with OSCAR's engagement will be borne:

- by the Fund (or, if OSCAR has been engaged by a Fund entity, that Fund entity) directly, in respect of development assets; and
- by OAMT (and, indirectly, the Fund), in respect of stabilised assets.

**Acquisition costs**

Third party due diligence costs, and other associated costs relating to the acquisition of any new investment are payable out of the assets of the Fund but are budgeted into the relevant transaction costs, as well as investment case return.

## 11. Key Risks

Risk	Description
No Right to Control the Fund's Operations	Investors will have no right, ability, or opportunity to control the day-to-day operations, including (subject to limited exceptions as set out in the Fund Documents) investment and disposition decisions, of the Fund. This role will be performed by the board of directors of the Manager with the Trustee's oversight as to the Manager's compliance with the Fund's objectives and governing document.
Nature of Investment	<p>The Fund's investments will be illiquid, and there can be no assurance that the Fund will be able to realise such investments in a timely manner, or at all.</p> <p>Consequently, while the Manager will target bi-annual distributions, the timing and amounts of cash distributions to Investors is uncertain and redemptions (where permitted) may not be available in a given year. Investments may be difficult to value, and dispositions of investments may require a lengthy time period. Past performance of the Manager or any of their respective affiliates and/or other products or investments with which members of the team have been involved provide no assurance of future results of the investments of the Fund. In addition, the value of the investments may fall as well as rise and an Investor may not be repaid the total amounts previously invested in the Fund.</p>
Restrictions on Transfer	Units will not be transferable except in accordance with the transfers regime under the Trust Deed (see section 9.5 'Liquidity').
OAMT Control	The Fund's primary asset exposure, other than with respect to development projects, will come through its investment with OREO in OAMT. Responsibility for OAMT asset level decisions does not sit with OASIS.
Competition for Investment Opportunities	The Fund and OAMT (as applicable) will be competing for investments with many other sources of capital, including other energy funds, private equity funds, public and private companies, hedge funds, and, in some cases, local governments. Similarly, these entities may be seeking to dispose of operational solar PV assets at the same time as the Fund or OAMT (as applicable), thereby creating competition for potential buyers. Renewable energy, as an asset class, is evolving rapidly and it is possible that other competing investment funds could be launched. Some competitors may have advantages over the Fund or OAMT in acquiring such investments, including greater amounts of capital, capital that has been committed for longer periods of time, and/or lower

	<p>target financial returns. Furthermore, competition for renewable energy assets may result in increased purchase prices. In acquiring investments, the Fund or OAMT as applicable, may need to participate in a significant number of competitive bidding situations and may incur significant expenses in doing so. There may be significant expenses incurred in attempting to acquire potential investments which are ultimately not consummated. In addition, such competition may have an adverse effect on the length of time required to fully invest amounts raised from Investors in the Fund.</p>
Investment Selection and Conflicting Investors Interests	<p>The likelihood that Investors will realise any gain on their investment depends on the skill and expertise of the Manager's and the OAMT Manager's, and their affiliates', personnel. The investment strategy of the Fund also does not limit its investments in geographic region within Australia, size, or cash flow size. As such, it may be difficult for Prospective Investors to assess the risks associated with any future investments that may be made by the Fund (including those investment opportunities that are allocated for consideration and acquisition by the Fund or by OAMT in accordance with the Octopus Australia Investment Committee Allocation Policy).</p> <p>Investors may have conflicting investment, tax, and other interests with respect to their investments in the Fund, including conflicts relating to the structuring of investment acquisitions and dispositions. In structuring, acquiring, managing, and disposing of investments, the Manager will consider the investment and tax objectives of the Fund and its Investors as a whole, rather than the investment, tax, or other objectives of any Investor individually.</p>
Availability and Pricing of Debt Finance, Gearing and Hedging	<p>The ability of the Fund to make an investment in a project or to refinance such investments already made may be dependent upon the availability and pricing of debt finance from third-party lenders. There can be no assurance that such debt finance will be available or available on terms that will enable the Fund to generate its expected rates of return. Senior debt will typically be secured on the assets of a project and will contain covenants and other restrictions related to payment and default and which may give senior lenders preferred rights over those of the Fund.</p> <p>Target gearing for the Fund will depend on the nature of the investments and the terms available in the banking market, which will be closely monitored by the Manager. Gearing may amplify the Fund's financial gains if the value of the Fund's direct and indirect renewable energy assets appreciates; however, it may also amplify losses if the value of the assets falls. If the value of the assets against which borrowings are secured declines, there is the risk that the Fund may lose the</p>

capital invested if income is insufficient to cover recurring outgoings such as fees, principal, and interest and on indebtedness and other expenses. This would adversely affect the overall value of an investment and an Investor may not be repaid the total amounts previously invested in the Fund.

The Fund may employ hedging techniques which are designed to protect the Fund against certain adverse commercial risks, including, but not limited to, changes in currency and/or interest rates. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while the Fund may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, securities prices or currency exchange rates may result in a poorer overall performance of the Fund than if the Fund had not entered into such hedging transactions.

Indefinite Term	The Fund does not have a specified term, or end date at which the asset(s) and investments held by the Fund must be realised.
Limited liquidity	Prior to the fifth anniversary of the Fund, Investors may not make requests to redeem their interests in the Fund.
	The Fund will be acquiring investments of a long-term and illiquid nature and accordingly, there is no guarantee that redemption requests that are accepted by the Trustee will be satisfied within the 36-month period following the end of the relevant financial year in which the request was made. These investments may be difficult to value and sell, or otherwise liquidate, and their realisable value may be less than their intrinsic value. The risk accompanying an investment in the Fund is greater than the risk of investing in publicly traded securities.
Suitability of Investment	An investment in the Fund is not suitable for all Prospective Investors. An investment in the Fund is available only to 'wholesale' clients (as defined in section 761G of the Corporations Act), and each Prospective Investor must have the financial ability and experience to understand, the willingness to accept and the financial strength to withstand, the extent of their exposure to the risks and lack of liquidity inherent in an investment in the Fund.
Distributions, Projections and Target Net Returns	It is proposed that distributions will be made in accordance with the Trust Deed, and at the discretion of the Trustee. There can be no assurance that the operation of the Fund will be profitable, that the Fund will be able to avoid losses or that cash from its investments will be available for distribution to Investors. The Fund will have no source of funds from which to pay distributions to the Investors other than income and gain received on its investments and the return of capital.

Projected operating results of a portfolio company in which the Fund or OAMT invests or of one of the Fund's or OAMT's investments will normally be based primarily on financial projections prepared by the portfolio company's management or, in the case of other investments, the Manager or OAMT Manager as applicable. In all cases, projections are only estimates of future results that are based upon information received from the portfolio investments and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from such projections. Also, general economic factors (which are not always predictable and are completely outside the control of the Manager, its affiliates, and their respective personnel) can have a material effect on the reliability of projections.

The target net return figures take into account various assumptions, including, but not limited to, those relating to the income generated from purchasers of energy produced by the investments, capital appreciation, financing benefits, defaults, expenses, and other fees (including performance-based fees). Target net returns are post annual management and performance fees, but before tax. There can be no assurance that the important assumptions underlying any such target return will prove to be accurate. Accordingly, there can be no assurance that the Fund will meet its objectives or its target net return or avoid significant losses.

Significant Adverse Consequences for Default	To the extent that an Investor makes a commitment to the Fund, if the Investor fails to comply with a drawdown notice, such Investor will be subject to various default remedies as described in the Trust Deed. The Trust Deed provides the potential for significant adverse consequences in the event that an Investor defaults on its obligation to contribute amounts to the Fund pursuant to its commitment or other payment obligations set forth in the Fund Documents.
Risk of Default by Other Investors	The Fund Documents provide that, in the event that an Investor fails to comply with a drawdown notice (if applicable), the Trustee may, on the recommendation of the Manager, exercise various default remedies set out in the Trust Deed, as noted above, against such Investor, including determining that such Investor has made an offer to dispose of its interest in the Fund at a discount in accordance with the pre-emptive rights regime under the Trust Deed. If an Investor fails to advance to the Fund any amount requested from it under a drawdown notice on or before the date specified in such notice, this may result in the Fund not being able to pursue an investment opportunity or not being able to provide additional funds to, or increase its investment in, portfolio investments. Any inability of the Fund to provide additional funds to, or increase its investment in, a

	<p>portfolio investment may have a substantial negative effect on that portfolio investment, may result in a lost opportunity for the Fund to increase its participation in a successful operation, or may result in its interest in the relevant portfolio investment becoming diluted. A failure by an Investor to advance amounts in full, when requested, may also result in the Fund not being able to settle its liabilities in a timely manner, which could have an adverse effect on the Fund.</p>
Absence of Recourse to the Manager and Indemnification	<p>The Fund Documents limit the circumstances under which the Manager indemnifies the Fund against any liabilities incurred by the Fund as a result of certain actions taken by the Manager, its officers, employees, or agent. The Manager will also have no liability in relation to a service provider appointed under the Fund Documents, provided the Manager exercised reasonable care when selecting and supervising the relevant service provider. The Fund will indemnify the Manager from and against any and all claims, except in certain circumstances as set forth in the Fund Documents. Such liabilities may be material and have an adverse effect on the returns to the Fund.</p>
Ability to Verify Information	<p>Although it is expected that the Manager will receive detailed information from each investment regarding its historical performance and business strategy, in certain cases the Manager will have little or no means of independently verifying this information. Such information may be generated using proprietary investment strategies that are not fully disclosed to the Manager, or which may involve risks under some market conditions that are not anticipated by the Manager.</p>
Reliance on the Octopus Australia Team	<p>The Fund's success will depend significantly on the efforts and abilities of the managers, directors, partners, officers, and staff of the Manager or any of their respective affiliates and the entities in which the Fund and partners invest. The Fund will rely extensively on the experience, relationships, and expertise of the senior members of OIA and the Manager. There can be no assurance that the persons currently managing or controlling the Manager (whether by equity ownership or otherwise) will do so in the future.</p>
Tax and Duty Laws Applicable to Prospective Investors	<p>Prospective Investors must consider the potential tax and duty consequences of an investment in the Fund in their jurisdictions of residence and/or any other jurisdiction in which they have a taxable presence or liability for duty. Prospective Investors are urged to consult their own advisers on the tax and duty implications of the acquisition, ownership, and disposition of their Units under the laws of any jurisdictions in which they are or may be liable to taxation. Investors may be subject to tax on sums allocated to them in advance of distributions being made to them and no assurance can be given that Investors who are subject to tax on the allocated gain or income will receive distributions sufficient to satisfy their tax liabilities fully.</p>



Annual Tax Information	The Fund's ability to provide timely tax information with respect to the Fund is dependent on the timely provision of relevant information by relevant third parties. If such third parties do not provide such information in a timely manner, Investors may be required to file extensions with respect to, or otherwise delay the filing of, tax returns in their relevant jurisdictions.
Provision of and Disclosure of Tax Information	Prospective Investors should note that the Fund and/ or the Manager may be required to disclose information regarding any Investor to any tax authority or other governmental agency to enable the Fund (and its subsidiaries if any) and/ or the Manager to comply with any applicable law or regulation or agreement with a governmental authority and may, in addition, disclose such information to any person where the Fund and/ or the Manager consider it necessary in connection with an investment or potential investment. Investors will also be required to provide such information as may be reasonably required by the Fund and/ or the Manager to enable the Fund (and its subsidiaries if any) and/ or the Manager (as applicable) properly and promptly to make such filings or elections as the Fund and/ or the Manager may consider necessary or as required by law or where the Fund and/ or the Manager considers that the provision of such information is necessary in connection with an investment or potential investment. Prospective Investors should note that, in certain circumstances, the Fund and/ or the Manager may be entitled to take steps against an Investor who has failed to provide such information, including, but not limited to, withholding any taxes required to be withheld, ensuring that the Investor bears the cost of any tax arising as a result of the failure to provide the information or requiring such Investor to withdraw. Prospective Investors may be required to take certain steps where the participation of certain Investors in the Fund or any investment(s) could result in material adverse tax consequences for the Fund and/or its Investors.
Health and Safety	It is possible that there may be incidents causing injury to visitors to the Fund's sites, employees and/or contractors. This may result in harm to the visitors, employees and/or contractors, which could lead to criminal/civil proceedings and resultant reputational damage.
Construction	Assets owned by the Fund (including those owned by OAMT) which are to be constructed carry additional risks. The cost of construction may be higher than expected or the construction may take longer than expected. Any delays in or failure of construction or increases in costs may adversely affect the yield of the investment and consequently impact the Fund's or OAMT's operating and financial performance. There is also a risk that the builder may default.

## Development

The development of renewable energy projects carries with it significant risk to which the Fund is exposed. Key risks are as follows:

- 1. Variability of returns:** Commensurate with the risks of development, we target higher base case returns for development projects. Development returns will vary throughout the development phase given the early-stage nature of these investments, and it is possible that investors could lose some, or even all, of their capital invested in these projects.
- 2. At each of the following key development stages there are risks present which may jeopardise the viability of a development project.**
  - a. Secured Land:** Planning and Development Approval conditions may constrain how much of the secured land can actually be used for a project. For example, ecology reports may identify species of significance this can result in increased costs of remediation/redesign and jeopardise a project's viability. Land secured under options have defined time limits under which development activities need to take place. Failing to complete such activities during the option period opens up the risk of the underlying landholder renegotiating the provisions of an extension or the underlying land transaction to which the option relates on terms unfavourable to the project.
  - b. Social License:** An inability to achieve positive standing in a community in which a project is developed may lead to material difficulties in achieving Development Approval.
  - c. Grid Offer:** There is a risk around the receipt of a grid connection offer from the relevant distribution or transmission grid operator. For example, the offer may require onerously expensive testing and scenario modelling, or the offer may come with conditions which may be prohibitively expensive.
  - d. EPC Selection/Site Design:** Construction costs may increase due to the impact of increasing costs of labour, supply chain disruption and foreign exchange movements. The final site design may not meet expectations on energy yield follow natural resource measurements and final equipment selection.

- e. **Operational Contracts:** Risks exist that the operational contracts supporting the site such as (but not an exhaustive list) Operations & Maintenance, Asset Management and Insurance contracts may be difficult to procure at a price or under terms that maintain project viability.
- f. **Revenue Forecasting:** Energy prices are subject to change and there remains a risk that a pricing available from the PPA market may not support the viability of a project. Long term energy forecasts may shift to the point where a project is not longer viable.
- g. **Availability of Project Finance:** Debt facilities may not be able to be secured for a project which could impair financial viability of the asset. These could be due to macro factors such as changes in interest rates and overall liquidity within the project finance market. There may also be project specific items which impact bankability such as provisions of the underlying contracts or design which a bank may not want to finance.

Insurance	Various factors can influence both the cost of maintaining insurance over the direct and indirect assets of the Fund and the extent of cover available. Increased insurance costs, or limits on cover, may have a negative impact on the performance of the Fund, as funds that should otherwise be used to invest in assets may be required to pay the increased insurance costs. Limits on insurance cover may prevent the Fund from recovering the amount invested in an asset should an event insured against occur.
Investment Due Diligence	The Manager and the OAMT Manager intend to conduct due diligence on the investments to be made by the Fund and OAMT (as applicable). When conducting due diligence, the Manager or the OAMT Manager will be required to rely on resources available. There can be no assurance that the due diligence investigations undertaken by the Manager or the OAMT Manager will reveal or highlight all relevant facts that may be necessary or helpful in evaluating a particular investment opportunity and there can be no assurance that such due diligence will result in an investment being successful. To obtain access to due diligence prepared by third parties, the Manager or the OAMT Manager will likely be required to enter into agreements that may limit the rights of the Manager or the OAMT Manager and the Fund or OAMT to bring legal actions against such third-party that relate to reliance on such due

diligence. Therefore, if the due diligence relied upon contains errors or omissions, or is otherwise inadequate, neither the Manager or the OAMT Manager nor the Fund or OAMT will have any recourse against the provider of such due diligence. Any due diligence reports prepared in relation to the assets will be addressed to the Fund or OAMT or, if such reports are not addressed to the Fund or OAMT, it is expected that reliance will be extended to the Fund or to OAMT in respect of such due diligence reports. Any information provided to the Investors by the Manager (or on each entity's behalf, as the case may be), including any due diligence reports, with respect to the acquisition of the assets will be provided on a non-reliance and no liability basis and shall be subject to applicable confidentiality requirements.

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Warranties and Limitations in  
the Underlying SPAs

The Fund will be reliant on warranties and indemnities in the purchase agreements for protection against the seller(s) of assets or other investments. As the negotiation of warranties and indemnities, together with making claims for breach of contract in relation to warranties and claiming under indemnities, can be costly and time consuming, warranty and indemnity insurance policies may be taken out in respect of the acquisition of assets and other investments. As warranty and indemnity insurance is not available in respect of all warranties (such as environmental warranties) and the cost of premium payments may be disproportionately high, whether or not warranty and indemnity insurance is taken out (and by whom) will have to be considered at the time of the acquisition against the level of cover available.

Furthermore, as is customary in share or asset purchases, the purchase agreements are likely to limit the circumstances under which the seller(s) of assets and other investments can be held liable to the Fund for any breach of warranty. As a result, the Fund may have a more limited right of action in certain cases than it would have in the absence of such a limitation.

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Allocation of Expenses

It is proposed that the Fund will pay all fees, costs and expenses properly incurred by the Trustee and Manager in connection with the ongoing operations of the Fund under the terms of the Trust Deed and Investment Management Agreement.

To the extent that the Fund Documents do not specify the manner in which an investment-related expense will be allocated, the Manager will determine the appropriate allocation of that expense. It is expected that certain expenses associated with completed investments will be borne by the investment in which the Fund has invested, which will result in all owners of that investment indirectly bearing that expense. Certain investment-related expenses may be allocated to and

	borne by a holding fund or other entity through which the Fund makes and holds its investment, which may result in the Fund bearing a greater proportion of such expenses than would be the case if they were paid by the investment.
Interest Rates	Changes in official interest rates can directly and indirectly impact (positively or negatively) on investment returns. Future debt facilitates may have fixed or floating interest rates. Generally, an increase in interest rates has a contractionary effect on the state of the economy and thus the valuation of the Fund's assets. To the extent that the interest rate hedging is employed, this risk may be mitigated.
Counterparty Risk	There is a risk that counterparties may default on their contractual obligations to the Fund or its investments. Any such counterparty default would likely have an adverse effect on the value of the Fund's investments and on the returns to the Fund.
Litigation Risks	The Fund will be subject to a variety of litigation risks, particularly if one or more of the investments in which it (or OAMT) invests faces financial or other difficulties during the term of the Fund. Legal disputes, involving any or all of the Fund, the Trustee, the Manager, or their affiliates, may arise from the Fund's activities and investments, and could have a significant adverse effect on the Fund.
Changes in Laws and Regulations and Uncertain Political Environment	Any legislation and its interpretation, and the legal, tax and regulatory regimes which apply in relation to the Fund and/or a Unit may change or may differ from that anticipated by the Manager and their respective affiliates or advisers. Accounting practice may also change which may affect the way the investments are valued and/or the way in which income or capital gains are recognised and/or allocated by the Fund.  Furthermore, a climate of global political uncertainty may reduce the availability of potential investment opportunities for the Fund (and OAMT) and increases the difficulty of modelling market conditions, reducing the accuracy of the financial projections. Such uncertainty may have an adverse effect upon the value of the investments made.
Compliance with Corporations Act and AFSL	Equity Trustees Limited is an AFSL holder and a professional provider of trustee, custodial and nominee services and acts as responsible entity for a number of registered and unregistered managed investment schemes, managed by itself or other managers. Similarly, OIA is an AFSL holder and has appointed the Manager as its authorised representative. This means that there is a risk that, should there be a breach by Equity Trustees Limited or OIA of any of their respective obligations under the Corporations Act or the conditions of their respective AFSLs, this may lead to enforcement action by ASIC, including potentially the suspension of their AFSL. As Equity Trustees Limited is the Trustee of the Fund and the Manager is an authorised representative of OIA, this could cause disruption to

the operation of the Fund and may also cause reputational damage to the Fund.

Force majeure	There is a risk that the Fund's investments may be damaged or destroyed by flood, cyclone, hurricane, earthquake, fire, war, explosion, terrorism, pandemic or some other natural or man-made disaster. Unplanned interruptions and outages outside of the control of the Fund may also adversely affect the return on investments in the Fund. There is no guarantee that insurance will be obtainable for all of these risks or, even if it is obtainable, that it is obtainable at commercially acceptable pricing.
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## 12. Renewable Asset Risks

Risk	Description
Assets	The renewable energy sector is a relatively new and emerging asset class for investments and may be considered riskier than more established asset classes. Many factors will influence the widespread adoption of renewable energy and the demand for renewable energy, including the cost-effectiveness, performance and reliability of renewable energy and the continued application of the Australian Government's Renewable Energy Target scheme and state-based programmes. The electricity and power sectors are highly regulated industries, as is renewable electricity generation.
Products	There can be no guarantees or assurances that an asset or portfolio entity in which the Fund invests (including assets or portfolio entities of OAMT) will generate, or otherwise make available to the Fund or OAMT (as applicable), any renewable energy certificates, environmental attributes, emissions allowances, or other environmental credits associated with the generation of clean, renewable, or low carbon energy. Fund and OAMT investments may not qualify under the rules governing any applicable renewable energy or emissions based regulatory regime within the relevant jurisdiction. The Fund and OAMT cannot guarantee that any environmental products can or will be used for compliance purposes under any clean energy or emissions-based regulatory regime. The value of environmental products, such as renewable energy certificates, is highly dependent upon government regulation, and the markets in which they trade are relatively immature and illiquid. There can be no guarantee that the market price of any environmental products will exceed the cost of producing them or that the generation and sale of any environmental products will make a positive contribution to overall investment returns.

	<p>Any environmental products received by the Fund and OAMT may be sold privately or traded on applicable market exchanges at the prevailing price at the discretion of the Manager and such prices may rise and fall. There can be no guarantee of sufficient liquidity in the various trading markets such that the Fund, its investee entity, or portfolio entities (including investee entities or portfolio entities of OAMT) will be able to sell or otherwise dispose of any environmental products at an advantageous time or at an attractive price.</p>
Key Contractual Arrangements and Counterparty Risk	<p>Companies that own and invest in clean energy projects will often enter into PPAs for electricity offtake. Such PPAs are normally long-term arrangements between a generator and an offtaker to purchase a quantity of electricity for a fixed price, which provide certainty of revenue for the project over the PPA term. In addition, under a PPA an offtaker may also purchase all environmental products created in respect of the electricity purchased from the generator. The payments made by any offtakers under such PPAs may be the primary form of revenue for these projects. To the extent that the Fund, or its investee entity or portfolio entities (including investee entities or portfolio entities of OAMT), rely on any income stream under a PPA, there can be no assurance that an offtaker will fulfil its obligations under a PPA or that an offtaker will not become bankrupt or that, upon any such bankruptcy, such offtakers obligations under a PPA will not be rejected by a bankruptcy trustee. There are additional risks relating to PPAs, including the occurrence of events beyond the control of an offtaker that may excuse it from its obligation to pay for electricity generated by a generator and/or environmental products associated with that electricity. The failure of an offtaker to fulfil its obligations under a PPA or the termination of a PPA may have a material adverse effect on a portfolio an investment or project and, therefore, on the Fund's performance and its ability to generate returns for Investors. An offtaker may be entitled to damages or freed of any obligation under a PPA should construction of the site contracted with offtaker be delayed beyond agreed timing milestones. The Manager, the Fund, OAMT and their affiliates may, in addition to PPAs, enter into other contractual relationships, including, but not limited to, engineering, procurement and construction contracts, operations and maintenance contracts, land agreements, grid connection agreements and agreements for asset management and insurance services. The Manager, the Fund and OAMT will, as a result, be exposed to the risk that the counterparties to such agreements may default on their obligations which may impact the successful operation of the Fund's and OAMT's assets and, consequently, impact on the timing and amounts of returns to the Investors. The Fund may also be required to give certain warranties, guarantees or indemnities under such</p>



	<p>contractual arrangements which could result in the Fund incurring financial liabilities should it breach any of those obligations.</p>
Pricing	<p>Renewable energy investment and economics have had a historical correlation with traditional energy and commodity prices. While not the only driver of renewable energy prices, renewable energy investments may be influenced by general energy market factors such as oil and natural gas prices, coal prices, the success of oil or gas exploration projects, energy policies, conventional energy production costs and energy-related geopolitical issues and technological and other developments generally.</p> <p>Renewable energy projects are long-term assets with long economic lives often exceeding 20 years. While sales contracts and PPAs, underpinning the forward sale of electricity and/or environmental products, often provide for short-term fixing of the price of energy and/ or environmental products, a clean energy project will at some stage likely be required to sell electricity on the spot market, or environmental products at the prevailing market prices and/ or seek new sales contracts with fixed price periods.</p> <p>In making its investment decisions, the Manager will necessarily rely on market forecasts as to the forward price of electricity, environmental products (or equivalent instruments) and any applicable marginal loss factors and/or distribution loss factors which may be applicable to the site. There can be no assurance that such forecasts will be accurate and if the revenues are ultimately lower than projected, investment returns will also be lower.</p>
Operational and Technical Risks	<p>The return on, and the consequent value, of an investment in a renewable energy project may fluctuate in response to general weather and environmental conditions (solar irradiation, wind patterns, etc.) which are, by their very nature, unpredictable and deviations to forecasts are likely to occur over time. Other risks associated with the operation of renewable energy projects are of a technical nature, including the risk of mechanical or electrical breakdown, unscheduled maintenance, spare parts shortages, failure to perform according to design specifications and other unanticipated events which may result in lower energy production and a consequent reduction in operations and project or investment revenues.</p> <p>Operations of a site and thus returns to Investors are also dependent on the availability of the electrical grid to accept full production of the site. Availability may be impacted for reasons which include (but are not limited to): the grid operator curtailing output of a site or all sites in a region in order to relieve any constraints the grid may be experiencing due to</p>

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	<p>over production in that area or unforeseen maintenance on the grid which requires curtailment in order to carry out works.</p> <p>While in certain investments, creditworthy and appropriately bonded and insured third parties may bear some of these risks, there can be no assurance that any or all such risks can be mitigated or that such parties, if present, will perform their obligations or that insurance will be available on commercially reasonable terms. An operating failure may lead to fines, expropriation, termination or the loss of a licence, concession, or contract on which an investment is dependent. In addition, the long-term profitability of the assets is partly dependent upon their efficient operation and maintenance, failure of which could reduce returns to the Investors.</p>
Environmental Risk	<p>There is an inherent risk that energy companies may incur environmental costs and liabilities due to the nature of their businesses and the substances they handle. For example, decommissioning liabilities or uncontrolled leakage of hydraulic fluid or lubricant, could subject the Fund to substantial liabilities for environmental clean-up and restoration costs, claims made by neighbouring landowners and other third parties for personal injury and property damage, and fines or penalties for related violations of environmental laws or regulations. Moreover, the possibility exists that stricter laws, regulations or enforcement policies could significantly increase the compliance costs of energy companies, and the cost of any remediation that may become necessary. Energy companies may not be able to recover these costs from insurance.</p>
Regulatory Risk	<p>The energy sector is highly regulated. Companies operating in the energy sector are subject to significant regulation of nearly every aspect of their operations by national and local governmental agencies. Examples of government regulations which impact companies operating in the energy sector include planning laws, regulation of the maintenance and operation of facilities, environmental regulation, safety regulation, labour regulation, trade regulation and the regulation of the prices charged for products and services (depending on the jurisdiction). Compliance with these regulations is enforced by numerous governmental agencies and authorities through administrative, civil, and criminal penalties. Stricter laws and regulations or stricter enforcement policies with respect to existing regulations will likely increase the costs of regulatory compliance and could have an adverse effect on the financial performance of companies operating in the energy sector. Companies operating in the energy sector may be adversely affected by additional regulatory requirements enacted in response to environmental disasters, which may impose additional costs or limit certain operations by companies operating in various sectors. There can be no guarantee that all</p>

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	<p>costs and risks regarding compliance with environmental laws and regulations can be identified.</p> <p>Environmental laws, regulations and regulatory initiatives can have a substantial impact on Fund investments, both positively (as noted above in respect of governmental support for renewable energy initiatives and the availability of environmental credits) and negatively.</p> <p>The Fund and OAMT will seek to evaluate the expected impact of environmental compliance on all potential investments. The Fund and OAMT may make investments that are subject to changing and increasingly stringent environmental and health and safety laws, regulations, and permit requirements.</p>
Effects of Ongoing Changes in the Electricity Supply Industry	<p>The Fund and OAMT may make certain investments in projects directly related to electricity retailers and, in most cases, such retailers are the ultimate customers for purchasing electricity from renewable energy projects. The operation of renewable energy projects often takes place at sites that are remote from the electrical transmission and distribution system, frequently requiring grid interconnection and reinforcement. The electricity supply industry is experiencing increasing competitive pressures, primarily in wholesale markets, as a result of consumer demands, technological advances, greater availability of natural gas and other factors. There can be no assurance that: (i) existing regulations applicable to electricity retailers will not be revised or reinterpreted, especially those imposing mandates upon them to purchase renewable electricity; (ii) new laws and regulations will not be adopted or become applicable to electricity retailers; (iii) the technology and equipment selected by such utilities to comply with current and future regulatory requirements will not change materially over time; (iv) the required grid interconnection and reinforcement will be undertaken in a timely manner at reasonable cost; or (v) such retailers' business and financial condition will not be materially and adversely affected by such future changes in, or reinterpretation of, laws and regulations (including the possible loss of exemptions from laws and regulations) or any failure to comply with such current and future laws and regulations.</p> <p>Property damage and increased expenses resulting from unusually high rainfall, storms, winds, or other inclement weather could increase the need for maintenance and repair of the Fund's and OAMT's investments. These costs and delays could adversely affect the Fund's financial performance, thereby reducing potential distributions to the Investors and decreasing the Investors' returns on their investment</p>
Renewable energy	<p>Renewable energy power production estimates are based on past measurements of solar, wind and/or other resources. Historical measurements may not be representative of future</p>

	<p>power capacity as it could be affected by environmental conditions, including weather conditions, cloud cover and pollution. Seasonal and annual volatility may also affect returns to the Fund (and, therefore, to the Investors) from renewable energy assets. Systemic faults in renewable energy technology may also negatively impact on returns to the Fund (and, therefore, to the Investors). Similarly, returns from renewable energy assets may be affected by changes in the basis of charging for electricity or the basis on which the Fund's and OAMT's assets are charged for connection to the electricity distribution and/or transmission system in any markets in which the Fund and OAMT operates. Systemic faults in technology employed on the Fund's and OAMT's assets may also negatively impact on returns to the Fund from those assets.</p>
Contracting with network providers	<p>Delays can be experienced in contracting with network providers as these providers require significant testing time to ensure the safety of the grid and depending on the number of connection applications pending in a particular jurisdiction, which could result in additional holding costs.</p>
Technology Risks	<p>The Fund and OAMT will endeavour to invest in projects that use market-leading equipment and technologies at the time an investment is made. However, technological change and technical improvements are occurring at a rapid pace in connection with many renewable energy technologies, with associated risks of obsolescence and redundancy. Fund and OAMT investments can be significantly affected by obsolescence of existing technology that may be only partially mitigated through contractual or other arrangements or not mitigated at all.</p>
Property Damage and Increased Expenses Resulting from Inclement Weather	<p>Unusually high rainfall, storms, winds, or other inclement weather could increase the need for maintenance and repair of the Fund's and OAMT's investments. These costs and delays could adversely affect the Fund's financial performance, thereby reducing potential distributions to the Investors and decreasing the Investors' returns on their investment.</p>
Availability of Skilled Labour	<p>There is a significant shortage of professionals and trades people with the skills needed for the construction of solar and other energy plants, which can result in unexpected additional costs of construction.</p>

## 13. Tax

This section only applies to Investors who have a direct interest in OASIS, and not to persons who may hold any indirect interest in OASIS, including via any feeder vehicle.

### 13.1 Introduction

This section provides an overview of the relevant Australian income tax, capital gains tax ("CGT"), GST and stamp duty implications for Australian and foreign Prospective Investors of the Fund in the acquiring, holding and disposing of an interest in the Fund. The tax comments are based upon the tax law in Australia in force as at the date of this Memorandum.

Australian tax laws are complex. This summary is general in nature and is not intended to be an authoritative or exhaustive statement of all of the potential Australian tax outcomes for a Prospective Investor. The tax laws of Australia or their interpretation may change during the period in which the Unitholders hold interests in the Fund. Prospective Investors should read this Memorandum in its entirety and seek independent professional advice as to the financial, taxation and other implications of investing in the Fund before making a decision to invest, as the precise implications of ownership or disposal will depend upon each Unitholder's specific circumstances.

This summary assumes that unitholders hold their investment in the Fund on capital account, are not considered to be carrying on a business of investing, trading in investments or investing for the purpose of profit making by sale, are not a financial institution or government authority, have not made an election under the Taxation of Financial Arrangements ('TOFA') rules, and are not exempt from tax in Australia or another country. It also assumes that non-resident

unitholders do not hold their investment in the Fund through a permanent establishment in Australia.

Prospective Investors should be aware that the actual Australian tax and stamp duty implications may differ from those summarised, depending upon the individual circumstances of each Prospective Investor and the nature of the underlying investments held by the Fund at a particular time. Prospective Investors should seek their own professional tax advice on the tax implications of holding or disposing of their interests, taking into account their specific circumstances before making the decision to invest in the Fund.

For the purposes of interpreting the following comments, we note that the trustee of the Fund is the legal owner of the Fund property from a legal perspective, and the entity that legally contracts with third parties. References to the Fund in the following comments are to be read as references to the trustee of the Fund.

### 13.2 General

Based upon the expected number of Unitholders, the Fund should not be considered a public unit trust. On the basis that the entities that the Fund is anticipated to control for tax purposes (or have the ability to control, either directly or indirectly) will carry on a "trading business", the Fund is expected to be treated as a trading trust. For income tax purposes, the Fund should therefore be a "flow-through" entity on the basis that it is not expected to satisfy the "public trading trust" ("PTT") requirements. The taxation comments that follow are on this basis.

For completeness, we note that in circumstances where the Fund begins to satisfy the trading trust requirement of a PTT, the Fund would be taxed in the same manner

as an Australian company at the corporate tax rate of 30%. Distributions from the PTT would be treated the same as dividends and may be franked.

### 13.3 Taxable Income of the Fund

The Net Taxable Income of the Fund should predominantly include dividends received from underlying investments, which may be franked. The taxable income of the Fund should be reduced by allowable deductions, including income tax losses carried forward (to the extent relevant).

Where the Net Taxable Income of the Fund for an income year is negative, that tax loss will remain quarantined in the Fund and may be available to shelter future taxable income derived by the Fund, subject to the satisfaction of the trust loss recoupment rules.

Any capital losses realised by the Fund on the disposal of a capital asset can be carried forward and offset against any future capital gains realised. Capital losses are not subject to the trust tax loss provisions.

### 13.4 Distributions

#### Australian-resident unitholders

The net income of the Fund will be subject to tax in the hands of Unitholders on the basis that Unitholders should be presently entitled to all of the trust income and therefore to all of the net (taxable) income of the Fund each income year.

Distributions to unitholders may include ordinary income, capital gains, tax deferred amounts or other non-taxable amounts, including franking credits which can be distributed to unitholders when sourced from franked dividends. Unitholders should be assessed on taxable distributions from the Fund at their marginal tax rate.

If the Fund generates a capital gain, Unitholders should include in their assessable

income their share of the net capital gain and may be entitled to the Capital Gains Tax ('CGT') discount available to them (e.g., 50% CGT discount for individuals and 33.3% discount for complying superannuation funds) in respect of this income where the underlying asset has been held for at least 12 months prior to disposal.

If the cash distribution to a unitholder exceeds a unitholder's share of the Net Taxable Income of the Fund, the excess (generally referred to as a 'tax deferred' distribution) should generally not be assessable to the unitholder. Similarly, a return of capital by the Fund should not be immediately assessable to the unitholder.

However, distributions of tax deferred amounts or returns of capital should generally reduce the Unitholder's CGT cost base of their Units in the Fund. Once the CGT cost base of a Unitholder's Units has been reduced to nil any additional tax deferred amounts or capital distributions should result in a taxable capital gain arising to the Unitholder in respect of that Unit.

If the cash distribution amount to a unitholder of the Fund is less than a unitholder's allocation of the Fund's Net Taxable Income, the unitholder should be taxed on the Net Taxable Income allocated to it without a corresponding increase to the CGT cost base of Units in the Fund.

#### Non-resident unitholders

The Trustee must withhold tax from the Australian sourced income to which non-resident unitholders are presently entitled, and certain payments made to non-resident unitholders. The rates of withholding tax are as follows:

- Franked dividends: Nil
- Unfranked dividends: 30% unless reduced by a double tax agreement.



- Interest: 10%
- Distributions of capital gains arising from the disposal of assets that are taxable Australian property (“**TAP**”) will be subject to 30% withholding tax. An exemption from this withholding tax liability should apply where the capital gains arise in relation to the disposal of non-TAP assets (And the investments are held on capital account). These outcomes would need to be considered on an asset-by-asset basis at the time of the relevant exit.
- Capital gains from the disposal of other assets: Nil, provided the Fund qualifies as a fixed trust.
- Other income with an Australian source: the trustee will be taxed at 30% where the non-resident unitholder is a company, or up to the top marginal rate (i.e., 45%) if the unitholder is not a company.
- Other income with a foreign source: Nil.

### 13.5 Sale or Redemption of Units

A unitholder should hold a tax cost base in the units of the Fund equal to the subscription price paid, plus any related costs.

The tax implications upon disposal of units in the Fund will vary depending on several factors, including whether the unitholder holds the units on revenue or capital account. Ultimately, this will be a question of fact having regard to each unitholder’s subjective intention when subscribing for units in the Fund.

#### **Australian-resident unitholder**

##### **Capital account**

Where units in the Fund are held on capital account by an Australian-resident unitholder, any capital gain arising upon exit should be taxed at the Australian-resident unitholder’s marginal tax rate. Discount CGT treatment may be available to reduce any capital gain

realised by the relevant Australian-resident unitholder if:

- The units had been held for at least 12 months prior to exit; and
- The Australian-resident unitholder is an individual, trust or complying superannuation entity.

Companies are mostly not entitled to discount CGT treatment.

#### **Revenue account**

Where units in the Fund are held on revenue account by an Australian-resident unitholder, any gain arising upon exit should be taxed as ordinary income at the Australian-resident unitholder’s marginal tax rate.

#### **Non-resident unitholder**

##### **Capital account**

Where a non-resident unitholder disposes of their units in the Fund, any capital gain or capital loss arising from the exit will be disregarded unless the Units are considered to be taxable Australian property (“**TAP**”). An asset will be TAP for the purposes of Australian tax law if it is either an interest in Australian real property (e.g., land) or an indirect Australian real property interest.

Given that the Fund will not have a direct interest in Australian real property, disposal of units in the Fund should only be subject to Australian CGT if, broadly:

- more than 50% of the value of the Fund is derived from taxable Australian real property (“**TARP**”), including leasehold interests in real property in Australia, whether directly or indirectly; and
- the non-resident unitholder, together with any associates, directly holds at the time of the disposal, or owned throughout a 12-month period that began no earlier than 24 months before the time of the disposal, 10% or more of the units in the Fund.



Whether the above two tests are satisfied is ultimately a question of fact and will depend upon the relevant facts and circumstances at the time of a non-resident unitholder's exit.

#### **Revenue account**

Any gain arising on exit will prima facie be taxed in the hands of a non-resident unitholder at 30% if a company, or the unitholder's marginal rate if an individual, unless the units in the Fund are not TAP and the gain is not considered to be Australian sourced or reduced under a treaty agreement between Australia and the jurisdiction in which the non-resident unitholder is tax resident.

applying for a private ruling in Queensland on whether it qualifies as a "public unit trust").

### **13.6 GST**

No GST should be payable by a unitholder in respect of the acquisition or disposal of units or in respect of distributions received from the Fund. However, unitholders should consult their own tax advisor regarding their recovery on input tax credits on the associated costs."

### **13.7 Stamp Duty**

Generally, no duty should be payable on the acquisition and holding of Units in the Fund by an Investor, so long as that Investor, alone or on an aggregated basis with its associated or related persons or together with other Investors acting in concert or as part of substantially one arrangement, does not acquire an interest in the Fund which meets or exceeds the percentage acquisition threshold set by each State or Territory. The current acquisition threshold in all States and Territories is 50%, except in Victoria (where the acquisition threshold is 20%, unless the Fund qualifies as a "wholesale unit trust" and noting this will also be the case in New South Wales from 1 February 2024) and Queensland (where any acquisition of Units may attract duty, unless the Fund qualifies as a "public unit trust". The Fund is in the process of



## Appendix 1: Glossary of Terms

**AEMO:** means the Australian Energy Market Operator.

**AFSL:** means Australian financial services licence.

**Combined Fund Special Resolution** means a resolution passed by the unitholders of the Fund and OREO present and voting (other than unitholders disqualified from voting) who between them hold more than 75% of the total number of votes that may be exercised by all of unitholders of the Fund and OREO who are not disqualified from voting on that resolution. Each unitholder shall have the number of votes that is proportionate to its indirect interest held in OAMT.

**Combined Fund Super Majority Resolution** means a resolution passed by the unitholders of the Fund and OREO present and voting (other than unitholders disqualified from voting) who between them hold more than 90% of the total number of votes that may be exercised by all of unitholders of the Fund and OREO who are not disqualified from voting on that resolution. Each unitholder shall have the number of votes that is proportionate to its indirect interest held in OAMT.

**Corporations Act:** means the *Corporations Act 2001* (Cth).

**DPSF:** means the Darlington Point Solar Farm.

**Fund Documents:** means the Trust Deed, the Investment Management Agreement and any Subscription Deed.

**GAV:** means the gross asset value of the Fund.

**Investment Management Agreement:** means the investment management agreement relating to the Fund between the Trustee and the Manager dated 6 July 2022, as amended from time to time.

**Investor:** means a holder of Units.

**Manager:** means Octopus Aust OASIS Manager Pty Ltd (ACN 660 429 087).

**Memorandum:** means this Information Memorandum.

**OA or Octopus Australia:** means the Octopus Australia business, which includes OCA, OIA, OSCAR and their subsidiaries.

**OA IC:** means the Octopus Australia Investment Committee.

**OAMT:** means the Octopus Australia Master Trust constituted by trust deed dated 5 July 2022, as amended from time to time.

**OAMT Manager:** means the investment manager of OAMT, being Octopus Aust MT Manager Pty Ltd (ACN 660 428 731).

**OAMT Trustee:** means the trustee of OAMT, being EQT Responsible Entity Services Limited (ACN 101 103 011).

**OASIS DevTrust:** means the OASIS Development Hold Trust constituted by trust deed dated 9 December 2022, as amended from time to time.

**OCA:** means Octopus Capital Aust Pty Ltd (ACN 627 019 096), the head company of the Octopus Australia business.

**OCL:** means Octopus Capital Limited (company number 03981143), the head company of the Octopus Group.

**Octopus Energy:** means Octopus Energy Group Limited (company number 09718624).

**Octopus Group:** means OCL and its subsidiaries.

**OI:** means Octopus Investments Limited (company number 03942880), the global company.

**OIA:** means Octopus Investments Aust Pty Ltd (ACN 626 662 039, AFSL No: 520121).

**OEG:** means Octopus Energy Generation FM Limited (company number 14995340).

**OREO:** means the Octopus Renewable Energy Opportunities Fund constituted by trust deed dated 5 July 2022 (as amended from time to time), including its wholly-owned subsidiary company, OREO Co Pty Ltd (ACN 660 767 242).

**OASIS** or the **Fund:** means the Octopus Australia Sustainable Investments Fund.

**OSCAR:** means OSCAR Management Aust Pty Ltd (ACN 634 670 232).

**PPA:** means Power Purchase Agreement.

**Prospective Investor:** means a prospective or potential Investor.

**Special Resolution:** means resolution passed by at least 75% of the votes cast by Investors (other than Investors who are in default) entitled to vote on the resolution.

**Subscription Deed:** means any subscription deed to be entered into in connection with an Investor's commitment to the Fund between, among other parties, the relevant Investor, the Trustee and the Manager.

**Super Majority Resolution:** means resolution passed by at least 90% of the votes cast by Investors (other than Investors who are in default) entitled to vote on the resolution.

**Trustee:** means Equity Trustees Limited (ACN 004 031 298) in its capacity as trustee for the Fund.

**Trust Deed:** means the trust deed establishing the Fund dated 5 July 2022, as amended from time to time.

**Unit:** means a unit in the Fund.

## Appendix 2: Octopus Team - Key Biographies

Name	Biography
<b>Sam Reynolds</b> Managing Director	Sam Reynolds joined Octopus in 2012. Sam has overall responsibility for the strategic direction and day-to-day running of Octopus Australia. Previously, Sam was head of the Octopus Energy investment team in London.
<b>Sonia Teitel</b> Co-Head of Investment & Development	Sonia joined Octopus Group in October 2020 as Investment Director spear heading wind and solar investments. Sonia is a renewable energy specialist (utility scale) with over 15 years' experience in the industry bolstered by an investment banking background. She has gained experience through working at leading renewable energy organisations in all aspects of a project's lifecycle from greenfield development, commercial structuring, equity, and debt financing through to construction and asset operations. Sonia's primary expertise is in business development including origination, managing complex bids, contract negotiation and commercial/financial structuring.
<b>Darren Brown</b> Co-Head of Investment & Development	Darren Brown is Co-Head of Investment and Development at Octopus Investments Australia and has over 20yrs experience in infrastructure across the energy industry. Spanning M&A, development, and energy markets. Darren has worked across multiple industries including Oil & Gas, Network Transmission and Renewables and been involved in executing over \$1.5bln worth of renewable transactions. Darren has led the development of the largest operating battery in Australia and more recently transacted on the largest grid connected Solar farm at Darlington Point and the acquisition of Dulacca Wind Farm in QLD.
<b>Jonathan Filbey</b> Chief Financial Officer	Jonathan joined Octopus Group in 2013. Since joining Octopus, Jonathan has worked on c\$1.4 billion of utility scale solar debt and equity financings across tax advantaged retail as well as institutional funds. Prior to Octopus Group, Jonathan worked with Deloitte Corporate Finance Advisory where he qualified as a Chartered Accountant. Jonathan has a BA from Columbia University and an MBA (Distinction) from Oxford University.
<b>Lee Mrnjavac</b> Investment Director	Lee has over 10 years' experience in the energy sector, both here in Australia and across Europe. Most recently Lee was Managing Director at RWE Renewables Australia. Lee brings with him enormous transactional experience across multiple renewable technologies.
<b>Brenton Farr</b> Development Director	Brenton has 20 years of experience in the energy industry focused on project development and project management of

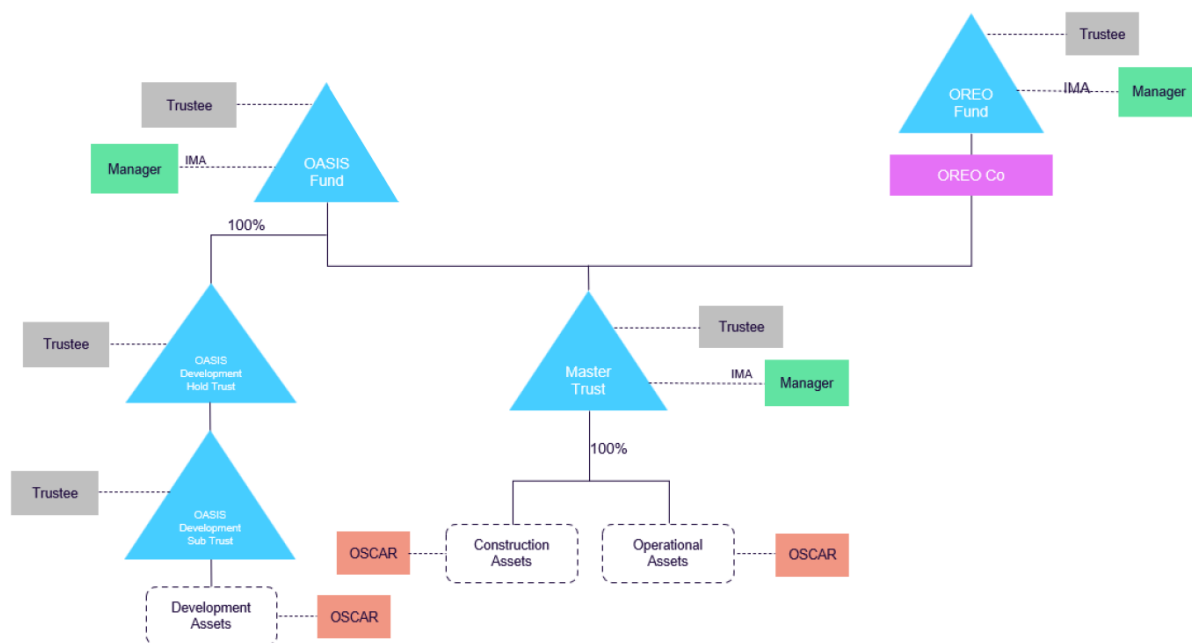
	<p>large-scale renewables and electricity network infrastructure. Brenton is responsible for delivering Octopus Australia's development strategy and driving the portfolio of renewable energy projects forward. Previously Brenton worked in renewable energy development at AGL Energy and prior to this in transmission network development at Transgrid.</p>
<p><b>Iain McClea</b> Director, General Counsel</p>	<p>Iain joined Octopus Group in June 2016 as head of legal of the UK Energy Investments Team. Iain supported the UK team on the management of its \$4.6bn energy portfolio and with new investments. Prior to joining Octopus, Iain worked at Lightsource, a majority owned Octopus Group company, from 2012 where he assisted with the development of over 1GW of solar projects in the UK and Europe. Iain's background is in energy M&amp;A, construction and project finance having worked for law firms in New Zealand and Norton Rose Fulbright in the UK.</p>
<p><b>Brent Collyer</b> Director, Energy Markets Analytics</p>	<p>Brent is responsible for building Octopus Australia's internal analytical capabilities; modelling asset and portfolio operations, developing structured products and analysing risks, forecasting market outcomes and producing price forecasts.</p> <p>Prior to joining Octopus Australia Brent spent 25 years working across analytical and energy market functions. During this time Brent has held senior roles at Origin energy - working in trading, markets, risk, portfolio, and investments teams. The Australian Energy Market Commission (AEMC) - developing internal analytical and forecasting capabilities. Brent has also held roles at Accenture, Alinta Energy, Pickles, IVE Group and Kessler Financials.</p>
<p><b>Eric Caesar</b> General Manager, Assets</p>	<p>Eric joined Octopus Australia in 2021. Prior to this Eric was the General Manager of Operations for Acciona for 10 years, controlling several large renewable generation assets across Australia. Experience in both wind and solar assets across all stages of the asset cycle from development to operations. Prior to Acciona, Eric ran his own business in renewables covering installation of commercial Solar and Energy Market trading. He has a total experience of 38 years in Asset and Engineering Management across various global companies and fields. Eric holds an MBA from Deakin University and a Bachelor of Applied Science from Monash University.</p>
<p><b>Timothy Kok</b> Head of Funds and Partnerships</p>	<p>Tim joined Octopus in October 2021 and is responsible for managing Octopus Australia's institutional funds. Prior to joining Octopus Australia, Tim worked at National Australia Bank in the Capital Markets team, working with domestic and global fund managers to structure and raise capital for ASX-listed and unlisted funds. Prior to this, Tim worked at Quentin Ayers, a</p>

	<p>specialist asset consulting advising Australian superannuation funds on their private market portfolios, including infrastructure, private equity, and private debt. Prior to this, Tim worked at Australian Super as part of the infrastructure investment team and began his career at the Commonwealth Department of Finance.</p>
<p><b>Sophie Gibbons</b> Head of Distribution, Product &amp; Marketing</p>	<p>Sophie joined Octopus Australia in 2019 and is responsible for product development, distribution and overseeing day to day delivery of Octopus managed investments. Before joining Octopus, Sophie worked in distribution roles at Challenger / Fidante and K2 Asset Management. Prior to this, Sophie worked for Zenith Investment Partners as a Senior Investment Analyst, responsible for researching income centric asset classes. Sophie is a CFA charter holder and holds a Bachelor of Commerce from Monash University.</p>
<p><b>Investment Committee</b></p>	
<p><b>Chris Hulatt</b> Co-Founder &amp; Group Head of Strategy, OI</p>	<p>Chris is responsible for Octopus Group's expansion into new areas. He is also on the investment committee of several Octopus Group funds. Before founding Octopus Group in 2000, Chris led one of the global equity research teams at Mercury Asset Management. He has a first-class MA in Natural Sciences from Cambridge University and is a Chartered Financial Analyst.</p>
<p><b>David Hastings</b> Managing Director, OEG</p>	<p>David joined the Octopus Group in September 2018 as Asset Management Director in the Renewable Energy team. David leads the wind and solar asset management team and supports the evaluation and introduction of new projects. David has worked in the renewable energy industry for over 20 years, including 7 years with Pacific Hydro. During his time at Pacific Hydro, David was responsible for building out the wind energy team and delivered the first commercial wind farm in Australia and followed that up with maintaining a market leading position for delivering Australian wind projects before relocating to the USA on behalf of Pacific Hydro following their acquisition by IFM. An engineer by training, David has a proven track record in the entire project life cycle, from securing development stage opportunities, negotiating EPC and supply agreements, overseeing construction and operations management. David has successfully delivered numerous wind, hydro, solar and biomass projects in Australia, North &amp; South America, Europe, sub-Saharan Africa, and Asia.</p>
<p><b>Jonathan Digges</b> Chief Investment Officer, OI</p>	<p>As Chief Investment Officer of Octopus Investments, Jonathan coordinates the Octopus Group investment businesses that make up the fund management activities. Most of his time is spent with the leaders of these businesses discussing their</p>



<p><b>Michael Johnston</b> Independent IC Member</p>	<p>strategies, budgets, and priorities. He joined Octopus in 2015 as a Portfolio Manager.</p> <p>Prior to Octopus, Jonathan ran a team at Lloyds that looked after the bank's non-core equity portfolio and was the third employee at Mecom Group plc, a consolidating newspaper business after 8 years in investment banking. Jonathan is a qualified Chartered Accountant and has an MA (Hons) from the University of Oxford.</p> <p>Until recently, Michael was the Chief Risk Officer at the Clean Energy Finance Corporation ('CEFC'). Michael was responsible for all risks that the organisation encountered including credit risk, enterprise risk, compliance risk and portfolio risk. Michael was part of the CEFC's executive team, a member of the Executive Investment Committee and a member of the Executive Risk Committee. Investments made by the CEFC under Michael's remit were diverse and included senior and subordinated debt positions, equity investments (including venture capital and development companies) and cornerstone investments in funds under management.</p> <p>Prior to the CEFC, Michael worked for organisations including HBoS, Credit Agricole, UBS and Societe Generale and specialised in Leveraged and Acquisition Finance. His expertise includes all facets of deal origination, structuring, risk analysis and mitigation, documentation, and portfolio management.</p> <p>He holds a Bachelor of Economics from Macquarie University, a Graduate Diploma from the Securities Institute of Australia and is a graduate member of the Australian Institute of Company Directors.</p>
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## Appendix 3: Structure Chart



The above diagram represents the structure of the fund, including the OREO wholesale fund, with additional detail listed below.

Structure	
<b>OASIS Trust</b>	Octopus Australia Sustainable Investments Fund
<b>OASIS Development Hold Trust</b>	OASIS Development Hold Trust
<b>OASIS Development Sub Trust</b>	OASIS Development Sub Trust
<b>Master Trust</b>	Octopus Australia Master Trust
<b>OREO Trust</b>	Octopus Renewable Energy Opportunities Fund
<b>OREO Co</b>	OREO Co Pty Ltd
Parties	
<b>OASIS Manager</b>	Octopus Aust OASIS Manager Pty Ltd
<b>OAMT' Manager</b>	Octopus Aust MT Manager Pty Ltd
<b>OREO Manager</b>	Octopus Aust OREO Manager Pty Ltd
<b>OASIS Trustee</b>	Equity Trustees Limited
<b>OASIS Development Hold Trustee</b>	EQT Australia Pty Ltd
<b>OASIS Development Sub Trustee</b>	OASIS Development Nominee Pty Ltd
<b>OREO Trustee</b>	Equity Trustees Limited
<b>OAMT Trustee</b>	EQT Responsible Entity Services Limited
<b>OSCAR</b>	OSCAR Management Aust Pty Ltd

## Appendix 4: Selling Restrictions

### JAPAN

Units in the Fund have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the '**FIEA**'). Accordingly, Units may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident of Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws and regulations of Japan.

In connection with the primary offering of Units in the Fund, registration pursuant to Article 4, Paragraph 1 of the FIEA has not been made as the solicitation for the offering is "tekikaku kikan-toshika muke kanyu" as set out in Article 23-13, Paragraph 1 of the FIEA, and Units may only be offered, sold, resold or otherwise transferred, directly or indirectly to, or for the benefit of, a Qualified Institutional Investor ('**QII**') as defined in Article 10 of the Cabinet Ordinance Concerning Definitions under Article 2 of the FIEA (Ordinance No. 14 of 1993, as amended). A person who purchased or otherwise obtained Units as a QII may not resell or otherwise transfer those Units to any person except to another QII.