



impact Ag
Australia

ACCELERATING AGRICULTURE

Investing in natural capital: Farming's other balance sheet

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ACKNOWLEDGMENT OF COUNTRY

We acknowledge the Traditional Custodians of the land on which we work and operate across Australia.
We pay our respects to Elders past and present and extend that respect to all First Nations peoples.



We're “corporate ag” – done differently



We manage farms by managing what drives them: soil, water, and ecosystems.

→ Productivity and profit follow.

We're built in the paddock, not the boardroom.

We integrate place-based natural capital solutions.

→ But we're farm first.

We champion agriculture fit for the future.

→ Practical, scalable, and grounded in Australia's unique farming landscapes.

Because when nature thrives, agriculture thrives.



Impact Ag Australia – at a glance



Australian-grown agricultural investment and asset manager and advisory firm.

- + Operating partner across 33,000 hectares.
- + \$400 million capital deployed into nature positive farming.
- + \$500 million natural capital advisory portfolio.



Experienced across diverse production systems + landscapes



17 properties – from Bundaberg to Cootamundra



Livestock + mixed farming

Beef, lamb, wool



Broadacre + irrigated cropping

Annual and fodder crops



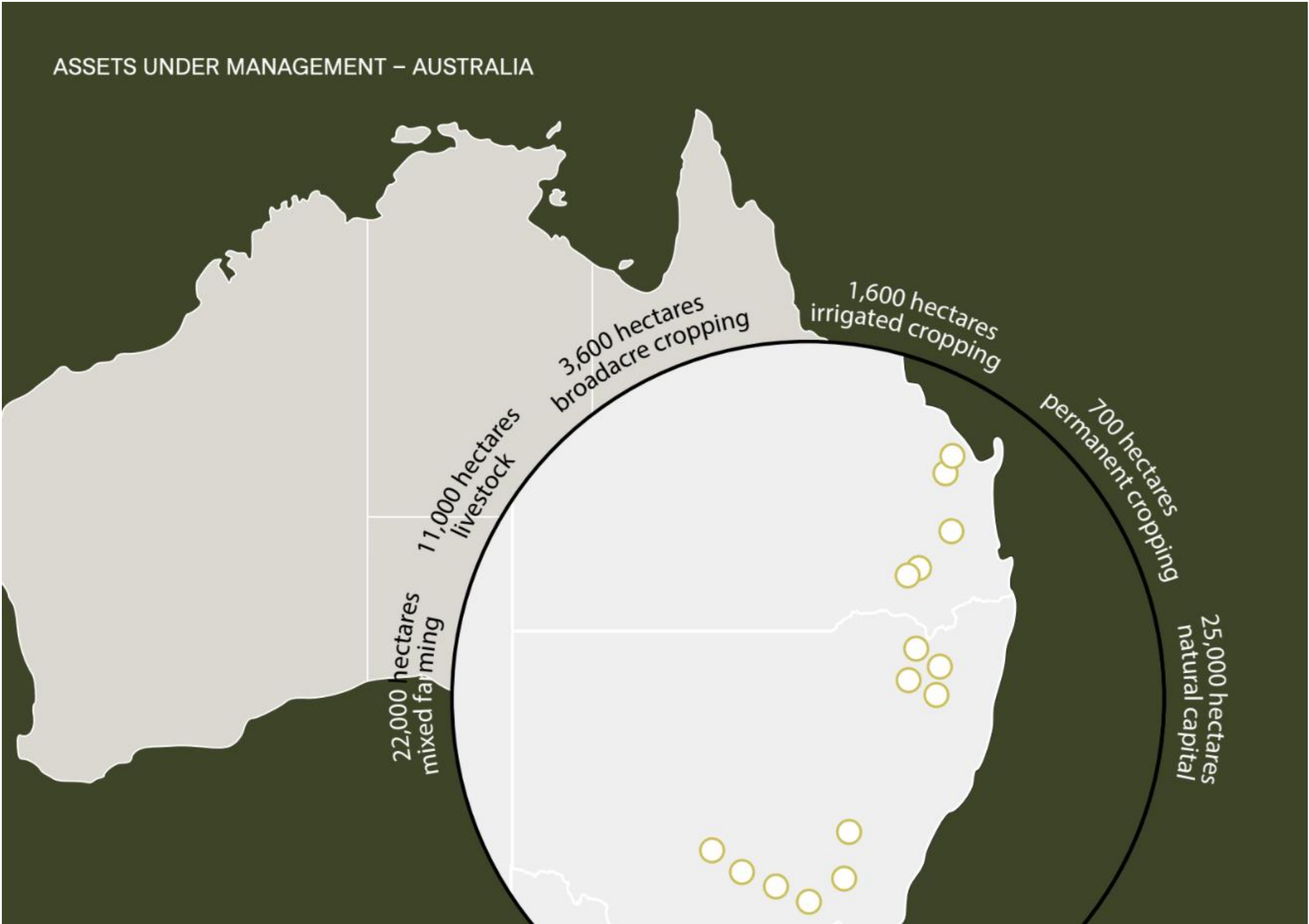
Tree crops

Macadamias and pecans



Natural capital

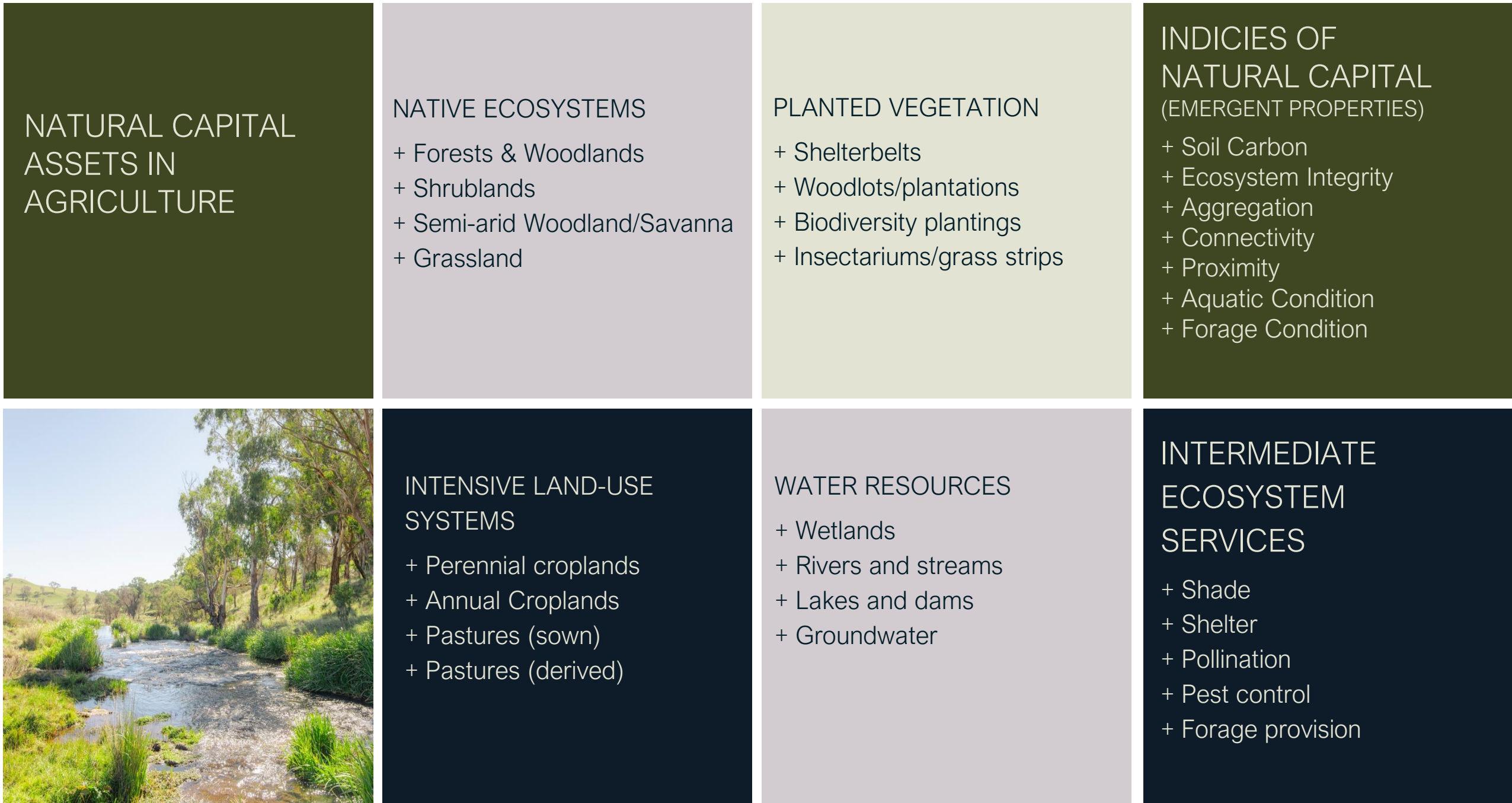
Soil carbon, biodiversity, environmental plantings, biofuels



Natural capital drives agriculture



Definition: The ecological foundation of farming: soil, water, biodiversity, and the services they provide.



Every property has natural capital - and it delivers both ecological and economic value.

Source: Farming for the Future, Natural Capital Methods Paper, 2024



Natural capital drives agriculture



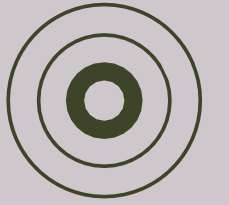
Why it matters for agriculture:

- + Soil fertility
- + Water purification
- + Pest and disease control
- + Nutrient cycling
- + Climate regulation...

The business case: Loss of ecosystem services costs farmers → must replace what nature once provided for free.



Traditional farm balance sheet only tells half the story



BALANCE SHEET #1: VALUING PRODUCTION

Assets: Land, cash, livestock, machinery, land

Liabilities: Loans, debt, operating costs

Equity: Net worth

What it misses:

- + Ecological assets largely invisible.
- + Risk from degraded natural systems not reflected.
- + Long-term resilience and value growth from natural capital investments not fully captured.
- + Short-term productivity focus can mask long-term capacity decline.

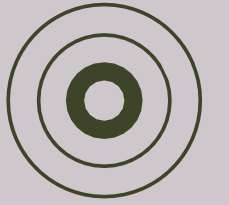


The emerging question:

How do we account for value created by investing in soils, water, and biodiversity to boost resilience, productivity, and long-term profit?



We need a second balance sheet



VALUING NATURE

- + **Assets:** Soil health, water, biodiversity, vegetation
- + **Liabilities:** Declining fertility, emissions, pollinator loss
- + **Equity:** Resilient, productive landscapes

Why it matters:

- + Historically invisible on the books.
- + Science-backed metrics and accounting frameworks now make it measurable.
- + Soil, water, biodiversity, and management choices interact to create long-term profit and resilience.
- + Shifts focus from “output today” to “capacity tomorrow.”
- + Reveals value of natural systems working in the background to support productivity and profitability.



Two balance sheets = a full picture of farm value



Together, financial and natural capital balance sheets reveal the farm's true value – both what it produces today, and what it can sustain tomorrow..

Why this matters:

- + Identifies where natural systems support or limit productivity.
- + Enables better investment decisions – what to protect, where to improve.
- + Quantifies risk and resilience – for farmers, financiers, and investors.
- + Unlocks new value opportunities – from input efficiency to ecosystem markets, supporting smarter management and long-term profitability.



IAA's 'two balance sheets' in action



Find opportunities to create value



Regen grazing + soil carbon
Productive country | 2 revenue streams



Biodiversity
Existing timber | revenue from native habitat



Environmental planting
Lighter country | revenue from native plantings



Four value streams – but farm first
Not locking up country
→ 4 income streams from 1 grazing enterprise.



Soil Carbon Project
85,000 ACCU's in Forward Abatement Estimate (FAE)

Colour	Layer	Area (ha)
Green	CEA1	1,176
Orange	CEA2	627
Brown	Emissions Accounting Area	83
Yellow	Exclusion Area	74

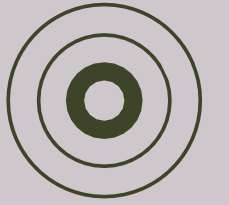
Environmental Plantings Project
48,000 ACCU's in Forward Abatement Estimate (FAE)
CEA's to be determined prior to 1st crediting

Colour	Layer	Area (ha)
Blue	Project Area	205

*Surrounding areas with potential for Biodiversity Offsets
and Renewable Energy developments.



Natural capital creates value, not restricts it



Australia's natural capital landscape presents a practical and profitable opportunity:

Farmer-led: Producers can drive practice change on their own land.

Operationally viable: Range of practices to fit existing farming systems and landscapes.

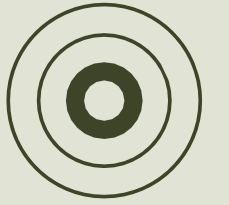
Financially rewarding: New revenue streams such as carbon and biodiversity credits that supplement traditional farm income.

Policy support: Stable regulations and incentives provide the certainty needed to invest in long-term improvements.

This isn't about locking up land – it's about unlocking productivity, new income streams, and future farm resilience.



Two balance sheets. One farm. Multiple value streams



By co-designing farms with natural capital, managers can unlock more than just production:

+ Food, fibre, carbon credits, biodiversity certificates, biofuels, renewable energy, and market premiums.

Key is design: place-based, integrated solutions that work with the farm system.

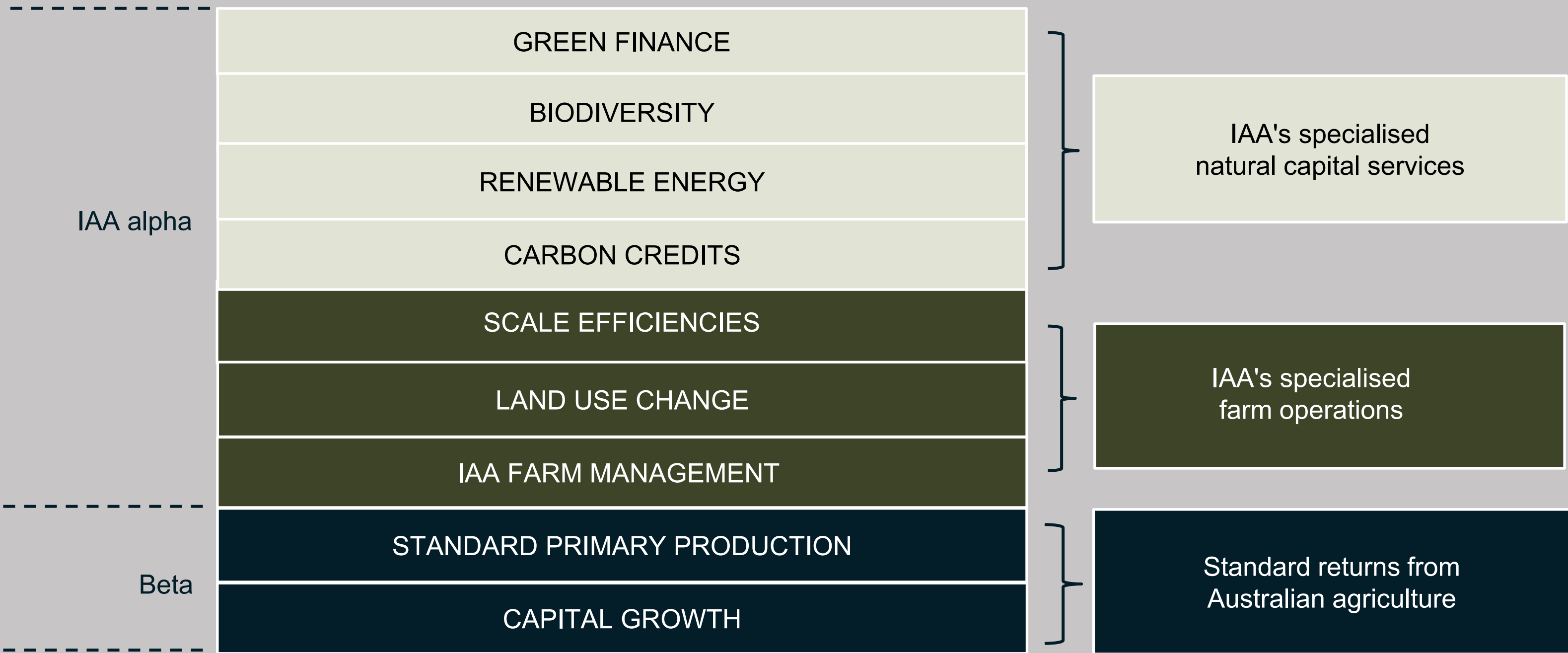
Ecological investments compound rather than compete with production goals.

Managers capture both immediate gains and long-term profit by stacking returns.

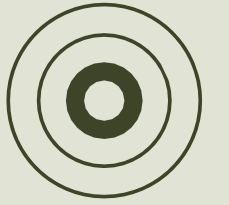


Our Unique Approach To Stacking Returns

Strong, sustainable returns. Risk diversification. Enhanced capital value growth



Farms of the future: dual accountability in action



Profit and ecological performance – together.

- + Natural capital is no longer “nice-to-have”; it’s a strategic asset.
- + Climate volatility, market shocks, and rising expectations from policy, finance, and supply chains converge → creating risk and opportunity.
- + Dual accountability across two balance sheets gives managers a framework to make risk visible and manageable → delivering resilient landscapes, stable profit, and diversified future value streams.
- + Managing both turns systemic risk into strategic advantage.





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Thank you

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