

ESG DEVELOPMENT FUND

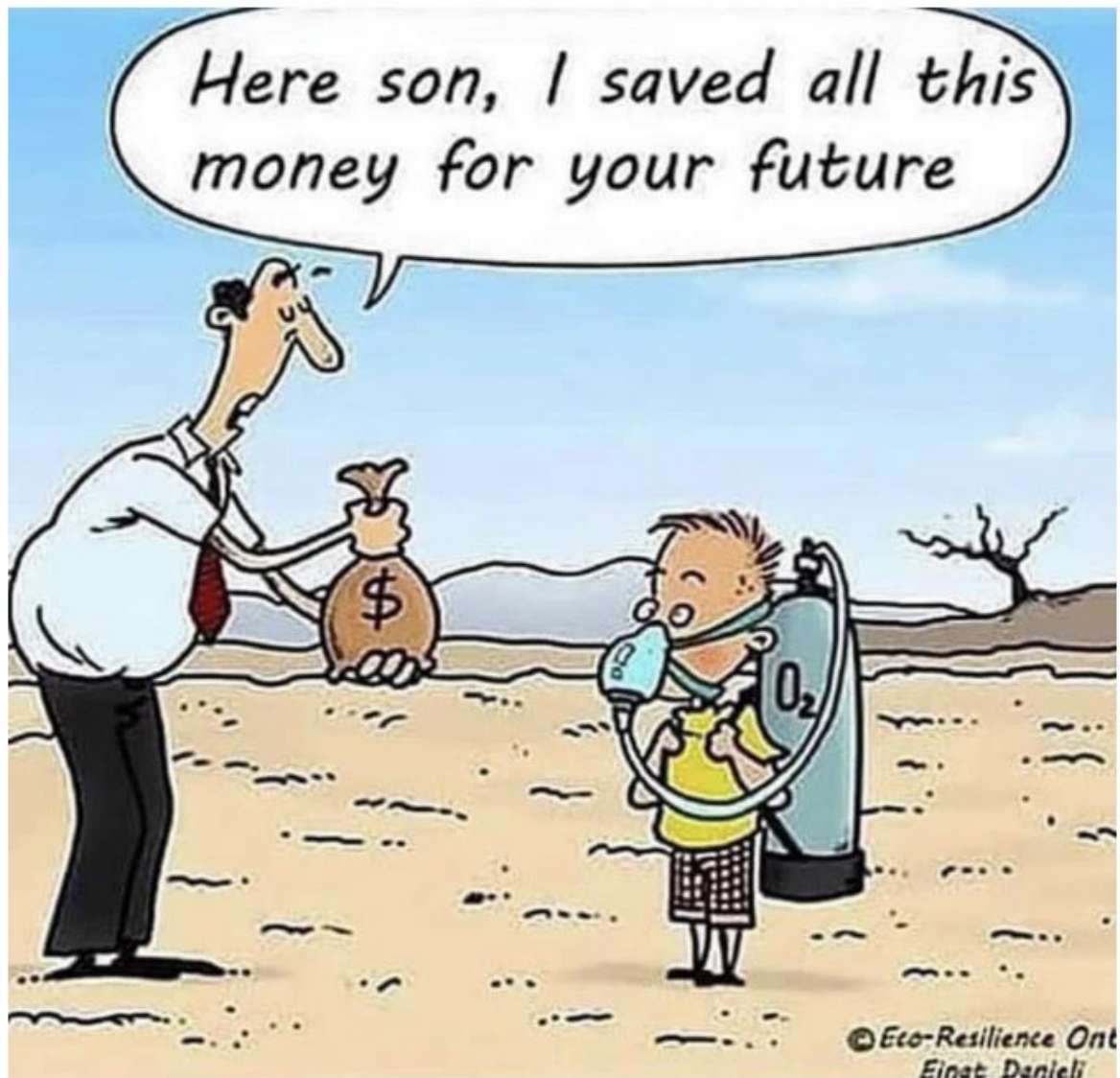


Figure 1 Eco-Resilience Ontario Einat Danieli

THE QUESTION OF HOW WE ACHIEVE ECONOMY AND ECOLOGY.

ECOLOGY ECONOMICS:

Change is initiated when choosing a different set of activities to deliver a unique mix of value.

What we owe the future: A million year view.

(Mackaskill, reprinted 2022)

When we think of the circle of life it is always a closed loop from birth to repossession by the Earth.

The goal of the ESG Development Fund is to emulate the life cycle created by the universe to make all transactions benefit the ecosystem of planet earth to sustain all life.

The objective of the ESG Development Fund is to create multiple circles of income streams for multiple participants to encourage initial and ongoing investment.

- Industrial/Commercial developments that generate all their electricity requirements at source, utilise the natural environment to minimise radiant heat transfer and improve mental health of the workforce at those facilities. Thereby producing an ESG measurable for companies to achieve their targets.
- Land regeneration projects that incorporate ACCU's, eco-tourism, Indigenous knowledge use and education opportunities.
- Ownership of Australian companies whose inventions in construction improvements, recycling, battery technology, charging stations, and the like, that are used in the fund's construction projects.
- Social housing projects that are not only rent/buy opportunities but are also aimed at supporting the participants in gaining the education they require to fulfill their aspirations.
- Venture capital to support the next generations of Australian businesses in recycling, renewable energy generation and storage, biodegradable packaging, and anything else that has long term sustainable benefits. Organisations like the CSIRO and universities would be good places to start as that will also help funding those institutions.
- Create online content that shows the progress of the fund, educates people on recycling, reusing, repurposing, how to do a budget, how to research investments, and other compelling life skills that are not well taught in mainstream education.
- Government grants that become units in the fund, that are held into perpetuity, delivering returns in distributions, tax credits, carbon reduction, increased social housing, better indigenous outcomes, increased tax revenue, future facing employment opportunities, improved biodiversity conservation, political promises, reductions in welfare, improvements in productivity, social and economic equity,
- The sensible use of equity, debt, and accounting to produce returns that generate tax minimisation/credit creation opportunities to enhance the overall performance.
- The opportunity for the better off to pay a slightly higher management fee, 0.01%, that allows the fund to offer investment opportunity to those that could only raise \$100.00. These accounts would be required to be in the DRP until reaching the \$1000.00 minimum investment amount, at which time they would start paying the management fee.

INDUSTRIAL/COMMERCIAL COMPLEXES:

The starting point for these developments is to design them around keeping a swathe of bushland that not only shades the area, but it also gives a view and a place to rest during breaks that recharges people. Thereby improving mental health and subsequently, productivity.

The incorporation of small scale pumped hydro, solar and zinc/bromine battery storage will generate the electricity at source, which becomes another income stream of the facility over just rent.

Vehicle charging stations could be placed at the street frontage of the facilities to allow the public to pay for charging their electric vehicles. Charging stations for electric forklifts would be incorporated into warehousing developments. Along with charging stations in the carpark for tenants' vehicles.



Figure 2 Render by William Bell commissioned by Richard Jones

Underground water storage would be utilised to create the small scale pumped hydro set up along with water tanks to provide for toilet flushing. Solar panels on the rooftops and the zinc-bromine battery, that does not have degradable charge, will supplement the pumped hydro system. Possibly creating electricity that could also be sold to the grid creating another income stream.

The use of multiple renewable generation applications means that electricity can be provided under all conditions. The underground water storage may also lead to advances in electricity delivery by cooling the cabling so that it diverts more energy to batteries rather than heat, thereby improving efficiency.

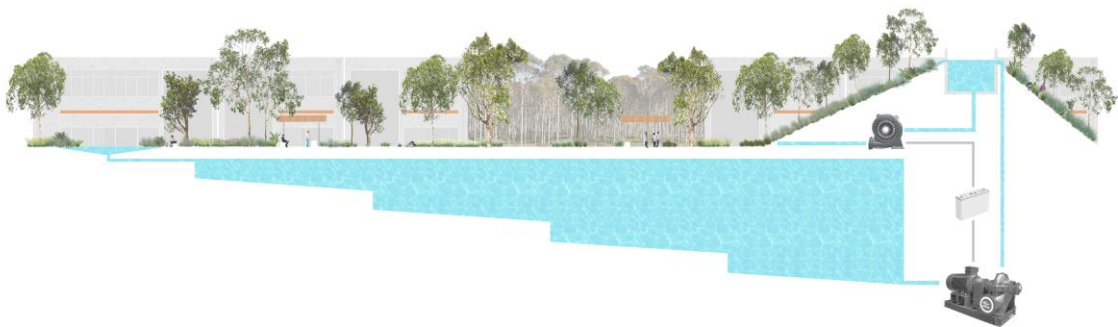


Figure 3 Render 2 by William Bell commissioned by Richard Jones

ESG auditing will provide the measurables not only for the fund but also for the tenants of the complexes. The construction phase would be the first part to be audited with the use of sustainable building products and supply chains. This may also be a source of income for the fund via the tenants' requirements to report to their shareholders.

LAND REGENERATION PROGRAM:

Purchasing properties that are capable of being regenerated to increase the stocks of conservation land. These in turn will have multiple streams of income producing opportunities.

- Australian Carbon Credit Units (ACCU's) from the planting of new flora and possibly for not clearing parts of the landscape. Working with Greening Australia.
- Eco huts located on the property for ornithologists, botanists, and any nature loving holiday makers to book a stay and enjoy the biodiversity of the ecosystem created.
- Working with the Indigenous community of the area to create employment opportunities through land management and educational experiences for those keen to experience Aboriginal culture.
- Potential to build greenhouses utilising Australian glass technology that generates electricity, that could then be utilised to grow native species for planting and sale.
- School camps to learn about nature and Indigenous heritage.
- Should the property incorporate a running river or dams at different elevations, small scale pumped hydro could be utilised to generate electricity at source and be sold to the grid.
- Other ideas that I have not thought of yet.

OWNERSHIP OF AUSTRALIAN LISTED COMPANIES:

Purchasing shares of companies that are working in the sustainable building materials, battery storage, waste repurposing, recycling, biodegradable packaging, and electricity delivery spaces. They can be listed on the ASX or on an overseas bourse.

- ClearVue Technologies ASX: CPV Integrated Glass Units (IGU) that generate electricity, used in windows, building facades, advertising signage and green houses.
- Redflow batteries ASX: RFX zinc bromine batteries that are 100% recyclable at end of life
- Tritium NASDAQ: DCFC Electric Vehicle (EV) charging stations
- List to grow as more companies are discovered.

SOCIAL HOUSING PROGRAM:

The S, in ESG can most easily be actioned by assisting people to change the circumstances of their lives with security, empathy, education, support and prospective employment opportunities.

The social housing program is more than just providing shelter for people. It's about giving people hope that life can indeed change for the better and that they too will one day be in a position to help others.

Providing a home is only the first step to delivering a life changing experience. Finding people that are determined to improve their circumstances is key to the successful outcome from this program. Determining the right type of education and assistance will give each housing unit the skills required to achieve their dreams. Finding out what they want to do in a career and helping them achieve it.

Once the candidates are chosen and their pathway to a desirable outcome is in progress, they will be given the opportunity to rent/buy their social house. Thus, creating a circle of finance for the program to become mainly self-funding, with only a minimal contribution from the ESG Development Fund ongoing.

The various state governments have some social housing stock that is currently uninhabited and could be purchased for this program. It would then be renovated into energy efficient comfortable dwellings ready for occupation. This would provide a foundation to the building of new dwellings to fulfill the needs of the country.

The government grant proposal will be discussed later in this presentation, though the concept is that granted money will buy units in the fund and then the fund will purchase social housing stock from the government creating the initial circle.

VENTURE CAPITAL INVESTMENT PROGRAM:

With innovation we will deliver value. Some of the best ideas in the world are born in Australia and we will aim to pick the ones that improve batteries, recycling, materials and packaging, scientific research for emissions reduction and others I have not yet thought of.

It will be around 10% of investment and potentially lead to IPO's that will see the fund have stakes in these new companies that sit in the ownership part of the fund.

The fund will look to work with universities, CSIRO, and entrepreneurs that are discovering in the areas of sustainability that our planet requires to survive.

Potential for these organisations to be found when some of the commercial developments we build are innovation hubs that generate all their own electricity and are sustainably built attracting likeminded entities. ESG will be the glue that starts to bind these businesses together for a better future.

CREATION OF ONLINE CONTENT:

This is an area that not many, if any, funds have sort to monetise. The ESG Development Fund would not likely have an Index to track and would need to provide monthly updates on its progress for unitholders.

It would become a way in which other education opportunities could be integrated. When regeneration land is undergoing its transformation the documentation of ecosystem recovery would be of interest to investors. It could also provide Indigenous learnings of Country. Recycling education, basic financial education like budgeting, how to read a statement, learning about investing and how to evaluate different assets, life skills, interview techniques, how to write a job application, maybe get some celebrities on to share their life hacks or do interviews around their sustainable efforts.

The list could be long and varied. These are just a few ideas that will be added to as the concept evolves.

GOVERNMENT GRANTS THAT BECOME FUND UNITS:

Grants held in perpetuity of the fund that become units owned by the government departments that approved the funding. Should the fund ever be wound up the government would receive its share back.

First circle of return would be the distributions paid. Second circle would be the tax credits kept. Third circle could be the purchasing of government held social housing stock that requires repair or development. Fourth circle would be political capital of delivering on promises. Fifth circle could be getting people off of welfare through support and training which leads into the sixth circle of additional taxpayers. Seventh circle is government promises now being funded by retail, wholesale, and institutional investors.

There will, very well be more circles of return that I have not yet considered.

MINIMUM INVESTMENT ASSISTANCE PROGRAM:

The minimum investment program is to give the opportunity for all people to raise \$100.00 and invest in the fund. Giving as many people as possible the ability to be contributing to the improvement of our relationship with nature. More well off investors would be given the option to pay an additional 0.01% in management fee to offset the cost of administration.

The \$100.00 minimum accounts would be required to be automatically in the DRP to reduce costs and achieve what would be a minimum \$1000.00 amount that attracts the base management fee and the option to receive distributions into your nominated account.

Bibliography

Mackaskill, W. (reprinted 2022). *What we owe the future: A million-year view*. London: Oneworld Publications. Retrieved June 5th , 2023

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