



ASX ANNOUNCEMENT

23 September 2019

Pacific Current invests in Proterra Investment Partners

Pacific Current Group Limited (**ASX:PAC**) (**Pacific Current, PAC**), a global multi-boutique asset management firm, is pleased to announce it has purchased a minority stake in Proterra Investment Partners (**Proterra**), a private equity firm specializing in natural resources investing.

Proterra Investment Partners is a Minneapolis based alternative investment manager offering private equity investment strategies focused on agriculture, food, and metals and mining. It also manages agricultural oriented private credit strategies. Historically, the firm has focused its investment strategies in various emerging markets, though it now offers US centric funds as well. Currently, Proterra manages over US\$3 billion across its platform.

Proterra launched as a standalone investment advisor and private equity fund manager in 2016 after completing a spin out from Black River Asset Management, a wholly-owned investment management subsidiary of Cargill, Inc. Proterra continues to manage the legacy Black River private equity funds in addition to the Proterra-branded private equity and private debt funds it has launched.

PAC is making an initial investment of US\$20.5 million. The agreement also includes “earn out” provisions that could result in Proterra receiving additional consideration of up to US\$9.5 million. In exchange for its investment, PAC will receive 8% of management fees and, upon receiving the UK Financial Conduct Authority’s approval, 16% of the value attributable to the firm’s management fees. On a run-rate basis, Pacific Current expects Proterra would have contributed approximately 12.5% of additional earnings to PAC’s FY2019 underlying net profit before tax.

PAC Managing Director & CEO and CIO, Paul Greenwood stated that, “We were attracted to Proterra because of the quality of its investment team, its entrepreneurial culture, diversified business, and its commitment to ESG principles within its investment processes.” He added, “We talk a lot about investing in growing market segments and Proterra is a great example of this.”

Proterra co-founder, Rich Gammill, noted that, “We are thrilled to be partnering with PAC. Since completing our spin out from Cargill, we have established Proterra as a leading natural resources focused private equity firm. PAC’s investment provides Proterra with balance sheet capital to continue to develop our strong investment management platform. We also believe PAC can provide important contributions as a new strategic partner for the firm.”

Colchester Partners, LLC served as the exclusive investment banking advisor to Proterra on this transaction.



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ABOUT PACIFIC CURRENT GROUP

Pacific Current Group Limited is a multi-boutique asset management firm dedicated to providing exceptional value to shareholders, investors and partners. We apply our strategic resources, including capital, institutional distribution capabilities and operational expertise to help our partners excel. Including Proterra, Pacific Current Group has investments in 16 boutique asset managers globally.

ABOUT PROTERRA INVESTMENT PARTNERS

Proterra Investment Partners is an alternative investment manager focused on private equity investments in the natural resource sectors of agriculture, food, and metals and mining. Proterra has offices in Minneapolis, London, Mumbai, Sao Paulo, Singapore, Shanghai, and Sydney.