



QUINTIS LTD

**AUSTRALIA'S NORTHERN TERRITORY
INVESTMENT OPPORTUNITY**



www.investNT.com.au



Location: Northern Territory, Australia

Project proponent: Quintis Ltd

Sector: Agribusiness

Investment type: Direct (Plantation Investment) / Equity

Estimated total project cost: Approximately A\$100 000 per hectare to establish new plantations and acquire the freehold land. Ongoing maintenance costs of around A\$5000 per hectare per annum. Investments typically range in size from 150 to 500 hectares

Investment amount sought: Variable

Project status: Investor ready



Project description:

Sandalwood is one of the world's oldest traded commodities, revered around the globe for its unique set of natural properties. Sandalwood is traded in two main forms – wood and oil. Wood is highly sought after for its use in religious and cultural activities as well as for manufacturing a range of high value consumer products. Sandalwood oil is used extensively in fragrance and cosmetic products around the world. In addition, sandalwood oil has proven pharmaceutical and dermatological applications. Indian Sandalwood, the most valuable of the sandalwood species, is one of the world's most valuable tropical hardwoods with wood selling for upwards of US\$150 000 per tonne whilst pharmaceutical grade sandalwood oil sells for up to US\$4500 per kg.

Quintis Ltd is the world's largest owner/manager of sustainable Indian sandalwood plantations. Quintis Ltd is a vertically integrated production and export business expanding its operations in the Northern Territory. These plans include plantation expansion of circa 15 000 ha over the next 10 years, a new oil distillation facility and associated Tourism Facility in the Katherine Region, as well as a retail outlet in Darwin.

Quintis Ltd currently employs 50 full-time and 200 casual staff in the Northern Territory and holds extensive land interests to support its plantations. Quintis Ltd requires suitable land for future Indian Sandalwood plantations that is supported with significant water extraction entitlements for irrigation.

Plantation establishment includes the provision of sandalwood seedlings, host tree seedlings, water, water pump station, drip irrigation system, land levelling and planting. Ongoing management by Quintis Ltd includes the provision of all services required to nurture the sandalwood, including people, pruning, irrigation and weed control.

Upfront capital depends on size of plantation.

- Example 1 – a 150 hectare plantation requires upfront capital of A\$15 million, split approximately A\$2.25 million for land and A\$12.75 million for plantation establishment.
- Example 2 – a 500 hectare plantation requires upfront capital is A\$50 million, split approximately A\$7.5 million for land and A\$42.5 million for plantation establishment.

The opportunity is suited to investors attracted to high returns (circa 20% IRR) from an asset class offering portfolio diversification and access high growth and diversified markets. Investors with a long term investment horizon – 15 year plantation rotation. Investors looking to deploy capital with sector leading organisations.

Project proponent:

Quintis Ltd currently manages over 12 000 ha of Indian Sandalwood plantations across Northern Australia (both on its own balance sheet and on behalf of a wide range of institutional, high net worth and retail investors) with approximately 5200 ha in the Katherine/Douglas Daly/Mataranka regions and plans to establish new plantations of circa 1500ha per annum over the next 10 years.

Quintis Ltd is listed on the ASX (ASX: SFG).

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