

7 February 2019

**CORPORATE UPDATE – NUMBER 2**

Dear Carbon Conscious Investments Member

**ATO Class Ruling: Alterra Ltd – Demerger of Carbon Conscious Investments Ltd**

Carbon Conscious Investments Limited (**CCIL** or **Company**) is pleased to confirm that the Australian Tax Office (**ATO**) has provided a Class Ruling relating to the demerger of Carbon Conscious Investments Ltd from Alterra Limited and related tax treatment for affected shareholders.

A copy of the Class Ruling CR 2019/10 is available from the “Legal Database” on ato.gov.au. or the “Investors Page” of the CCIL website: [www.carbonconsciousinvestments.com.au](http://www.carbonconsciousinvestments.com.au).

In summary, the Class Ruling confirms that shareholders who choose to seek rollover relief under the Class Ruling may disregard any capital gain made when CGT event G1 happened in relation to their Alterra shares under the demerger. Further, all shareholders must calculate the cost base of their Alterra shares pre-demerger and then apply the ratios outlined below in order to recalculate the first element of the cost base for their Alterra and Carbon Conscious Investments Ltd shares post demerger. The ratios are as follows:

- 54% of the pre-demerger cost base for Alterra shares should be applied to recalculate the first element of the cost base of Alterra shares post demerger;
- 46% of the pre-demerger cost base for Alterra shares should be applied to calculate the first element of the cost base of Carbon Conscious Investments Ltd shares post demerger.

Please note, the Company recommends that all shareholders consult with a professional tax advisor in relation to the demerger, the Class Ruling and the potential tax implications.

**Yours faithfully**



**Anthony Fitzgerald**  
**Executive Director and Company Secretary**