
— Street Talk

Conscious IM bankrolls agricultural acquisition for carbon credits

Sarah Thompson, Kanika Sood and Emma Rapaport

May 16, 2024 - 5.00am

Here's a deal type that doesn't cross Street Talk's desk often.

Conscious Investment Management [<https://www.afr.com/street-talk/heavyweights-anchor-conscious-im-s-200m-housing-fund-20231126-p5emuw>], founded by former Goldman Sachs Australia bankers, has agreed terms to provide financing for charity [Greening Australia](https://www.afr.com/policy/energy-and-climate/native-seed-funding-key-to-biodiversity-restoration-and-carbon-capture-20230626-p5djji) [<https://www.afr.com/policy/energy-and-climate/native-seed-funding-key-to-biodiversity-restoration-and-carbon-capture-20230626-p5djji>]'s acquisition of a 755 hectare agricultural property in Southern NSW in an investment that is to be paid back via sale of carbon credits.

Under the deal, Conscious has chipped in 100 per cent of the acquisition price as debt for Greening Australia to take sole ownership of the property dubbed Dixieland.

The investment was made from CIM's Impact Fund, which is an active player in specialist disability housing and affordable housing.

The charity plans to convert Dixieland, located in the Snowy Monaro region some 2.5 hours from Canberra, from grazing land to a biodiversity corridor. Next year, it will plant 140,000 native trees and shrubs at the site,



The charity plans to convert Dixieland, located in the Snowy Monaro region some 2.5 hours from Canberra, from grazing land to a biodiversity corridor.

with the twin goals of building the land's climate change resilience, and boosting biodiversity across endemic flora and fauna.

Of note, the duo have listed the property with a 100-year permanence period – the longest permissible with the Clean Energy Regulator – giving them a shot at creating a forest out of stark grazing land in an area that CIM says shows “alarming signs of biodiversity loss”.

On the way, the carbon credits generated from the planting, should underwrite a cash yield for CIM Impact Fund's investors. And there should be similar deals out of the two camps in the future, as they commence a partnership with Dixieland.

“Having delivered biodiverse planting projects over their more than 40-year history, restoration is in Greening Australia's DNA. They are a highly credentialed partner, and we deeply value their on-ground expertise,” Conscious IM's executive director Casey Taylor told Street Talk.

“We hope to replicate the Dixieland project in other regions and continue to make a tangible, visible difference to Australian landscapes with the backing of our over 750 mission aligned investors.”

Conscious IM's co-founders include Matt Tominc, who worked in M&A advisory at Goldman Sachs Australia and left to join ex-Swisse Vitamins' boss Radek Sali's family office Light Warrior.

He is joined by ex-Goldman colleagues Alex Debney and Adam Gregory, who also chairs the Conscious board but recently swapped Sali for Arrotex Pharmaceuticals billionaire Dennis Bastas. [<https://www.afr.com/street-talk/from-sali-to-bastas-billionaire-s-adviser-adam-gregory-jumps-ship-20240512-p5jcyd>]

Last year, it raised \$50 million for its second social housing fund, securing backing from the likes of Terry Snow, the businessman behind Canberra Airport.