



Suite 606, 37 Bligh Street, Sydney NSW Australia 2000

26 November 2019

ASX ANNOUNCEMENT

CHAIRPERSON'S ADDRESS AT THE 2019 AGM ON 26 NOVEMBER 2019

The following is the address made by the chairperson of the Company to the shareholders at the Company's Annual General Meeting on 26 November 2019.

To the Shareholders A1 Investments & Resources Limited

Since the 26 August 2019 when the Company released its Annual Report and 24 October 2019 when the Notice of Meeting was released the Company has provided further up-dates of its projects for the next year.

The Company is looking forward to the further development of all its existing projects and its new about to commence projects in 2020.

Qualipac Joint Venture

Whilst the Company remains a general investment company the Company made a commitment to focus upon the food industry and food related products.



Broccoli at Hirschbrooke August 2019

The Company is seeking to extend its Queensland joint venture to southern Australian in order to better manage the risk of the weather in Australia. We are in the latter stages of commencing operations in Tasmania in March 2020 and again farming on the Darling Downs from April or May 2020. Operations on Hirschbrooke have ceased and the sale of the property by the owner will be completed in December.

The Company directs the shareholders when considering the performance of the Queensland farming joint venture to the country's worst drought for 25 years, and indeed the worst drought on

the Darling Downs for 40 years. For the past three years the Company has been engaged in a joint venture in southern Queensland centred on vegetable production on the Darling Downs managed by Qualipac Agriculture. The Company did not have an unrealistic expectation of the revenue and profits to be realised from this venture when commencing, and indeed in the first year of the operation the business was cash flow positive, profitable and growing. However, thereafter the weather in southern Queensland was the driest for 40 years. We have persevered with operations and the commitment by our joint venture partner but we recognised in the second quarter of 2019 that we could not sustain this business in such a severe drought. The Company will recover some cash from this business before 31 December 2019 but we have not met our budget. Our previous primary investors in the Company were no longer prepared to provide further support and we were able to restructure some debt which was the subject of the SGM earlier this year. This re-structure had a profound and positive effect on the Company's balance sheet and saw the introduction of new investors to the Company and to the market.

Bundybunna Western Australia



Shearing Shed Bundybunna November 2019

We are now in the final stages of acquiring the lease of Bundybunna a 13,000 hectare mixed farm in central Western Australia. The budget for Bundybunna provides that in year 1 it will be cash flow neutral but thereafter profitable and cash flow positive.

As Chairperson I was on Bundybunna last week meeting representatives of the owner and the two major sub-tenants. We are examining the immediate opportunity to extend the existing areas currently under wheat by a further 500 hectares in 2020, and a further 500 hectares in 2021.



Recently harvested wheat Bundybunna November 2019

Sea Cucumbers

In respect to our sea cucumber project we have entered an arrangement with Curtin University in Perth to assist in undertaking a research project into the growth and life cycles of Western Australian sea cucumbers including funding a PHD student.

The market for sea cucumber products exceeded US\$5 billion in Asia in 2017 (source The United Nations Food and Agriculture Organisation report in respect to sea cucumbers the 2018). Our realistic target is a small portion of this market. In the medium term the Company will also examine other supply opportunities for sea cucumber, both in respect to aquaculture projects and alternate areas of production including other parts of Asia.



Shark Bay Sea Cucumbers October 2019

As part of its proposed fund raising program in 2020 the Company is currently examining the acquisition of an aquaculture licence in Shark Bay which we would seek to convert to a sea cucumber breeding facility. This possible acquisition is in the earliest stages of negotiation and when further details are agreed the Company will make a full disclosure to the market.



The pristine waters of the south channel at Shark Bay October 2019

There is a world-wide shortage of sea cucumber and demand exceeds supply in Australia by a factor of 100. I direct you to the Company's announcement on 30 September 2019.

The Company has a major operating and funding business plan for 2020 and will make appropriate releases as the details are determined and approved by the Board.

The Company expects to have negative cash flows until mid 2020. The Board is reasonably confident that the sea cucumber project will be cash flow positive by mid 2020.

Today's Annual General Meeting of the Company includes resolutions seeking shareholder approval to placements of \$700,000. The Board is of the reasonable opinion that on or before 31 Dec 2019 an amount of not less than \$550,000 will be provided after approval at today's meeting by the investors set out in the resolutions.

The Company and the Board are of the opinion;

- there is sufficient cash available at all times to meet the day to day operating costs of the Company; and
- that the Company has immediate plans in place to raise further capital for its medium and longer term operating costs; and
- that it is reasonable to expect those immediate plans for the additional capital to be successful.; and
- that the Company has longer term capital raising plans for late 2020 and onwards. When the further details of any further capital raising are determined the Company will announce such details.



On board the pearling platform in Shark Bay October 2019



Charlie Nakamura the Company's managing director diving for sea cucumber in Shark Bay October 2019

The Board has also received an assurance from one director that he would provide a further \$100,000 on or before 31 December 2019 if required, and in any event in the first quarter of 2020 which would be converted to equity subject to regulatory and shareholders' approval.

The Board is also considering an acquisition of a minority interest in a business from an existing shareholder that is cash flow positive and such acquisition would, subject to shareholder and potential regulatory approval take place in early 2020. The final details have yet to be agreed and will be released to market in due course.

The Board is considering seeking approval from the shareholders that may be related party transactions that will also require regulatory notification. When the final details of the proposed placement by a director and the proposed acquisition referred to above are agreed or determined the Company will announce such details.

The Company is also considering other capital raising options for 2020. The Company will announce these when it is appropriate to do so. When the final details of any further capital raising are determined the Company will announce such details.

Appreciation of the Support of Shareholders and Fellow Directors

I again take this opportunity to thank all the Company's shareholders and my fellow directors, for their support and to confirm the directors' continued support for the Company and its prospects for 2020 and beyond despite the performance of the past 12 months.

2020 will be an extremely exciting and busy year for the company, both operationally and financially. I look forward to keeping all our shareholders apprised of all these development.

A1 INVESTMENTS & RESOURCES LTD



Peter Ashcroft
Director & Secretary