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AEG Executes Chinnerys Property Funding Deed

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Aland Equity Group Limited (ASX: AEG) (**AEG** or **Company**) is pleased to announce the execution of a Property Funding Deed for the Chinnerys master-planned mixed residential development in Bungendore, NSW (**Funding Deed**), the largest and most strategically significant asset in AEG's property pipeline.

The Chinnerys Funding Deed replaces the Heads of Agreement announced on 19 May 2026 and provides long-term property funding rights over approximately 3,200 mixed residential lots owned by an entity associated with AEG Chairman, Mr. Alex Brinkmeyer.

Highlights

- Funding Deed executed over the 1,000 acre Chinnerys landholding in Bungendore, NSW comprising 3,200 mixed residential lots
- 30% gross profit margin (Development Margin) incorporated into Fund acquisition pricing, equating to $174,000 per lot based on comparable sales over the last five years
- AEG may co-invest in its Funds up to 100%, participating in both investment returns and investment management fees
- AEG acts solely as fund manager and co-investor. Development execution will be undertaken by experienced external development groups
- Closest residential land to Headquarters Joint Operations Command (HQJOC), within Canberra growth corridor
- 10 + 10 year exclusive term secured by mortgage, caveat and power of attorney
- 60 million shares to be issued to Mr. Brinkmeyer as consideration, subject to shareholder approval under ASX Listing Rule 10.1

The Development Margin – Illustrative Example

Under the Chinnerys Funding Deed, the acquisition price for residential stages is determined by an independent valuer using a methodology that incorporates a Development Margin of 30% of gross profit per lot to AEG Funds.

The independent valuation is undertaken at the time each stage is acquired over the term, with the 30% gross profit margin fixed throughout the life of the developments.

Illustrative Example:

Residential Development Fund 1 – 100 lots	
Market value per lot based on independent valuation[1]	$580,000 per lot
Purchase Price paid by Fund	$406,000 per lot
Development Margin/value to Fund	$174,000 per lot
Total value to AEG Fund on 100 lots	$17,400,000

[1] Market value per lot is based on comparable sales in Bungendore over the last five years including Stage 2 of the adjacent Elm Grove Estate.

Managing Director David Nolan commented:

“The Chinnerys Funding Deed is the most significant step in building out AEG’s property funds management business, giving AEG long-term funding rights over 3,200 residential lots within one of Australia’s most attractive regional growth corridors.

“Importantly, the acquisition price for all 3,200 lots incorporates a 30% gross profit margin for AEG Funds, which equates to approximately $174,000 per lot based on recent comparable sales.

“AEG has the opportunity to co-invest in its Funds up to 100%, capturing both investment returns and investment management fees.

“Together, these arrangements provide AEG with a scalable funds management model supported by a long-term pipeline of development opportunities and the ability to participate directly in project returns through co-investment.”

Chairman Alex Brinkmeyer commented:

“These arrangements reflect a long-term commitment to building a significant ASX-listed property funds management business.

"Historically, value created through residential development projects would generally be retained at the project level. Under this structure, value is intended to be shared with the AEG Funds to support their attractiveness to investors and facilitate the establishment of multiple development Funds over time.

"I believe the long-term value created through a successful property funds management business has the potential to exceed the value that would otherwise be realised through a traditional development model.

> *"As AEG's largest shareholder, my interests are directly aligned with those of all shareholders and focused on building long-term value through the growth of the Company."*

The Chinnerys Funding Deed has substantially similar terms to the Cowra Property Funding Deed announced to ASX on 19 May 2026, and is subject to shareholder approval under ASX Listing Rule 10.1 at a general meeting to be held at a later date.

A summary of the terms is set out in Schedule 1.

Chinnerys

One of the Largest Remaining Residential Development Opportunities Adjacent to Canberra

Chinnerys comprises approximately 1,000 acres of strategically positioned land immediately north of the established Elm Grove and Elmslea communities in Bungendore, NSW.

The project is intended to deliver approximately 3,200 residential lots together with seniors living, build-to-rent, retail and commercial development.

There is a current rezoning application for approximately 300+ acres of Chinnerys which is expected to yield over 1,200 mixed residential lots. The remainder of the land has been master planned and may yield up to an additional 2,000 lots based on the future zoning and size of the property.

The Company believes Chinnerys represents one of the largest remaining residential development opportunities within the Canberra-Bungendore growth corridor and forms the natural long-term expansion of Bungendore.

The site is strategically located approximately 30 minutes from Canberra and benefits from strong transport connectivity, established community infrastructure and proximity to major employment centres.

Chinnerys Masterplan

This is an artificially generated image and illustrative only.
AEG's role is strictly limited to a funds management and co-investment capacity. All development activity will be undertaken by entities that are entirely outside the AEG group.

Chinnerys Current Aerial Image

Housing Demand

The Company believes demand for new residential housing within the region is supported by:

- continued population growth within the Canberra region;
- lifestyle migration from Canberra to surrounding regional centres;
- limited availability of new residential land supply;

- significant government and defence employment within commuting distance; and
- continued investment in defence, national security and technology capability.

Defence Demand Drivers

A key feature of Chinnerys is its proximity to Headquarters Joint Operations Command (HQJOC), Australia's primary military operational headquarters, located approximately 15 kilometres from the project.

The broader Canberra region contains one of Australia's largest concentrations of defence and national security employment, including Russell Offices (ADF Headquarters), HMAS Harman, the Australian Defence Force Academy and Royal Military College Duntroon.

The Company believes the concentration of defence and government employment, together with the Australian Government's long-term commitment to increased defence expenditure, will continue to support demand for residential housing within the Canberra-Bungendore corridor.

This announcement has been authorised for release by the Board of Aland Equity Group Limited.

For further information
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Schedule 1 – Summary of Chinnerys Funding Deed

Parties

- Aland Equity Land Pty Limited, a subsidiary of AEG (**AE Landco**)
- Share Star Holdings Pty Limited, an entity associated with Mr. Brinkmeyer (**Landowner**)

Background

- AEG is expanding its funds management business into property funds management.
- AEG intends to establish Funds which can provide financing for the acquisition and development of property projects.
- The Deed provides AE Landco with the rights to facilitate the financing for the acquisition and development of stages of the Chinnerys master planned landholding in Bungendore, NSW (**Land**) through Funds established by AEG.

Condition Precedent

- The Deed is conditional on required ASX and shareholder approvals.

Term

- Initial term of 10 years with an option for AE Landco to extend for a further 10 years.

Fee

- AE Landco must procure, and AEG must issue, subject to shareholder approval, a Fee of 60,000,000 AEG shares upon the Deed becoming unconditional, in consideration for the rights granted under the Deed.

Exclusive Rights

- AE Landco is appointed on an exclusive basis to collaborate with the Landowner in relation to development approvals and facilitating the acquisition and development of stages of the land by Funds.

Role of AE Landco

- AE Landco acts only as an arranger and facilitator and not as the developer of the Land.

Development Rights

- AE Landco has discretion to determine the nature, extent, timing, design and titling arrangements for development of the Land.
- The Landowner must cooperate with and support development approval processes and cannot engage third parties in relation to competing development proposals during the Term.

Funding and Acquisition Structure

- AE Landco may nominate another person (including a Fund) to acquire stages of the Land once development approvals are in place.
- The acquisition price for each stage is determined by an independent valuer using a Residual Land Value formula.
- Residual Land Value = Gross Realisation minus GST on Sales minus Selling Expenses minus Profit/Risk Margin minus Construction Costs minus Project Costs minus Professional Fees minus Contributions and Charges minus Acquisition Costs.
- Gross Realisation is the GST inclusive sales revenue for the completed Development and Profit/Risk Margin is a development margin of Gross Realisation x 30%.
- If the independent valuer considers the Residual Land Value formula is an inappropriate pricing methodology, it will use an Alternative Formula for the price, which it determines delivers a minimum return specified by AE Landco.
- Where Residual Land Value is not an appropriate pricing methodology for the acquisition price for each stage, the price will be based on a methodology which achieves at least the same minimum return for the Fund.
- AE Landco must pay the Landowner or its nominee an additional 1% of Gross Realisation on acquisition of each stage.

First Right of Refusal

- AE Landco has a first right of refusal over the sale of any part of the Land.

Security

- The Landowner must grant AE Landco a mortgage and caveat over the Land.

Power of Attorney

- The Landowner must grant to AE Landco an irrevocable power of attorney to do all things in the Landowner’s name to give effect to the rights and obligations in the Deed.

Heads of Agreement

- The Deed replaces the Heads of Agreement dated 18 May 2026 between AE Landco and Landowner.