



Potential investments criteria

Commercial viability

That IBA is able to clearly establish that the potential returns are sufficient to warrant making the particular investment.

Indigenous participation

That the investment comprises Indigenous participation at the ownership level and provides for a range of Indigenous employment, training and social outcomes.

Risk

That IBA is satisfied that the key investment and business risks are identified and adequately mitigated.

Management

That the day to day management of the investment is undertaken by our industry capability partners or by external management under contract, whilst maintaining a skills transfer to our Indigenous partners over time.

Portfolio fit

IBA manages risk to its capital base by balancing its exposure to commercial sectors so as to protect and enhance IBA's capital base.

Exit strategy

An exit strategy must be put in place to progress towards IBA's divestment of its equity, usually to its Indigenous partners, over the medium term.

WANT TO GET INTO A JOINT VENTURE INVESTMENT WITH IBA?

Located across Australia, IBA has a network of people ready to service your needs with assistance and advice.

For more information about IBA's services, products and opportunities you can:

- visit your local IBA office
- Freecall™ 1800 107 107*
- go to www.iba.gov.au

*Calls from your home phone are free. Calls from mobiles or public phones may be timed and charged.



Australian Government
Indigenous Business Australia

IBA respects Aboriginal and Torres Strait Islander cultures and has taken care to ensure the contents of this publication do not offend.

The information contained in this material is general and not tailored to your particular circumstances. The information may have changed since the material was prepared. IBA takes no responsibility for any damage or loss suffered by you in relying on the information in this material and no representation or warranty is made as to its fairness, accuracy or completeness. If you are eligible and decide to apply for financial assistance from IBA you should obtain independent financial and legal advice before signing any documentation.

JOINT VENTURE INVESTMENT OPPORTUNITIES



Investment opportunities with IBA

IBA forms partnerships with Indigenous Australians and the private sector to create sustainable commercial ventures that can transfer skills, create wealth and provide employment opportunities. Industry sectors IBA invests in include:

- tourism (accommodation and experiences)
- mining and mining services
- commercial property
- manufacturing
- retail (particularly supermarkets)
- aged-care and medical services



Investment structure, funding and parameters

IBA's preferred investment business model is a joint venture arrangement between IBA and its Indigenous and private sector capability partners with all parties contributing equity to the investment. In certain circumstances, investments can be financed by a portion of debt. IBA is generally interested in investments which:

- have a minimum total enterprise value of \$5 million
- allow IBA to invest up to a maximum of \$25 million
- meet IBA's internal investment criteria and required rates of return.

Investing with IBA

Investment opportunities should be submitted to IBA using the *Joint Venture Proposal* form found on our website. Investments will only be made if:

- rigorous financial, legal and technical due diligence has been undertaken
- the investment meets IBA's criteria
- the IBA Finance and Investment Committee has endorsed the investment
- the IBA Board has approved the investment.

When IBA and its partners acquire an investment, a formal governance process commences to monitor the investment and maintain each investment's legal and statutory requirements. IBA representatives along with our partners hold board positions for each investment and, where needed, IBA seeks independent experts to assist in managing investments.

