

MEDIA RELEASE

Silva Capital launches pioneering \$250m Australian carbon credits fund

Rio Tinto, Qantas and BHP commit \$80m as foundation investors

Sydney, 12 August 2024: Silva Capital today announces the first close of the Silva Carbon Origination Fund – one of the first in Australia to provide investors with access to large-scale, high-integrity carbon credits from land reforestation projects integrated with sustainable agriculture to support the global transition towards a low-carbon economy.

The Fund aims to raise \$250 million, with \$80 million already committed between Rio Tinto, Qantas and BHP as foundation investors.

Silva Capital – a joint venture between investment managers Roc Partners and C6 Investment Management – will originate and manage high-integrity Australian Carbon Credit Units (ACCU) generated through land reforestation initiatives.

Silva Capital's strategy involves investing in agricultural land in Australia to develop large-scale carbon sequestration projects by reforesting cleared areas while ensuring the land remains productive for farming. These high-integrity environmental planting projects combine robust carbon credit methodologies with ongoing farming activities that benefit local communities, as well as promoting habitat restoration and biodiversity protection. By integrating carbon projects with traditional farming, Silva Capital aims to balance agricultural productivity and environmental stewardship, adopting a model that supports both economic and ecological sustainability.

The Fund is designed for financial investors seeking attractive risk-weighted returns and carbon market participants looking for high-integrity ACCUs to complement their decarbonisation efforts and meet their regulatory compliance obligations. The Fund will enter the Australian market in the early part of its growth phase, prior to its maturity, through a targeted carbon credit creation strategy, directly investing in projects that bring food and fibre production together with carbon sequestration and provide scale to the industry more broadly.

The Australian Government's Safeguard Mechanism requires large emitters to lower their carbon emissions, creating a regulatory environment that supports the transition to net zero. For many corporate entities, carbon credits will remain an important piece of the puzzle while many low-carbon technologies are still under development or not yet commercially available.

Raphael Wood, Silva Capital Co-Managing Director said: *"We are thrilled to have Rio Tinto, Qantas and BHP as foundation investors in the Silva Carbon Origination Fund. Their partnership and commitment highlight the importance of high-integrity carbon credits in the transition to a low-carbon economy. This fund represents not only an investment in carbon abatement but a significant milestone in Australia's carbon market, that will, importantly, support the long-term success of our farming communities and nature repair."*

Brad Mytton, Silva Capital Co-Managing Director said: *"Sustainable agriculture is at the forefront of our investment strategy. With the Silva Carbon Origination Fund, we aim to create a portfolio of mixed farming land with significant canopy cover, generating a large volume of high-integrity carbon credits. The Fund has been designed to appeal to both corporate investors seeking to access carbon credits and institutional investors seeking portfolio diversification, ensuring that we can maximise the volume of capital invested into the sector, capital which is needed to enable Australia to meet its decarbonisation targets."*

Statements from Foundation Investors:

Rio Tinto Chief Decarbonisation Officer Jonathon McCarthy said: *"We are absolutely committed to decarbonising our operations, but many of the technologies we need will take time to develop and implement. Meanwhile, our investment in the Silva Carbon Origination Fund helps us meet our compliance obligations with high-integrity carbon credits. We also believe it is important to enable more carbon projects that partner with farmers and local communities to integrate agriculture with nature repair."*

Qantas Chief Sustainability Officer Andrew Parker said: *"Alongside our investments in other technologies like sustainable aviation fuel, high-integrity carbon projects will play a critical role to help us progress our climate targets as aviation continues to be a difficult sector to decarbonise. Our investment in the Silva Carbon Origination Fund will help to meet our compliance obligations and progress our climate targets with verifiably high-integrity carbon credits. Importantly, the fund will help to scale quality, nature-based carbon credits in the Australian market with social and economic benefits for local communities."*

BHP Vice President Climate Graham Winkelman said: *"The investment in the Silva Carbon Origination Fund is aligned with BHP's integrity standards on carbon credits, which prioritises nature-based solutions and carbon removal. BHP is actively pursuing structural GHG emission abatement from our operations to meet our FY2030 target, but we anticipate a role for carbon credits as part of achieving our 2050 goal for net zero Scope 1 and Scope 2 GHG emissions from our operations, and to meet compliance obligations under the Safeguard Mechanism Act."*

For further information, please contact:

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About [Silva Capital](#)

Silva Capital - a joint venture between investment managers Roc Partners and C6 Investment Management - aims to provide corporate and institutional investors access to large-scale, high integrity carbon credits generated through land restoration and reforestation projects that support the transition to net zero. Silva Capital is led by Mr Raphael (Raf) Wood, a highly respected expert and thought leader in the Australian carbon market. With over 15 years of experience advising government bodies, corporations and institutions, he has played key roles in designing and implementing carbon pricing mechanisms. Mr Wood is the Co-founder of C6 Investment Management and is on the board of the Carbon Market Institute. Silva Capital is a partnership between C6 Investment Management and Roc Partners, a private markets fund manager with extensive experience in the Australian agricultural sector.

About [Roc Partners](#)

Roc Partners is a specialist private markets investment firm with over 60 employees across three offices. The firm manages and advises clients on investments exceeding A\$8.5 billion across private equity, real assets, and private credit (as of 30 June 2024). Roc Partners' private equity strategies include fund investment and direct private equity investment capabilities, with specialist teams in growth equity and food and agricultural investment. Recognised as a leading agricultural investor, Roc Partners has received multiple awards from Agri Investor, including the 2023 Asia-Pacific Fund Manager of the Year, Asia-Pacific 2023 Deal of the Year, 2022 Global Agribusiness Fund Manager of the Year, 2021 Global Fund Manager of the Year, Asia-Pacific Fund Manager of the Year, and Asia-Pacific Agribusiness Deal of the Year. Established in 1996, Roc Partners became a majority employee-owned firm in 2014 through a management buyout of Macquarie Group's private markets business unit (MIMPM) by its senior executives.

About C6 Investment Management

C6 Investment Management is a dedicated carbon asset and investment manager. C6 Investment Management leverages the vast industry experience of its principals to provide unique carbon related investment products and opportunities to financial institutions, investors and corporates. C6 Investment Management spun out of Market Advisory Group in 2022 to provide market leading services to domestic and international corporate market participants seeking to transition to a net zero economy.