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THE AUSTRALIAN

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S&P/ASX	8786.5	▼ 6.9
GOLD	$US4740.90	▲ $US16.90
DOLLAR	US71.45c	▲ US0.02c

PILBARA MADE

Lithium miner keen on Forrest's green power {P15}

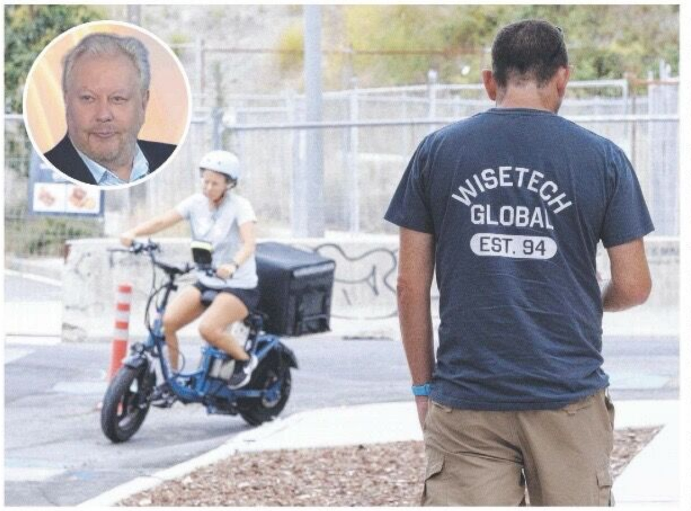
BARRY TUDOR

Building a refinery is hard? Try develop a coal mine {P17}

HOW I MET RICHARD WHITE

Mike Gregg reveals the thinking behind his investment

STEPHEN KANAVOUTSOS



NIKKI SHORT

WiseTech headquarters in Alexandria, Sydney and, inset, WiseTech Global founder Richard White

For more than two decades, Mike Gregg has held the same investment, a journey as a WiseTech shareholder that "has been fruitful and a hell of a lot of fun".

Gregg first backed WiseTech Global at a moment of transition in his own career, just after exiting Health Communication Network, the healthcare software business he helped build into a dominant platform used by most Australian GPs and hospitals. HCN had grown out of a management buy-out of a government operation, scaled through acquisitions, and eventually listed on the ASX.

While it was "nice to be acquired and get a cheque, I felt that I left something on the table and was determined not to let that happen a second time", Gregg says.

What followed was immediate. "The day I left HCN, I had my second meeting with Richard White, it was a lucky set of circumstances which saw us introduced to Richard," Gregg explains.

The question he and fellow investor Charles Gibbon were trying to answer was simple: "Can this founder scale?" Gregg and Gibbon's assessment would ultimately be validated, with WiseTech shares reaching $135 at their peak in late 2024.

At the time, WiseTech looked like a familiar type of opportunity. "A classic software start-up story, a 'boring' industry transformed and made more efficient with software."

What stood out to Gregg was the trajectory and intent. White had already taken the business from "a few people in a garage to 100-plus people", and had a clear ambition "to use an Australian piece of software and go global".

Gregg made a deliberate call. He and wife Sue decided he would "take half of what they made from HCN and put it to use from what I've learned", deploying capital from HCN into WiseTech and other start-ups, including Shearwater Capital managing partner, Zac Zavos's start-up. The approach was straightforward; "we made it simple" by backing WiseTech through ordinary shares and committing to the long term.

Conviction followed and compounded with Gregg highlighting that "every board meeting increased my conviction". Over time, the investment has become, in his words, "the best experience of my business life".

Gregg still holds WiseTech shares, and only stepped off the board as recently as November 2025. The company's share price has come under pressure following founder White's personal and professional crisis.

White was accused of trading sex for investment advice, he conducted relationships with an employee and a supplier that gave rise to formal complaints from those women, and was accused of bullying a former director.

An independent review found he misled the board about a relationship with an employee, and a board subcommittee, including Gregg, acknowledged "legitimate governance concerns raised in the board review findings". He was cleared by Seyfarth Shaw of the most damaging allegations.

White is still the subject of an ASIC insider trading investigation probing the share sales of three other senior executives.

As investors weigh how artificial intelligence may reshape software economics, in February, WiseTech said it would cut up to 2000 jobs as part of what it described as a "deliberate AI transformation journey". The stock now trades at four-year lows. "Every business has something bad happen to it," Gregg says. "What is important is if the fundamentals are sound."

Staying through those periods, rather than exiting early, became central to his approach following his experience at HCN. Gregg highlights his sustained conviction in the fundamentals of his investment, suggesting "the effect of AI on sophisticated, integrated companies is overdone".

Many systems, he argues, still rely on a level of "trust" that AI has yet to replicate. Even so, Gregg does see the environment shifting. "Up until recently SaaS could be rock-solid forever," he says. Now, investors are increasingly making "decisions based on externalities".

At Shearwater Capital, the venture capital firm Gregg founded with Zavos and Gibbon, the same core philosophy he applied to his WiseTech investment persists, but the process has deepened. The investment lens is consistent, identifying strong founders in markets that can sustain scale. "The problem has to be genuine and big enough" to enable a successful investment.

Founders remain central to Gregg's current investments, but understanding them takes longer. "In the early days we met the founder three or four times," he says. Now, getting to know a founder is a months-long process. Nonetheless, they are "still looking for the same characteristics".

He resists the idea that this is a filtering exercise. "It isn't vetting. It is trying to understand, to be in alignment." The objective is to "get to the essence of the founder", an approach he links to a rule of thumb he once encountered; meeting someone multiple times, in different contexts, before forming a view.

That framework underpins investments such as Lyka, a subscription-based petfood company. The attraction again centres on people. The founders are "strong individuals" and "ambitious enough to execute". Shearwater invested in Lyka's 2021 Series A funding round, and has further invested in 2023, 2025 and 2026. Today, Lyka generates about $200m in annual recurring revenue, with more than 100,000 dogs on its platform.

Shearwater is structured without a fixed investment horizon. Like Gregg's WiseTech journey, the investors are "happy to stay on the journey for the long term". Shearwater is investing from its second fund, with $150m of its own capital under management. The process of bringing in outside capital has recently commenced.

Gregg admits that working with start-up founders can be "tough," but the approach is defined. Shearwater looks for founders "amenable to support" and aims to be "helpful and active, but not intrusive. Not telling them what to do".

Often, the role of an angel investor is underpinned by availability. Gregg points to his investment in Zac Zavos's company, now managing partner at Shearwater, who would call him daily. "It's a power to discuss things," he says. "Less about profound insights and more about being there." He first met Zavos through the UNSW Cricket Club, a network that also introduced him to Atticus Fleming, now chief executive of the Great Southern Land Conservancy.

That conservancy has a central focus outside investing. Established in late 2024 with his wife, Sue, it reflects a shift in how they think about capital. "Investing gave us more wealth than we ever expected. We sat down and said we have a responsibility to do something meaningful."

The model is direct. The conservancy is a charity that acquires land for protection and restoration and began with a 730ha property in northern New South Wales. It has now expanded to around 9000ha across five sites. It is currently self-funded, supported by an initial $3m contribution from Gregg, with ambitions to scale over time.

The approach mirrors Shearwater in structure and intent, a long-term, patient and hands-on project. It includes "innovative land management such as drone surveys".

Over time, Gregg hopes to broaden the funding base, but for now it remains a private effort.

Gregg's advice for aspiring investors and entrepreneurs reflects the same orientation toward fundamentals.

He acknowledges there is a "seismic shift" under way. The response is not to chase themes, but to build capability. "Get expertise," he says and, as an investor, "learn solid fundamentals".

The only resource we're missing is the big banks

BARRY TUDOR

When Senator Matt Canavan spoke last week at the National Press Club about a diesel refinery struggling to secure even a basic bank account, it struck a chord.

Not because it was unusual, but because it is increasingly common.

Over the past decade, as I worked to develop one of the only large-scale metallurgical coal projects built anywhere in the developed world, I saw first hand how difficult it has become to secure domestic banking support for new resource projects.

This isn't about geology or markets. It's about whether capital in Australia is still prepared to back new projects in sectors that underpin the economy.

Coal is often described as controversial. But that is not where the line is drawn.

Existing operations continue to be financed. Refinancings occur. Balance sheets are supported. The issue arises when something new is proposed.

At one point during the development of Olive Downs, a senior executive at a big four Australian bank told me he really liked our project. He understood it. He believed it would succeed. But he also made something else clear. It simply would not be worth his while explaining to senior management why the bank was financing a new coal project.

That comment goes to the heart of the issue. The constraint is not risk. It is the willingness to be seen supporting it.

The impact goes well beyond project finance.

In the early stages of Pembroke, I sought to lease a LandCruiser for a services company that supplied labour and management to the mining operation with our house bank, a bank that had already facilitated approximately $400m of equity contributed funds for the broader business. The response was straightforward. It would not be possible because of the association with coal. I was advised to go to Toyota Finance instead.

Later, even after the project was financed, I attempted to place funds on deposit on behalf of that same services company. Again, I was told that bank policy did not permit providing a deposit facility due to its association with coal.

Only after the matter was escalated was that position eventually reversed.

When even routine banking becomes conditional, it suggests something deeper than commercial judgment is at play.

In the case of Pembroke, support of the Australian banks didn't disappear entirely. One of the big four did participate in financing the project, driven by the project's environmental and operating standards, which were assessed against current expectations rather than outdated assumptions.

However, there was a clear preference that the bank's involvement was not to be publicly disclosed.

That tells you everything.

The project met the standards. The economics were sound. The risk was understood.

But visibility was the issue.

In theory, where the project is of national significance, gaps left by commercial banks should be filled by government-backed institutions.

Export Finance Australia exists to support projects that advance national economic interests where private capital falls short. However, at a critical stage of development, we were unable to even secure a meeting.

The choice was simple. Stop, or look elsewhere.

In the end, funding came from offshore. The project drew on capital from Europe, the US and Asia, including through the bond market. It was available, but it came with higher cost and more complex structures.

This is now common. As domestic banks step back, offshore capital steps in. Projects proceed, but a greater share of the economic return flows outside Australia.

There are exceptions, and they are worth noting.

NAIF – The Northern Australia Infrastructure Facility – under the then stewardship of Keith Pitt, supported the project following detailed assessment of its economic and environmental credentials.

The outcome is clear. The project is operating, employs around 1000 people, and has generated substantial royalties and tax revenues. The NAIF loan has been repaid.

It shows what can happen when decisions are made on the basis of substance.

Even with a producing and de-risked asset, the position of the major banks has not shifted materially.

> There is a difference between applying standards and stepping away altogether

When the time came to refinance in 2025, the big four were not a realistic option.

Funding was again sourced offshore, including through the Nordic bond market, with investors across Europe, the US and Asia.

There is a broader contradiction here.

Across the east coast, a significant portion of economic activity, including household income and mortgages, is supported directly or indirectly by the resources sector, particularly coal.

Yet the same system is increasingly unwilling to provide even basic financial services to that sector.

That disconnect is hard to ignore.

None of this suggests standards should be lowered. They should not. Modern projects must meet modern expectations. But there is a difference between applying standards and stepping away altogether.

If domestic capital is not prepared to support new projects, fewer will be built, and those that are will rely more heavily on offshore funding.

That has implications not just for the sector, but for the broader economy.

Australia has the resources. It has the capability to build new projects. But increasingly, it is choosing not to fund them.

Barry Tudor is an international mining entrepreneur, founder and ex-chairman of Pembroke Resources.

Australia needs blueprint to unlock our children's potential

JOHN HARTMAN

Every child in early childhood education and care (ECEC) should be safe, nurtured and supported to thrive. Most of the time, they are. Across Australia, early learning educators do extraordinary work. But as recent events have shown, a high-quality experience is not always universal.

Zero to five years is a period of rapid change, particularly for brain development. Experiences in these early years shape lifelong abilities to learn, build relationships and be resilient. For many families, ECEC is a critical part of this journey; it provides children with consistent adults outside the home, a positive sense of identity and culture, and safe places to play and engage.

Valuing this, Australia has ambitious plans for the early years window. From the Thriving Kids initiative and the Building Early Education Fund to expanded childcare subsidies via the Three-Day Guarantee and additional Paid Parental Leave so parents and babies can stay together longer during infancy, it is clear families are a national priority. It's pleasing to see that this is not just the case for governments, but for almost all the major political parties and forces across Australia.

But behind these efforts is an undeniable truth to face head on: Australia's early years system, the cohesive and sustainable structure that supports service and policy success, isn't fit for purpose. Among the suite of good reform it houses, there are complex gaps thanks to decades of fragmentation. These gaps are where safety and wellbeing issues, such as those we are finding out about in early learning environments, can grow like a weed. They are the result of regulatory differences, weak enforcement and a market-led model that does not put the child's needs at the centre of the system. They are the reason that when things go wrong, whether that's safety breaches, workforce shortages or services opening where they are not needed, accountability is fractured and responses, while swift, are reactive.

The existing ECEC landscape amplifies this challenge – it is funded by the Commonwealth, regulated by states and territories, delivered by thousands of providers and shaped by a myriad of policies. It's not surprising that recent federal data confirmed children attending high-quality ECEC have lower risks of developmental vulnerability, while lower-quality ECEC increases the risk of negative outcomes. Australia needs national oversight to ensure every child and family has a high-quality ECEC experience.

Investing in children is an opportunity that extends well beyond the playground. When children thrive, economic potential grows too. The Cost of Late Intervention report showed that failing to identify health and developmental issues in young Australians cost taxpayers $22.3bn in 2024. This is money spent on the consequences of inaction, such as child protection, youth justice and health crises. Investment in early intervention such as timely development checks, occupational supports and better post-partum care, benefits everyone.

This is why Thrive by Five is calling for a National Early Childhood Education and Care Reform Blueprint in this federal budget.

Effective ECEC reform needs to consider evidence, workforce data, cost modelling, the different needs of children, and complementary best practices. Design needs the input of those who work with families, as well as the contributions of communities themselves. The blueprint ask is modest but critical: invest in a time-limited, national design process to map the ECEC system Australia needs, including the role of a future national commission in how it could purposefully strengthen what we have today.

It is a window to strengthen national stewardship, clarify accountability across jurisdictions and improve system performance, as well as better align funding, regulation and workforce policy. Doing so reduces fiscal and delivery risk as changes will be properly sequenced, tested and ready for implementation. This is about giving Australia strong foundations to make universally accessible, high-quality ECEC successful. Critically, it is also an opportunity to put children at the heart of our early years architecture and tackle the systemic gaps head on.

While ECEC is only one part of Australia's early years landscape, it plays a unique role and requires a tailored reform approach if it is to mature as families and children hope. Educators also need a system that values and supports their work, and governments need confidence that public investment is delivering real outcomes.

To build the future we all want, one where every child is supported to thrive, we need to work together to get the early years opportunity right. If we do, everything that follows improves, which is what every parent expects and every child deserves.

John Hartman is CEO of Minderoo Foundation.