

**LAND INFORMATION NEW ZEALAND - OVERSEAS INVESTMENT OFFICE
DECISION SHEET**

Decision Number	200620036
Application Number	200620026
Date	30 August 2006
Offeror/Applicant	Kupe Joint Venture
Ultimate Applicant Beneficial Ownership	45.05 percent - Australia, Australian Public 31 percent - New Zealand, Genesis Power Limited 15 percent - New Zealand, New Zealand Public 4 percent - Japan, Mitsui & Co. Limited 2.275 percent - United States of America, United States Public 1.45 percent - United Kingdom, United Kingdom Public 1.225 percent - Various, Unknown Overseas Persons
Beneficial Overseas Ownership	
Asset Current	0 percent
Asset Proposed	54 percent
Share Current	N/A
Share Proposed	N/A
Offeree(s)/Seller(s)	Scott (Wayne Ernest and Glenda May) and Bourke (Edward Michael) 100 percent - New Zealand
Business Activities	Agriculture - Dairy Farming Electricity, Gas & Water Supply - Electricity & Gas Supply Mining - Other Mining
Details of Land Involved	123.7327 hectares of freehold situated at Inaha Road, RD11, Hawera being CTs TN184/8, TN184/9, TNE1/883, TNF1/188, TNF1/189, and TNG4/207 (Taranaki Registry);
Regions Involved	Taranaki/Wanganui
Total Consideration	\$6,815,375
Consent Sought	To acquire an interest in land which, either alone or together with any associated land of that type, is or includes non-urban land and exceeds 5 hectares in area.
Rationale	<p>The application has been approved as it met the criteria.</p> <p>The Overseas Investment Office is satisfied that the individuals with control of the Applicant collectively have business experience and acumen relevant to the overseas investment, and that the Applicant has demonstrated financial commitment towards the overseas investment. The Overseas Investment Office is further satisfied that each individual that exercises control over the Applicant is of good character and is not an individual of the kind referred to in section 7(1) of the Immigration Act 1987.</p> <p>The Kupe Joint Venture was formed to carry out exploration for, and development and production of, petroleum within the area specified by PML 38146 which includes the Kupe gas field, situated 30 kilometres off the South Taranaki coast. Development and production is now the primary focus of the Kupe Joint Venture. The development is known as the Kupe Gas Project.</p> <p>New Zealand's demand for gas has been met primarily by the Maui gas field for the past 25 years. The Kupe field was discovered in 1986 but has remained undeveloped largely due to the abundant gas flowing from Maui making the development of Kupe uneconomic. However, with the redetermination of the Maui gas reserves and the rapid increase in domestic gas demand for electricity generation, the development of the gas field is now both economical and vital in meeting New Zealand's energy needs.</p>

	<p>The Kupe Joint Venture proposes to acquire the subject land to conduct and operate a gas production station to convert the petroleum recovered from the Kupe gas field into its usable forms - natural gas, condensate and liquefied petroleum gas (LPG).</p> <p>The proposed investment involves the acquisition of 30.6549 hectares from Edward Michael Bourke (Bourke) and the acquisition of 93.0778 hectares from Wayne Ernest and Glenda May Scott (Scott). The Production Station requires approximately 20 hectares of land and is to be constructed on the land acquired from Bourke. The Kupe Joint Venture is proposing to on-sell the Scott land to Bourke to enable Mr Bourke to continue his dairy farming business.</p> <p>The proposal is likely to result in the following benefits:</p> <ul style="list-style-type: none"> (a) the creation of new job opportunities in New Zealand; (b) enhanced domestic services through an increased security of gas supply; and (c) the introduction into New Zealand of development investment for development purposes.
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