

**To:** Hon Dr Megan Woods, Associate Minister of Finance  
 Hon Damien O'Connor, Minister for Land Information

## ASSESSMENT REPORT: **Zentral Estate Limited**

<b>Date</b>	5 April 2023	<b>Classification</b>	IN CONFIDENCE: Commercially sensitive
<b>LINZ reference</b>	202200387 BRF 23-207	<b>Deadline</b>	Statutory deadline: 22 February 2023. Commercial deadline: 6 April 2023

### Purpose

We seek your decision on an application to acquire an interest in sensitive land under the special test relating to forestry activities in the Overseas Investment Act 2005 (**Act**).

This decision has been delegated to Overseas Investment, Toitū Te Whenua Land Information New Zealand (**LINZ**)<sup>1</sup> and 'called in' for a decision by Ministers on 21 November 2022.

### Action sought

1. Review this report.
2. Determine whether to grant consent and, if so, on what conditions.
3. Indicate your decision from page 3.

### Commercial deadline

The Applicant has sought a decision by **06 April 2023**, which is its commercial deadline. We also note that our statutory deadline of 22 February 2023 has not been met (as explained further below).

### LINZ Contacts

Name	Position	Contact	First contact
Pedro Morgan	Lead Advisor	+64 21 476 514	<input checked="" type="checkbox"/>
Luke Hilton	Senior Solicitor	+64 4 4600100	<input type="checkbox"/>

## A. Summary

1. Zentral Estate Limited (**Applicant**) seeks to acquire a freehold interest in approximately 3,834.8699 hectares of land known as the Liang Ren Forest Estate (2,258.9004 ha) and Liang Ren Dairy Estate (1,575.9695 ha) (together, the **Land**) situated in the Northland District.

<sup>1</sup> One-off consent decisions under the special forestry test are delegated to LINZ under Table A, row C, item 8 of the Designation and Delegation letter dated 24 November 2021.

2. The Applicant has entered into an Agreement for Sale and Purchase dated 15 July 2022 (**SPA**) with Jianghua Han, Richard Clive Pearson and Kevin John Marsh as trustees of the Li Liang Ren Family Trust (**Vendor**).
3. The Liang Ren Dairy Estate is used for dairy farming (approximately 1,513.50 hectares) with 62.47 hectares unplanted) and the Liang Ren Forest Estate is used for forestry (approximately 1,534.00 hectares across four forests) with 633.30 hectares being unplanted and 91.60 hectares being grazed.
4. The criteria of the special forestry test only confers on the decision-maker a limited discretion whether to grant or decline the application. If the Applicant meets all the criteria under the test, then the decision-maker must grant consent.
5. Based on information received from the Applicant we expect the Applicant will likely satisfy the criterion that the Land be used nearly exclusively for forestry activities.
6. There is an existing arrangement (ie the Waikaraka Walkway) on the Land. The Applicant has accepted conditions including protecting and identifying archaeological and wāhi tapu sites on the Land and engaging with Te Uri o Hau Settlement Trust.
7. For the reasons set out in this report, our recommendation is to **grant consent**.

### Key information

Applicant	<b>Zentral Estate Limited</b> s9(2)(b)(ii)
Vendor(s)	<b>Li Liang Ren Family Trust</b> (New Zealand 100%)
Land	A freehold interest in approximately 3,834.8699 hectares of sensitive land located in Northland and known as: <ul style="list-style-type: none"> <li>the Liang Ren Forest Estate (being 2,258.9004 hectares, comprising the Ngunguru Forest, Waikaraka Forest, Brynderwyn Forest and Tinopai Forest), and</li> <li>Liang Ren Dairy Estate (being 1,575.9695 hectares, comprising the Ridgeview Estate and Clearview Estate).</li> </ul>
Consideration	\$59,930,000
Application type	Sensitive land – special forestry test (one-off) <sup>2</sup>
Relevant tests	Investor test: s 16(1)(a) and s 18A Benefit to NZ test – special test relating to forestry activities: s 16A(4) Farm land offer test: s 16(1)(f) National interest test: s 16(1)(g)

### Timing

7. The Overseas Investment Regulations 2005 specify the total assessment timeframe for this application is 85 days, which consists of 55 days for applications in the special

<sup>2</sup> We note that the relevant transaction was entered into prior to the Overseas Investment (Forestry) Amendment Act 2022 coming into effect on 16 August 2022. Therefore all references to the Overseas Investment Act 2005 are to the provisions of that Act (in particular the special forestry test in section 16A(4)) as in force immediately before 16 August 2022.



forestry pathway plus an automatic 30 day extension enable the relevant Minister to decide an application that would ordinarily be subject to a delegated decision-making power that is called in for decision by the relevant Minister.<sup>3</sup>

8. This application is currently on day 115. The Applicant's requested decision date is **06 April 2023**. Our statutory deadline of 22 February 2023 has not been met due to consultation with Te Uri o Hau (hapū of Ngāti Whātua) near the Tinopai Forest, which the Herenga ā Nuku Aotearoa Outdoors Access Commission had recommended to us.

## B. Decision

### Core tests

9. I determine that:

- 9.1 The '**relevant overseas person**' is (collectively):

Relevant overseas person	Role
Zentral Estate Limited	Applicant
New Forests Asset Management Pty Limited	Manager

- 9.2 the '**individuals with control of the relevant overseas person**' are:

Individuals with control	Role
Matthew Charles Crapp	Director of Applicant
Matthew Davis Wakelin	
Mark Nicholas Rogers	Director of Manager
Gavin Mark Le Roux	
Dr David George Brand	

- 9.3 None of the relevant overseas persons (**ROP**) and individuals with control of the relevant overseas person (**IWC**) have established any of the factors contained in section 18A(4) of the Act.

10. I am satisfied that the investor test in section 18A has been met.

**Hon Dr Megan Woods**

Agree

☐

Disagree

☐

**Hon Damien O'Connor**

Agree

☒

Disagree

☐

11. I am satisfied, in relation to the special forestry test, that:

- 11.1 the Land is likely to be used exclusively or nearly exclusively for forestry activities;
- 11.2 the Land does not include residential land;

<sup>3</sup> Clause 7(e) of Schedule 5 (Time frames relating to applications) of the Overseas Investment Regulations 2005.

- 11.3 the Land is not likely to be used or held for future use for any residential purposes except forestry worker accommodation permitted under section 16A(4) of the Act;
- 11.4 the requirements set out in clause 29(2) of the Overseas Investment Regulations 2005 are likely to be met (being requirements to continue existing arrangements, comply with existing conditions of consent, and comply with existing log supply obligations);
- 11.5 whenever a crop of trees is harvested on the Land, a new crop is likely to be established to replace the crop that is harvested; and
- 11.6 the farm land offer criteria have been met.

**Hon Dr Megan Woods**

Agree ☐

Disagree ☐

**Hon Damien O'Connor**

Agree ☒

Disagree ☐

*National interest assessment*

12. I note that the overseas investment in sensitive land is not a transaction of national interest under section 20A of the Act and the Minister of Finance has not notified it is a transaction of national interest under section 20B of the Act.

**Hon Dr Megan Woods**

Noted ☐

**Hon Damien O'Connor**

Noted ☒

*Decision about whether to grant or decline consent*

13. My ultimate decision is to:

**Hon Dr Megan Woods**

Grant consent subject to the conditions in the Proposed Decision in **Attachment 1** ☐

Grant consent with amended conditions provided on: ☐

Decline consent ☐

**Hon Damien O'Connor**

Grant consent subject to the conditions in the Proposed Decision in **Attachment 1** ☒

Grant consent with amended conditions provided on: ☐

Decline consent ☐

**Hon Dr Megan Woods**

Date: / /

**Hon Damien O'Connor**

Date: 18/4/23



forestry pathway plus an automatic 30 day extension enable the relevant Minister to decide an application that would ordinarily be subject to a delegated decision-making power that is called in for decision by the relevant Minister.<sup>3</sup>

8. This application is currently on day 115. The Applicant's requested decision date is **06 April 2023**. Our statutory deadline of 22 February 2023 has not been met due to consultation with Te Uri o Hau (hapū of Ngāti Whātua) near the Tinopai Forest, which the Herenga ā Nuku Aotearoa Outdoors Access Commission had recommended to us.

## B. Decision

### Core tests

9. I determine that:

- 9.1 The '**relevant overseas person**' is (collectively):

Relevant overseas person	Role
Zentral Estate Limited	Applicant
New Forests Asset Management Pty Limited	Manager

- 9.2 the '**individuals with control of the relevant overseas person**' are:

Individuals with control	Role
Matthew Charles Crapp	Director of Applicant
Matthew Davis Wakelin	
Mark Nicholas Rogers	Director of Manager
Gavin Mark Le Roux	
Dr David George Brand	

- 9.3 None of the relevant overseas persons (**ROP**) and individuals with control of the relevant overseas person (**IWC**) have established any of the factors contained in section 18A(4) of the Act.

10. I am satisfied that the investor test in section 18A has been met.

**Hon Dr Megan Woods**

Agree



Disagree



**Hon Damien O'Connor**

Agree



Disagree



11. I am satisfied, in relation to the special forestry test, that:

11.1 the Land is likely to be used exclusively or nearly exclusively for forestry activities;

11.2 the Land does not include residential land;

<sup>3</sup> Clause 7(e) of Schedule 5 (Time frames relating to applications) of the Overseas Investment Regulations 2005.

- 11.3 the Land is not likely to be used or held for future use for any residential purposes except forestry worker accommodation permitted under section 16A(4) of the Act;
- 11.4 the requirements set out in clause 29(2) of the Overseas Investment Regulations 2005 are likely to be met (being requirements to continue existing arrangements, comply with existing conditions of consent, and comply with existing log supply obligations);
- 11.5 whenever a crop of trees is harvested on the Land, a new crop is likely to be established to replace the crop that is harvested; and
- 11.6 the farm land offer criteria have been met.

**Hon Dr Megan Woods**

Agree

☒

Disagree

☐

**Hon Damien O'Connor**

Agree

☐

Disagree

☐

*National interest assessment*

12. I note that the overseas investment in sensitive land is not a transaction of national interest under section 20A of the Act and the Minister of Finance has not notified it is a transaction of national interest under section 20B of the Act.

**Hon Dr Megan Woods**

Noted

☒

**Hon Damien O'Connor**

Noted

☐

*Decision about whether to grant or decline consent*

13. My ultimate decision is to:

**Hon Dr Megan Woods**

Grant consent subject to the conditions in the Proposed Decision in **Attachment 1** ☒

Grant consent with amended conditions provided on: ☐

Decline consent ☐

**Hon Damien O'Connor**

Grant consent subject to the conditions in the Proposed Decision in **Attachment 1** ☐

Grant consent with amended conditions provided on: ☐

Decline consent ☐

**Hon Dr Megan Woods**

Date: 18 / 4 / 23

**Hon Damien O'Connor**

Date: / /



## C. Background and proposed transaction

13. The Applicant seeks to acquire a freehold interest in approximately 3,834.8699 hectares of land known as the Liang Ren Forest Estate and Liang Ren Dairy Estate and has entered an SPA with the Vendor.
  14. The Liang Ren Forest Estate consists of approximately 2,258.9004 hectares, being the Ngunguru Forest (approximately 332 hectares), Waikaraka Forest (approximately 209 hectares), Brynderwyn Forest (approximately 405 hectares), and Tinopai Forest (approximately 1311 hectares).
  15. The Liang Ren Dairy Estate consists of approximately 1,575.9695 hectares, being the Ridgeview Estate (approximately 617 hectares) and Clearview Estate (approximately 958 hectares).
- (together, the **Land** or the **Liang Ren Estate**).



Fig 1 - Extract from Indufor Asia Pacific (Australia) Pty Ltd's report dated 25 February 2022, showing locations of forestry estates and dairy estates in geographical context, noting that the Applicant is **not** acquiring Tonui Farm.

14. The Applicant, as part of its investment strategy, seeks an exposure to traditional forestry markets, and developing markets for bioenergy, biomaterials and engineered wood products, that it expects will have an increasing influence on the demand for plantation derived biomass and wood products.

## Land

15. The Land is in the Northland Region. The Land predominantly comprises gently undulating to undulating hills in the west and easy to strong rolling hills in the west. There are also small areas of very gently undulating flood plains in the west. Some areas on the dairy farms are prone to flooding for several weeks each year.<sup>4</sup>
16. Approximately 91.6 hectares at Tinopai is subject to a grazing lease. The Applicant has advised that the status of this lease is uncertain, given that there has been damage to the Tinopai Forest which will require salvage and replanting operations, making grazing these areas at the same time impractical.
17. Two stands, one in Brynderwyn Forest (17.0 ha) and one in Ngunguru Forest (33.1 ha), are subject to forestry rights granted to Carter Holt Harvey (CHH).<sup>5</sup>
18. Radiata pine trees grown in Northland generally produce wood with a higher basic density (than the national average) which results in good strength properties. The wood is therefore suitable for strong paper, treated poles, structural lumber, and engineered wood products such as laminated lumber.<sup>6</sup>
19. There is an export port at Marsden Point (Northport). The Tinopai Forest is furthest away being 81km from Northport (see further below at paragraph 87). There are numerous sawmills located within reasonable proximity to the forests, including near Dargaville, Waipu and Whangarei, along with laminated veneer lumber and wood chip plants located at Marsden Point.
20. The Applicant's investment plan states that, as logs are harvested from the stocked area, logs will be sold to both local and export purchasers.<sup>7</sup>
21. The Applicant also states that logs not utilised locally will be transported to Northport at Marsden Point for export. The number of logs utilised locally will depend on the dynamics of the log market at the time of harvest.
22. Aerial photos of the Land can be found in **Attachment 4**.

## Vendor

23. The Vendor is a trust, and the settlor, trustees, and beneficiaries are all New Zealand citizens. The Liang Ren Forest Estate and Dairy Estate have been kept under the trust for years, mainly managed by settlor of the trust until his passing away in August 2018. The current trustees have no experience or energy to manage the forestry and farms.

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<sup>4</sup> Indufor Asia Pacific (Australia) Pty Ltd's report dated 25 February 2022 prepared for the Applicant regarding the Liang Ren Dairy Estate's suitability for forestry, p 2.

<sup>5</sup> Indufor report, p 1 – 2.

<sup>6</sup> Indufor report, p 2.

<sup>7</sup> Possible domestic customers for the logs include: Juken NZ (Kaitia), Rosvall Sawmill (Whangarei), CH H (Futurebuild) (Marsden Point), Pinepac (Whenuapai), Waipapa Pine (Waipapa), Northpine (Waipu), Mt Pokaka Timber Products (Kerikeri), Croft Poles (Kauri), PinePac (Kumeu), Marusumi (Portland).



## D. Application of the Act

24. The Land is sensitive because it:

- is or includes non-urban land over 5 ha in size;
- is or includes marine and coastal area;
- is greater than 0.2 ha and adjoins marine and coastal area;
- is greater than 0.4 ha and adjoins land held for conservation purposes under the Conservation Act 1987 (if conservation exceeds 0.4 ha in area); and
- is greater than 0.4 ha and adjoins any reserve under the Reserves Act 1977 that is administered by the Department of Conservation (DOC) (if reserve exceeds 0.4 ha in area).<sup>8</sup>

so consent is required.<sup>9</sup> See **Attachment 5** for an extract from the Sensitive Land Certificate showing the above sensitivities on maps of the Land.

25. Because the Land is likely to be used almost exclusively for forestry activities, the following criteria for an investment in sensitive land apply to this application:<sup>10</sup>

25.1 The investor test must be met.<sup>11</sup>

25.2 The benefit to New Zealand test must be met under the special test relating to forestry activities.<sup>12</sup>

25.3 The farm land must have been offered for sale on the open market.<sup>13</sup>

25.4 You must also note whether the investment is a transaction of national interest and, if so, whether the Minister of Finance has decided that the investment is contrary to New Zealand's national interest.<sup>14</sup>

26. In order to satisfy the special test relating to forestry activities, the decision-maker must be satisfied that:<sup>15</sup>

26.1 **Use of land:** The Land—

- a) is likely to be used (nearly) exclusively for forestry activities;
- b) is not exclusively residential land; and
- c) is not likely to be used for any residential purposes, other than forestry worker accommodation.

<sup>8</sup> Table 1, Part 1, Schedule 1 of the Act.

<sup>9</sup> Under sections 10(1)(a) and 12(a)(i) of the Act.

<sup>10</sup> Set out in section 16(1) of the Act.

<sup>11</sup> Section 16(1)(a) and 18A of the Act.

<sup>12</sup> Section 16(1)(c)(ii) and s16A(4) of the Act.

<sup>13</sup> Section 16(1)(f) of the Act.

<sup>14</sup> Section 16(1)(g) of the Act.

<sup>15</sup> Section 16A(4)(a)-(g) of the Act.

- 26.2 **Requirements:** The following requirements are likely to be met—<sup>16</sup>
- a) existing arrangements are maintained;
  - b) existing conditions of consent are complied with;
  - c) logs continue to be supplied under existing supply obligations; and
  - d) whenever a crop of trees is harvested on the Land, a new crop is likely to be established to replace the crop that is harvested.
27. As this transaction includes fresh or seawater interests, the automatic condition relating to fresh and seawater areas applies.<sup>17</sup> The Crown must acquire, and the owner of the Land must allow the Crown to acquire, the fresh and seawater interests.<sup>18</sup> However, the Crown need not acquire the fresh or seawater interests if the owner is notified of a decision not to acquire.<sup>19</sup>
28. We assess the investor test in Part E, the special test relating to forestry activities in Part F, the farm land offer test in Part G, and discuss national interest matters in Part H.

## **E. Applicant and investor test**

29. This section describes the Applicant and assesses whether the investor test is met.

### **Business Activities**

30. The Applicant is a holding company formed to hold forest assets on behalf of New Forests Australia New Zealand Forest Fund 3 (**ANZFF 3**). ANZFF 3 invests in assets that:
- a. generate revenue from the sale of timber and forest products, such as sawlogs, woodchips, pulpwood, or renewable energy feedstock;
  - b. generate revenue from land leasing; and
  - c. benefit from capital appreciation in forest value and/or land value.
31. ANZFF 3 also has the mandate to invest in processing infrastructure where the investment case links to target plantation forests. As of 2 August 2022, ANZFF 3 (and co-investors alongside the fund) has invested approximately NZ \$9(2)(b)(i) in forestry assets in New Zealand, with a further NZ \$9(2)(b)(i) under contract. The fund has an equivalent of approximately NZ \$9(2)(b)(i) available for further investments.
32. ANZFF3 is managed by the Manager, who is an experienced forestry investment management firm with over AUS \$8 billion of assets and committed capital under management. This includes over 1,000,000 hectares of plantation forests and land (with approximately 110,000 hectares in New Zealand).
33. The Manager is currently one of the largest forestry managers in Australasia in terms of area and volume of forests.

<sup>16</sup> As set out in clause 29(2) of the Overseas Investment Regulations 2005, and s 16A(4)(d) of the Act.

<sup>17</sup> Section 25D of the Act.

<sup>18</sup> Clause 3, Part 2, Schedule 5 of the Act.

<sup>19</sup> This is accordance with Clause 4 or 5, Part 2, Schedule 5 of the Act.



## Ownership

34. The Applicant is 100% owned by ANZFF3. ANZFF3 is 100% owned by ANZFOF3 NZ Pty Ltd (**ANZFOF3**). ANZFOF3 is wholly owned by The Trust Company (Australia) Limited (**TCL**) in its capacity as the trustee of New Forests Australia New Zealand Forest Operating Fund 3.
35. The New Forests Australia New Zealand Forest Operating Fund 3 and the New Forests Australia New Zealand Forest Investment Fund 3 form part of a stapled entity known as ANZFF3.
36. ANZFF3 is owned by 9 overseas institutional investor entities which have agreed to provide capital to ANZFF3 to fund acquisitions of forestry assets by ANZFF3. One of these institutional investors is New Forests Pty Limited (owning a **59(2)(b)(i)** shareholding), which, in turn wholly owns New Forests Asset Management Pty Limited (**Manager**).
37. TCL is 100% owned by the Trust Company Limited an Australian company which is owned by Perpetual Limited. Perpetual Limited is listed on the ASX.
38. **59(2)(b)(i)** investor in ANZFF3 that holds more than a 25% interest in ANZFF3 being **59(2)(b)(i)** Shareholder, incorporation and director information were not provided as it does not exercise any control over the Applicant.
39. A diagram of the ownership structure is in **Attachment 2**.

## Control

40. The Manager will be responsible for overseeing the day-to-day management of the Land and approving significant capital and operating expenditure in relation to the Land.
41. Neither TCL nor the Trust Company Limited have any day to day management, responsibility, or control over ANZFOF3 or ANZFF3. TCL is a passive trustee owner.
42. ANZFF3 and ANZFOF3 are asset holding companies managed and controlled by the Manager and do not have any practical management or control over the Applicant.
43. The Manager approved the Applicant's acquisition of Land, and the Manager authorized the Applicant's directors to sign the SPA.
44. The manager is responsible for approving divestment of the investment.

## Relevant overseas person and individuals with control

45. For these reasons, we recommend that the ROP is (collectively):

Relevant overseas person	Role
Zentral Estate Limited	Applicant
New Forests Asset Management Pty Limited	Manager

46. We recommend that the IWC<sup>20</sup> are:

Individuals with control	Role
Matthew Charles Crapp	Director of Applicant
Matthew Davis Wakelin	
Mark Nicholas Rogers	Director of Manager

<sup>20</sup> Section 15.

Individuals with control	Role
Gavin Mark Le Roux	
Dr David George Brand	

### Summary of investor test

47. The ROP and IWC established none of the factors in section 18A(4) of the Act.
48. For the reasons set out above, our conclusion is that the investor test has been met.

#### *Related application*

49. On 23 December 2022, LINZ granted consent (under delegation)<sup>21</sup> to changes in the ownership of New Forests, which wholly owns the Manager.<sup>22</sup>
50. The new owners of the Manager will be Mitsui & Co Ltd (**Mitsui**) and Nomura Holdings Inc (**Nomura**). There will also be a minority shareholding by New Forests employees. We have been notified that the transaction has settled.
51. Neither Mitsui nor Nomura nor their individuals with control will be directly involved with or control the proposed investment. None of the upstream owners of the Manager (nor any of their directors) will play any part in the performance of the Manager's management services.
52. Mitsui and Nomura are two distinct publicly listed entities with separate rights and responsibilities in terms of their ownership of the shares in New Forests. For example, neither entity will have the power to appoint a majority of the directors to the board of New Forests. Mitsui and Nomura are, and will be (post-settlement), acting in the interests of their own respective shareholders.

## F. Investment plan and special forestry test

53. This section describes the proposed investment and our assessment of whether it is likely to meet the special forestry test criteria in the Act.

### Investment

#### *Liang Ren Forest Estate*

54. The Liang Ren Forest Estate is used for growing commercial plantation forests. The Applicant will continue the current use of this Estate as intensively managed *Pinus radiata* plantations.
55. Activities will continue to consist of crop establishment, silviculture, crop maintenance, harvesting (including cutting, extracting and transport of logs), to produce a sustainable stream of logs from its plantation forest estate, to support the manufacture of forest products.

<sup>21</sup> Case 202200342.

<sup>22</sup> The consent only permits a change in the ownership of the Manager, and does not allow Mitsui, Nomura, New Forests, or the investment funds to make additional investments in sensitive land.



56. The Liang Ren Forest Estate is currently registered in the New Zealand Emissions Trading Scheme and the Applicant intends to maintain such registration. **Special Condition 8** provides for a special condition requiring the Applicant not to register a crop of trees in the Emissions Trading Scheme as permanent forestry. (See proposed decision in Attachment 1). This condition will help to ensure that the Land will not be used for permanent forestry/carbon farming.
57. There is a grazing lease<sup>23</sup> over approximately 91.6 hectares of the Tinopai Forest allowing for the grazing of forestry land.



Fig 2 - Extract from Schedule of 5 of the SPA below showing the extent of the Tinopai grazing land outlined in red.

58. There is an apiary agreement covering parts of the Bynderwyn Forest, Tinopai Forest, Waikaraka Forest, and Ngunguru Forest. There is also a lease over a very small part of the Bynderwyn Forest.

#### *Liang Ren Dairy Estate*

59. The Liang Ren Dairy Estate is currently used for farming purposes. Of the approximately 1,513 hectares of farmland, the Applicant intends to establish approximately 1,181 hectares with new *Pinus radiata* plantation forest. The Applicant will allow approximately 332 hectares of flood prone farmland to regenerate to native vegetation to support biodiversity, improve water quality and preserve native fish habitats.

<sup>23</sup> Clause 23.1 of the SPA defines the grazing lease: "Tinopai Grazing Lease means the deed of lease to be entered into between the Vendor (as landlord), Western Agri Limited (as tenant) and Douglas Graham Foster and William Rowand Foster (as guarantors) in respect of the Tinopai Grazing Land."



60. Following expiry of the Clear Ridge Lease<sup>24</sup> and Ridgeview Lease<sup>25</sup>, the Applicant intends to commence planting *Pinus radiata* plantations on the Land and registering these parts of the Land in the New Zealand Emissions Trading Scheme.

*Management of forestry estate and farm-to-forest conversion*

61. The Applicant has advised that it has been in discussions with NZFM 2022 Limited Partnership (NZFM) regarding its appointment as forestry manager of the Liang Ren Forestry and Dairy Estate. The Applicant has said it will formally appoint NZFM on settlement.
62. In line with its current practice, the Applicant will seek to obtain Forest Stewardship Council (FSC) certification in respect of the Land and is committed to managing the Land in accordance with best practices and the highest standards.
63. The Applicant intends to hold the Land for approximately [REDACTED] (being the remaining term for its investment fund). However, it may be the case that the fund term is extended, particularly if the fund is performing well.

*Resource consent*

64. The Applicant has not yet applied for any resource consents. Resource consent may be required for any activities within 20 metres of overhead lines, which are present on part of Waikaraka Forest and for the establishment of new production forestry for that part of Waikaraka Forest to which an Outstanding Natural Landscape overlay applies. We understand that resource consent is not otherwise required to convert the farm to forestry.

*Land use capability*

65. The following Land Use Capability (LUC) class information<sup>26</sup> provides general context as to the productive capacity and physical limitations of the Liang Ren Dairy Estate (comprising the Ridgeview Estate and Clear Ridge Estate) located in Northland, New Zealand:
- 65.1 LUC 3 (121 ha);
  - 65.2 LUC 4 (442 ha);
  - 65.3 LUC 6 (742 ha); and
  - 65.4 LUC 7 (279 ha).
66. **Attachment 3** provides further details relating to the Liang Ren Dairy Estate's land use capability.

<sup>24</sup> Clause 23.1 of the SPA defines this: "Clear Ridge Land Lease means the deed of lease between the Vendor (as landlord), Udderway Farming Limited (as tenant) and Daniel Woodcock and Heather Woodcock (as guarantors) in respect of the Clear Ridge Land dated 8 October 2018." The SPA also defines: "Clear Ridge Lease Extension means the notice of extension between the Vendor (as landlord) and Udderway Farming Limited (as tenant) in respect of the Clear Ridge Land Lease dated 18 October 2018."

<sup>25</sup> Clause 23.1 of the SPA defines this: "Ridgeview Lease means the deed of lease between the Vendor (as landlord) and B & M Farming 2010 Limited (as tenant) in respect of the Ridgeview Land dated 28 March 2017."

<sup>26</sup> The LUC classification system is a system in which land is categorised into eight classes based on a broad assessment of the land's capability and versatility for different types of agricultural production. Generally speaking, lower numbered classes (classes 1-5) are more productive and lend themselves to a broader range of activities (e.g. quality and versatile soils for farming), whereas classes 6-8 have greater limitations on what they can support and may be more appropriate for forestry.



## Consultation

67. We have consulted Herenga ā Nuku Aotearoa Outdoor Access Commission (**OAC**), the Department of Conservation (**DOC**) and Te Uri o Hau. The reason for consulting was that the Sensitive Land Certificate stated that access may need to be provided to the waterbodies on or adjoining the Land. OAC recommendation that manawhenua near the Tinopai Forest be consulted too.

### *OAC feedback*

68. OAC identified an existing arrangement where the Waikaraka Walkway is located on the subject land. The legal road is located across a steep slope. When the Waikaraka Forest was established, this slope was too steep for forestry trucks and other larger vehicles to use. Where the formed route deviated from the legal road an arrangement existed that the formed route over the forestry land was to be used as the walkway.
69. **Special Condition 11** provides for a condition requiring the Applicant to implement and maintain existing arrangements, including the walkway. **Special Condition 13** provides for a condition drafted by OAC and agreed to by the Applicant to ensure practical access to the waterbodies on the Land. (See the proposed decision in **Attachment 1**.)

### *Engagement with Te Uri o Hau*

70. Based on OAC's recommendation, LINZ consulted with representatives of Te Uri o Hau, who are the local hapū of Ngāi Whātua. LINZ held an online hui on 22 February 2023 where Te Uri o Hau expressed an interest in the Applicant engaging with them post-settlement (if consent is granted) on the making of plans for planting and any impact on them of forestry activities in the Tinopai Forest, including:
- cultural impact assessment and monitoring,
  - dust nuisance,
  - pest and predator control, and
  - 100 metre setback from coastline.
71. **Special Condition 15** provides for the Applicant to engage with Te Uri o Hau Settlement Trust.

### *DOC feedback*

72. Based on a desktop review and within the time available under consultation, DOC did not identify any existing arrangements but did request a condition be included to require the Applicant to discuss a formal arrangement regarding better access to adjoining public conservation areas to the Ngunguru Forest. **Special Condition 14** provides for a condition requiring consultation with DOC.

### *Applicant's contact with Heritage New Zealand Pouhere Taonga*

73. The Applicant consulted with Heritage New Zealand Pouhere Taonga (**HNZ**) in respect of four areas of land.
- Tinopai Aerial – There are 17 recorded sites within this block and these are protected under the Heritage New Zealand Pouhere Taonga Act 2014.
  - Waikaraka – There are five recorded sites with some others on the boundary and these are protected under the Heritage New Zealand Pouhere Taonga Act 2014.
  - Ngunguru Aerial - There are at least 35 sites in this mostly forest area and numerous others outside and these are protected under the Heritage New Zealand Pouhere Taonga Act 2014.

- Brynderwyn Aerial – There are 2 sites in or adjacent to this property however the specific area does not appear to have been surveyed and therefore there is a likelihood of unrecorded sites that are protected under the Heritage New Zealand Pouhere Taonga Act 2014.

74. We understand that a total of 67 sites were identified within the forest boundaries of the Liang Ren Forest Estate by the previous forest manager. Of these, only 26 occur within the net stocked area or potentially productive area. The majority are at Ngunguru.<sup>27</sup> See below for the table showing the number of sites and whether they are within the commercial area of the forest:

Forest	Number of sites	Within commercial area	Area Deducted (ha)
Brynderwyn	1	1	0.2
Ngunguru	45	22	3.0
Tinopai	17	3	0.4
Waikaraka	4		0.0
<b>Total</b>	<b>67</b>	<b>26</b>	<b>3.5</b>

75. HNZ has advised the Applicant that further information regarding the nature and location of the heritage sites would require the support of an archaeologist.
76. **Special Condition 12** of Attachment 1 provides for the Applicant to protect and identify archaeological and wāhi tapu sites on the Land.

#### Submissions

77. No third-party submissions have been sought or received.

#### Use of land

78. This section considers whether the Land—

- 78.1 is likely to be used (nearly) exclusively for forestry activities
- 78.2 is not exclusively residential land and
- 78.3 is not likely to be used for any residential purposes, other than forestry worker accommodation.

#### *Used for forestry activities*

79. The Land is likely to be used nearly exclusively for forestry activities.

<sup>27</sup> Indufor report, p 41.



Liang Ren Forest Estate		
Land use	Current (ha)	Proposed (ha)
Forestry (total)	1,534.00 ha	1,534.00 ha
Unplanted (other than farm land) (total)*	633.30 ha	633.30 ha
Farm land (total)	91.60 ha	91.60 ha
Land to be divested/subdivided and sold (total)	N/A	N/A
<b>Total land use</b>	<b>2,258.90 ha</b>	<b>2,258.90 ha</b>
<b>Forestry (total ha)</b>	<b>1,534.00 ha</b>	<b>1,534.00 ha</b>
Existing plantation	1,534.00 ha	1,534.00 ha
New planting / afforestation – at ~1,000 stems per ha	0.00 ha	0.00 ha
<b>Unplanted (total ha)</b>	<b>633.30 ha</b>	<b>633.30 ha</b>
Native bush (including scrub)*	506.64 ha	506.64 ha
Unplantable – ridges, gullies, steep land	63.33 ha	63.33 ha
Infrastructure – roads, tracks	25.33 ha	25.33 ha
Buffer land, set-backs, riparian planting	38.00 ha	38.00 ha
<b>Farm land (total ha)</b>	<b>91.60 ha</b>	<b>91.60 ha</b>
Tinopai grazing lease area	91.60 ha	91.60 ha
<b>Land to be divested / subdivided and sold (total ha)</b>	<b>N/A</b>	<b>N/A</b>
Farm land	N/A	N/A
Forestry	N/A	N/A
Other	N/A	N/A

Liang Ren Dairy Estate		
Land use	Current (ha)	Proposed (ha)
Forestry (total)	0.00 ha	1,181.30 ha
Unplanted (other than farm land) (total)*	62.47 ha	394.67 ha
Farm land (total)	1,513.50 ha	0.00 ha
Land to be divested/subdivided and sold (total)	N/A	N/A
<b>Total land use</b>	<b>1,575.97 ha</b>	<b>1,575.97 ha</b>
<b>Forestry (total ha)</b>	<b>0.00 ha</b>	<b>1,181.30 ha</b>
Existing plantation	0.00 ha	0.00 ha
New planting / afforestation – at ~1,000 stems per ha	0.00 ha	1,181.30 ha
<b>Unplanted (total ha)</b>	<b>62.47 ha</b>	<b>394.67 ha</b>
Native bush (including scrub)*	49.98 ha	382.18 ha
Unplantable – ridges, gullies, steep land	6.25 ha	6.25 ha
Infrastructure – roads, tracks	2.50 ha	2.50 ha
Buffer land, set-backs, riparian planting	3.75 ha	3.75 ha
<b>Farm land (total ha)</b>	<b>1,513.50 ha</b>	<b>0.00 ha</b>
Pasture (1,200 milking cows + 1,000 beef cows)	1,513.50 ha	0.00 ha
<b>Land to be divested / subdivided and sold (total ha)</b>	<b>N/A</b>	<b>N/A</b>
Farm land	N/A	N/A
Forestry	N/A	N/A
Other	N/A	N/A

\* Note: of the 1,513.50 hectares of farmland, the Applicant intends to establish 1,181.30 hectares with new Pinus radiata plantation forest and allow 332.00 hectares of flood prone farmland to regenerate to native vegetation to support biodiversity, improve water quality and preserve native fish habitats. This is the reason for the increase in the area of native vegetation in the 'proposed' column.

80. From the above table, approximately 73% of the total land area will be used for forestry activities, consisting of both existing plantation and new afforestation.
81. The Applicant notes that it intends to establish *Pinus radiata* on approximately 1,181.3 ha of the existing farmland as soon as is practically achievable, however the availability of seedlings and planting contracts will determine the timing of establishment. The Applicant estimates that the establishment program will take 2-3 years.
82. The remaining portion of the Land will remain unplanted (approximately 27%) due to native bush (including scrub), ridges, gullies, infrastructure (roads, tracks), and buffer land, set-backs, riparian planting.

*Evidence of production forestry*

83. We are confident that the Land will be used for production forestry.
84. Radiata pine grown in Northland generally produces wood with a higher basic density (than the national average) which results in good strength properties, making it an attractive product for sale for export or domestic processing.<sup>28</sup>
85. The processing sector comprises several large mills and several smaller wood processors. Northland processors produce products for export and the local New Zealand market and are located to feed products into the Auckland construction market.<sup>29</sup>
86. Marsden Point (Northport) is Northland's key export port and has a log export facility.<sup>30</sup> In addition, Marsden Point is a deep-water port, and as such is used to "top up" log ships which have been part loaded in ports that do not have sufficient draft (such as Gisborne).<sup>31</sup>
87. The port, mills and other wood processors are all within a relatively short transport distance from the Land, minimising harvest costs.

Origin	Marusumi	Croft	Northpine	Northsawn Lumber	Mt Pokaka	Waipapa	Northport / CHH LVL
<b>Forests</b>							
Brynderwyn*	50	71	18	30	134	141	35
Ngunguru	30	20	56	51	87	94	53
Tinopai	78	95	65	77	161	168	81
Waikaraka	21	30	47	41	87	94	43
<b>Farms</b>							
Clear Ridge	44	58	59	53	126	133	55
Ridgeview	73	80	95	69	114	121	71
Tinopai Farm	78	95	65	77	161	168	81
Tonui	68	73	90	77	106	113	79

Note: Includes an additional 6 km of travel due to SH1 barrier.

88. The Liang Ren Forest Estate is a second rotation forest comprising mostly pre-1990 forest land.<sup>32</sup> In the absence of an ability to register this land in the Emissions Trading Scheme, the only likely revenue source will be from *production* forestry.

<sup>28</sup> Indufor report, p 33.

<sup>29</sup> Indufor report, p 33.

<sup>30</sup> Indufor report, p 34.

<sup>31</sup> Indufor report, p 34.

<sup>32</sup> Indufor report, p 66: "All the forests are classified as pre-1990 area under the ETS classification with the exception of 88.9 ha of land at Tinopai, that was previously under radiata pine, but was clearfelled



89. Finally, in our dealings with ANZFF3 and other funds managed by New Forests, we have not had any sense that investments would be undertaken for permanent forestry purposes. To the contrary, ANZFF3 and New Forests investments have consistently been for production forestry purposes.

#### *Clear Ridge Lease and Ridgeview Lease*

90. Both the Clear Ridge Lease and Ridgeview Lease will expire on 31 May 2023 following the tenants executing a deed of variation. The Applicant intends to work collaboratively with the respective lessees to facilitate an orderly wind up of the Clear Ridge Lease and Ridgeview Lease and a transition of the Clear Ridge Estate and Ridgeview Estate from farming to forestry as the primary land use.
91. This transition is expected to take 2-3 years because the total area to be established with *Pinus radiata* plantation is approximately 1,181.3 hectares (across both the Ridgeview Estate and Clear Ridge Estate), and both seedling and contractor availability limit the ability to plant the full approximate 1,181.3 hectares in a single planting season.
92. The Applicant may decide to extend the Clear Ridge Lease and/or the Ridgeview Leases (or part thereof) due to these operational constraints. The Applicant intends to establish the plantation forest as soon as practically possible because it considers forestry to be the highest and best use of the Clear Ridge Estate and Ridgeview Estate, and the Applicant intends to generate both timber and carbon revenue from the Land.

#### *Forestry Stewardship Council*

93. The FSC certification is consistent with the Applicant's objective of continuing to develop a long-term, profitable, and sustainable forestry estate.
94. To obtain FSC certification in respect of the Land, the Applicant will be required to implement the following initiatives which are not currently in place:
- a. No commercial planting will be permitted within 10 metres of riparian zones around rivers or streams that have permanent bodies of water. Where there are existing plantations within riparian zones, there are certain harvest prescriptions that must be followed to minimise disturbance.
  - b. Limitations on the use of herbicides and/or pesticides. Specifically, forest managers must demonstrate commitment to the goal of avoidance and minimisation of chemical pesticide use and shall not use chemicals listed on the Highly Hazardous List unless permission has been obtained from FSC International.
  - c. Weed and pest control shall be assessed and implemented to protect terrestrial biodiversity in riparian areas.
95. Note that proposed **Special Conditions 1 and 2** meet the requirement for a condition that the Land continue to be used for forestry activities.<sup>33</sup>

#### *Not exclusively residential land*

96. The Land does not include residential land. None of the Land has a property category of residential or lifestyle in the relevant district valuation roll.

#### *Unlikely to be used for residential purposes*

97. The Applicant advised by letter dated 22 September 2022 that it has not yet decided on the intended use of the two dwellings on the Clear Ridge Estate and Ridgeview Estate.

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prior to 31 December 2007 and is classified as post-1989 land. The total area identified for replanting was 101.8 ha but 12.9 ha of this was still under trees after the cut-off date."

<sup>33</sup> This condition is required by s 16C(4) of the Act.

The Applicant may use the dwellings for worker accommodation or subdivide and sell the underlying land following settlement of the acquisition.

98. Note that proposed **Special Condition 7** meets the requirement for subdivision and disposal of land not used for forestry activities. **Special Condition 9** meets the requirement for a condition that the Land not be used for residential purposes.<sup>34</sup> **Special Condition 10** provides for permitted temporary activities, namely, that the Land may be temporarily used for grazing, and the dwellings on the Land may be used for transitional residential purposes.

## Requirements

99. This section considers whether the following requirements will be met—

- 99.1 maintain existing arrangements
- 99.2 comply with existing consent conditions
- 99.3 supply logs and
- 99.4 replace harvested crops.

### *Maintain existing arrangements*

100. The following checks have been undertaken to identify existing arrangements:

- 100.1 the Applicants have made enquires with the Vendor;
- 100.2 the Applicants' solicitors have done their own due diligence including reviewing the records of title, the land information memorandum for the Land, and Māori Land Online database; and
- 100.3 the Heritage New Zealand List has been checked. The Applicant has also checked archaeological maps. See above for the Applicant's engagement with HNZ.

101. There is an existing arrangement where the Waikaraka Walkway is located on the subject land that needs to be maintained. OAC identified this as an existing arrangement and the Applicant has agreed to treat it as such. See **Appendix 1 of Attachment 1** for survey data of the track route of the walkway.

102. For completeness, the Applicant notes that there is:

- an open space covenant on part of the Ridgeview Estate;
- Outstanding Natural Landscape overlay (Te Kopua Point headland and Harbour Edge) adjacent to, and on the western boundary of, the Tinopai Forest;
- a High Natural Character Area is located within the Ngunguru Forest;
- an Outstanding Natural Landscape overlay is over the Waikaraka Forest;
- significant marine mammal and seabird area which covers part of the Ngunguru Forest Land;
- significant bird area which covers a small part of the Ngunguru Forest;
- significant marine mammal and seabird area which is adjacent to the Tinopai Forest;
- significant bird area which covers a small part of the Tinopai Forest; and
- significant ecological area in a coastal marine area overlay is recorded in the Proposed Northland Regional Plan (Decisions Version) which is adjacent to the Tinopai Forest.

<sup>34</sup> This condition is required by s 16C(4) of the Act.



103. Arrangements such as these will already have to be implemented or maintained as part of requirements under other legislation or interests recorded on the title so are not 'existing arrangements' for the purpose of the clause 29(2) of the Regulations, but are rather existing obligations.
104. The Special Forestry Test regime does not seek to duplicate obligations that either exist under other legislation or are on the title and will already benefit/burden the land. The Special Forestry Test is aimed at preserving the status quo regarding existing arrangements. (This is a key difference between an application under this test, and an application under the Benefit to New Zealand Test).
105. Note that proposed **Special Condition 11** meets the requirement for a condition that the existing arrangements for specified purposes (whether identified by the Applicant or not) must continue to be implemented and maintained.<sup>35</sup> **Special Condition 11** specifically identifies the Waikaraka Walkway as an existing arrangement.

*Comply with existing consent conditions*

106. There are no existing consent conditions to comply with, as the Vendor is not an overseas person.

*Supply logs*

107. The Vendor has confirmed that there are no existing log supply obligations in relation to the Land.

*Replant harvested crops*

108. We are satisfied that whenever a crop of trees is harvested on the Land, a new crop is likely to be established on the Land to replace the crop that is harvested.<sup>36</sup> The Applicant is in the business of cultivating forests and has confirmed that the Land will be replanted after harvest.
109. The forests are on their second rotation and include a road and landing infrastructure. For the current dairy farms, existing cattle races form the basis of the proposed roading network.
110. The Applicant expects the majority of the tree crop to be ready for harvest from approximately 2036, after which harvest will take place as stands reach the age of approximately 27 years old.
111. The exotic tree crop on the Liang Ren Forest Estate is of a mixed age class with a range of different ages and replanting timings. Following the harvest of the areas on the Land stocked with non-Pinus radiata exotic species, the Applicant intends to re-establish these areas to Pinus radiata.
112. We recommend a condition requiring harvested stands to be replanted within 2 years of harvesting for the duration of the Applicant's ownership of the Land, on the basis that such condition:
  - a. is subject to such replanting not being prohibited by any law or regulation; and
  - b. allows small areas which are currently stocked to not be replanted provided that they are offset by increases in native bush, reserve land and riparian setbacks,

<sup>35</sup> This condition is required by s 16C(4) of the Act.

<sup>36</sup> The Vendor Information Form confirms that the land covered in existing forestry is pre-1990 forestry. The majority has been harvested once and replanted with pine crops. A small portion in Tinopai Forest is used as grazing area under a lease agreement.

associated with improved management practices and meeting resource consent requirements.<sup>37</sup>

113. Note that proposed **Special Condition 5** meets the requirement for a condition that each crop of trees be replaced.<sup>38</sup> We have also recommended imposing **Special Condition 3** requiring that the crop of trees to be planted must be maintained in accordance with minimum silvicultural practices. **Special Condition 4** requires that the crop of trees must be harvested.

### Wilding pine condition

114. The Minister for Land Information has asked LINZ to advise on the suitability of a condition requiring that wilding pines be controlled beyond the requirements of the National Environment Standard for Plantation Forestry.
115. The condition LINZ presents for consideration requires:
- 115.1 taking reasonable steps to minimise the risk of wilding pines (note that this requirement adds little to the existing obligations under the National Environment Standard for Plantation Forestry),
  - 115.2 removing *all* wildings from the areas of the Land you do not intend to plant (the National Environment Standard for Plantation Forestry only requires the removal of wilding pines established in wetlands or significant natural areas), and
  - 115.3 a 250 hour contribution to wilding pine control on neighbouring properties every five years.
116. We have sought the Applicant's views on this condition.
- 116.1 The Applicant does not object to taking steps to minimise the risk of wilding pines or to removing wildings from the Land.
  - 116.2 In relation to procuring at least 250 hours of effort to control wildings within 2,500 metres of the Land, the Applicant considers this condition unreasonable and impractical and requests that it be amended so that it is only required to use reasonable endeavours to manage the spread of wildings over the boundary of the Land. The Applicant notes that most of the land is near / directly adjacent to other *pinus radiata* plantations, and as such it will not be practically possible to ascertain from where wildings are originating. The condition as drafted would potentially require our client to fix an issue emanating from its neighbour's land on the neighbour's land, which the Applicant assumes is not what is intended.
117. We agree with the Applicant's argument that an obligation to contribute to wilding pines on neighbouring properties is unnecessary in this case. We consider that the afforestation of the Land is unlikely to materially impact on the wilding pine risk to neighbouring properties. In the circumstances, we recommend that you *do not* impose a condition requiring the Applicant to control wilding pines beyond the requirements of the National Environment Standard for Plantation Forestry.

### Fresh or seawater areas

118. The investment includes the following fresh and seawater areas:
- The Kaipara Harbour adjoins a marine and coastal area.

<sup>37</sup> According to the Applicant's investment plan, this is common in New Zealand, for example, where plantations were previously planted to the edge of rivers and streams, and now, riparian buffers are established to minimise environmental impacts.

<sup>38</sup> This condition is required by s 16C(4) of the Act.



- The Ngunguru river adjoins a marine and coastal area and is the bed of a river (ad medium filum aquae<sup>39</sup>).
  - The Manganui river is the bed of a river (ad medium filum aquae) and the interior bed of a river (interior).
119. If the Applicant is granted consent for this investment, the Applicant will lodge a water areas acquisition notice<sup>40</sup> immediately on receiving the title to/interest in the Land. A separate decision will be made by decision-making Ministers subsequently. We have included the automatic condition that the Applicant must comply with the provisions of Schedule 5 of the Act.

## **G. Farm land offer test**

120. Because part of the Land (the Liang Ren Dairy Estate) is farm land,<sup>41</sup> we note that it was advertised for sale on the open market with the required information for a period exceeding 30 working days<sup>42</sup> on *Colliers* website,<sup>43</sup> within the 12 months preceding the date the transaction that requires consent is entered into.<sup>44</sup>
121. The Applicant has confirmed that the farmland was advertised in *Farmers Weekly* and the *New Zealand Herald* both in print and online. The Vendor Information Form states that the advertising date for *NZ Herald* is 6 November 2021 and *Farmers Weekly* is 8 November 2021.
122. The Applicant submitted the Trade Me Property activity report forwarded to it from the Vendor's real estate agent which shows that the Liang Ren Dairy Estate has been advertised since from 27 October 2021. According to the Applicant's letter, the Trade Me advertising remains active as at 8 November 2022.
123. We are therefore satisfied the regulations requiring the farm land to be offered for acquisition on the open market have been complied with.<sup>45</sup>

## **H. Not a transaction of national interest**

124. The investment does not involve a transaction of national interest under the mandatory criteria of the Act.<sup>46</sup> This is because the investment does not involve a non-NZ government investor, or an investment in a strategically important business (as defined in the Act).

<sup>39</sup> AMF stands for usque ad medium filum aquae, being a legal presumption that the owner of land with a movable boundary that bounds a non-tidal waterway is deemed to own out to the middle line of the waterway bed.

<sup>40</sup> The water areas acquisition notice records the Crown's right to acquire the fresh or seawater area and the Crown may acquire the fresh or seawater area at any point within the subsequent 10 years.

<sup>41</sup> Currently being used primarily for pasture (1,200 milking cows+ 1,000 beef cows) (see the definition of farm land in s 6 of the Act). Note that the farmland covers approximately 1,513.50 ha and there is existing forestry covering approximately 1,625.60 ha. Approximately 695.77 ha is unplanted.

<sup>42</sup> For sale by tender, closing on 9 December 2021.

<sup>43</sup> From 27 October 2021.

<sup>44</sup> The Agreement for sale and purchase is dated 15 July 2022, and the application was lodged on 2 September 2022.

<sup>45</sup> Overseas Investment Regulations 2005, regulations 5 to 10.

<sup>46</sup> Under s 20A of the Act.

125. We have not referred this transaction to the Minister of Finance for him to call it in for a national interest assessment on a discretionary basis.<sup>47</sup> He has therefore not declined consent to the transaction.
126. We are directed<sup>48</sup> that the starting point is the assumption that overseas investment is in New Zealand's national interest and that we should only seek the Minister of Finance to exercise his discretion for a national interest assessment if the proposed investment:
- could pose risks to New Zealand's national security or public order
  - would grant an investor significant market power within an industry or result in vertical integration of a supply chain
  - has foreign government or associated involvement that was below the 25 per cent threshold for automatic application of the national interest test, but granted that government (and/or its associates) disproportionate levels of access to or control of sensitive New Zealand assets
  - would have outcomes that were significantly inconsistent with or would hinder the delivery of other Government objectives
  - raises significant Treaty of Waitangi issues, or
  - relates to a site of national significance (e.g. significant historic heritage).
127. We do not consider that this investment engages any of these risk factors.

## **I. Conclusion and recommendation**

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128. We recommend you grant consent to the investment as we consider all of the relevant criteria have been met.
129. The conditions we recommend are set out in the Proposed Decision (**Attachment 1**). These conditions include all required mandatory conditions and additional discretionary conditions.



Pedro Morgan  
Lead Advisor, Applications  
**Overseas Investment, LINZ**  
Date: 5-Apr-2023

## **J. List of Attachments**

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1. Proposed Decision and Conditions
2. Ownership Structure
3. Land Use Capability
4. Photos
5. Extracts from Sensitive Land Certificate

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<sup>47</sup> Section 20B of the Act

<sup>48</sup> Ministerial Directive Letter (24 November 2021).



## Attachment 1: Proposed Decision

### Consent for Overseas Person to Acquire Sensitive New Zealand Land

Read this consent carefully - you must comply with all the conditions. If you do not, you may be required to dispose of the land and/or be subject to fines or other penalties.

#### Consent

Decision date: [date]

The following people have been given the following consent:

Case	202200387
Consent type	One-off Consent (forestry activities) for an overseas investment in sensitive land.
Consent	The Consent Holder may acquire the Land subject to the Conditions set out below.
Consent Holder	Zentral Estate Limited (New Zealand company number 7669423) (You or the Consent Holder)
Land	<p>A freehold interest in approximately 3,834.8699 hectares of sensitive land located in Northland comprised in records of title:</p> <p><b>Liang Ren Forestry Estate</b></p> <ul style="list-style-type: none"><li>• NA75A/16, NA121A/157, NA98/182 (known as <b>Ngunguru Forest</b>);</li><li>• 486303, 486304 (known as <b>Brynderwyn Forest</b>);</li><li>• 410841, 476181, 675130, 675131, NA1182/50 (known as <b>Tinopai Forest</b>);</li><li>• NA639/1, NA77D/324, NA77D/325, NA77D/326, NA77D/327 (<b>Waikaraka Forest</b>)</li></ul> <p><b>Liang Ren Dairy Estate</b></p> <ul style="list-style-type: none"><li>• 137663, NA105B/579, NA125/164, NA76A/488, NA86D/325, NA105B/580 (<b>Clear Ridge</b>)</li><li>• 195908, NA40C/1087, NA40C/1088, NA40C/1089, NA40C/1090, NA40C/1091, NA90D/879, NA92D/81, NA98C/528, NA587/286, NA763/76, NA981/139 (<b>Ridgeview</b>)</li></ul>
Timeframe	You have until [TBC] 2024 to acquire the Land.

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## Conditions

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Your Consent is subject to the special conditions, standard conditions and reporting conditions (**Conditions**) set out below. You must comply with them all. Be aware that if you do not comply with the Conditions you may be subject to fines or other penalties, and you may also be required to dispose of the Land.

In the Consent and the Conditions, we refer to Toitū Te Whenua Land Information New Zealand (**LINZ**) as **us** or **we**.

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## Definitions

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**Act** means the Overseas Investment Act 2005.

**Crop of Trees** means

- the **new crop of trees** that will be established under special condition 1;
- any **existing crop of trees** that had already been established on the Land; and
- any **replanted crop of trees** replanted in accordance with special condition 5.

but for the avoidance of doubt excludes trees that were not planted with the intention of being harvested to provide wood, such as native species planted in riparian margins.

**Dwellings** means the first dwelling and curtilage and second dwelling appearing on the Ridgeview Estate and Clear Ridge Estate.

**Forestry Activities** has the same meaning as in the Act, and for the avoidance of doubt excludes permanent forestry.

**Forestry Land** means the parts of the Land which you intend to use exclusively, or nearly exclusively, for forestry activities (which, for the avoidance of doubt, may include areas of native bush, and reasonable allowances for roads, set-backs, buffer area, riparian planting and other land reasonably deemed "non-productive").

**Fresh or seawater areas** has the same meaning as in the Act.

**Kaipara Harbour** means the harbour that adjoins the land contained in Records of Title 410841 and NA1182/50.

**Liang Ren Forest Estate** means the Ngunguru Forest (approximately 332.4259 hectares), Waikaraka Forest (approximately 209.9416 hectares), Brynderwyn Forest (approximately 405.0822 hectares), and Tinopai Forest (approximately 1311.451 hectares), and

**Liang Ren Dairy Estate** means the Ridgeview Estate (approximately 617.3646 hectares) and Clearview Estate (approximately 958.6049 hectares).

**Manganui River** means the river that:

- (a) runs alongside the land contained in Records of Title NA40C/1069, NA40C/1091, NA763/76, NA90D/879 and NA105B/580, and
- (b) runs through the land contained in Records of Title NA40C/1069, NA40C/1091, NA90D/879, 137663 and NA105B/580.

**Ngunguru River** means the river that adjoins the land contained in Records of Title NA98/182.

**Other Land** means Land that is not Forestry Land.

**Planting Plan** means a plan that describes how the Land will be planted and identifies and explains: the area of the Land suitable for planting, the area you will plant with trees, the type of trees you will plant, and a map showing the same.



**Predator Free 2050 Kaipara Harbour Project** means the project initiated by the Integrated Kaipara Harbour Management Group in partnership with Ngā Maunga Whakahii, Te Uri o Hau, Te Roroa, Landcare and community groups, Auckland Council, Northland Regional Council, and the Department of Conservation.

**Regulations** means the Overseas Investment Regulations 2005.

**Te Uri o Hau** means the local hapū of Ngāti Whātua located in the Northern Kaipara area, which includes the Kaipara Harbour, and which consists of the Ngā Tai Whakarongorua marae, Waiōhou marae, and Waiotea (Tinopai) marae near the Tinopai Forest. See [Appendix A](#).

**Te Uri o Hau Settlement Trust** is the legal entity of Te Uri o Hau hapū and whānau, and provides for the environmental, cultural, social and economic well-being.

**WAAN** means water areas acquisition notice.

**Waikaraka Walkway** means the walkway track extending from Cartwright Road to Mt Tiger Road on the Waikaraka Forest and as shown on the survey data of the track route prepared by a licensed surveyor in 2017. See [Appendix B](#).

Any term or expression that is defined in the Act or Regulations and used, but not defined, in this consent has the same meaning as in the Act or Regulations.

### Special Conditions

You must comply with the following **special conditions**. These apply specifically to this Consent and include conditions that we must impose under the Act.

Details	Required date
<b>Automatic condition: Fresh or Seawater Areas</b>	
You must, in relation to the fresh or seawater area(s), comply with all provisions of <a href="#">Schedule 5</a> of the Act.	By the times set out in schedule 5.
You must provide a draft WAAN to <a href="mailto:FSAapplications@linz.govt.nz">FSAapplications@linz.govt.nz</a> .	At least 15 working days before settlement.
You must lodge the WAAN on the title.	Immediately following the transfer and before registering any other interests on the title.
<b>Special condition 1: Liang Ren Dairy Estate must be planted with trees</b>	
<p>You must establish a new crop of trees on the Liang Ren Dairy Estate covering at least 1,000 hectares.</p> <p>The crop of trees must be established in accordance with the Planting Plan.</p>	By 1 July 2026
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	



Details	Required date
<b>Special condition 2: Forestry Land must be used for forestry activities</b>	
The Forestry Land must be used exclusively, or nearly exclusively, for Forestry Activities except as otherwise permitted by these Conditions.	At all times
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	
<b>Special condition 3: Minimum silvicultural practices</b>	
The crop of trees must be maintained in accordance with minimum silvicultural practices and as intended in the <i>Due Diligence Assessment Liangren Estate</i> report dated 25 February 2022 by Indufor. In particular, the crop of trees must be planted at approximately 1,000 stems per hectare and thinned to 550 stems per hectare.	At all times
If you do not comply with this condition, Standard Condition 6 will apply, and we may require you to dispose of the Land.	
<b>Special Condition 4: Crop of trees must be harvested</b>	
You must ensure that no more than 5% (by area) of the crop of trees on the land is older than the species age limit. For <u>pinus radiata</u> , species age limit is 35 years. For <u>all other species</u> , the species age limit is as determined by LINZ.	At all times
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	
<b>Special condition 5: Trees must be replanted after harvest</b>	
You must replace each crop of trees you harvest with a new crop of trees ( <b>Replant</b> ). You may Replant on a like-for-like basis or on any similar basis.	Within 3 years of harvest (or as otherwise permitted by this condition).

Details	Required date
<p>This condition does not require you to:</p> <ol style="list-style-type: none"> <li>1. replant the Land with the same species of tree or use the same silvicultural regime; or</li> <li>2. do anything in breach of any other Act, regulation, rule, bylaw, or that is otherwise contrary to law.</li> </ol> <p>This condition does not limit Special Condition 2 (Forestry Land must be used for forestry activities) or Special Condition 3 (Minimum silvicultural practices).</p>	
<p>If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.</p>	
<p><b>Special condition 6: Confirm area of Forestry Land and Other Land</b></p>	
<p>You must:</p> <ol style="list-style-type: none"> <li>a) confirm to us in writing the area of Forestry Land and the area of Other Land,</li> <li>b) provide a map showing the extent of the Forestry Land and the Other Land, and</li> <li>c) provide a Planting Plan for the Forestry Land.</li> </ol>	<p>By 31 October 2024</p>
<p><b>Special condition 7: Subdivide and dispose of Other Land</b></p>	
<p>You must complete a subdivision so the Other Land can be disposed of.</p>	<p>By 1 July 2025</p>
<p>You must dispose of the Other Land.</p>	<p>By 1 July 2026</p>
<p>If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.</p>	
<p><b>Special condition 8: ETS registration</b></p>	
<p>You must not register the crop of trees as "permanent forestry" (or in any category similar to permanent forestry) in the Emissions Trading Scheme established under the Climate Change Response Act 2002 (or any replacement for that scheme or enactment).</p>	<p>At all times</p>



Details	Required date
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	
Special condition 9: Residential use restrictions	
The Land must not be used, or held for future use, for any residential purposes except for:  1. forestry worker accommodation in accordance with section 16A(4)(c) of the Act; or  2. as otherwise permitted by Special Condition 11 (Permitted temporary activities).	At all times
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	
Special condition 10: Permitted temporary activities	
The Land may be used temporarily for the following activities for transitional purposes:  1. The Land may be grazed prior to being planted with a crop of trees in accordance with Special Condition 1 (Forestry Land must be planted with trees); and  2. Dwellings on the Land may be used for transitional residential purposes.	Until 1 July 2026
Special condition 11: Existing arrangements	
You must implement and maintain:  a) any existing arrangements in respect of the Land that are for a specified purpose as set out in Regulation 29 of the Regulations ( <b>Arrangements</b> ).  b) all Arrangements, including Arrangements you did not identify in your application for consent.	At all times
You must maintain the existing arrangement where the Waikaraka Walkway is located on the Waikaraka Forest.	
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	



Details	Required date
<b>Special condition 12: Archaeological and wāhi tapu sites on the Land</b>	
<p>You must:</p> <ol style="list-style-type: none"> <li>1. comply with any Act, regulation, rule, or bylaw relevant to any archaeological or wāhi tapu site(s) on the Land; and</li> <li>2. not undertake Forestry Activities in the immediate vicinity of the buffer zones of any identified archaeological and wāhi tapu sites on the Land.</li> </ol> <p>If, at any time, you discover any unidentified archaeological and wāhi tapu sites, you will stop any work that could affect the relevant site(s) and contact Heritage New Zealand Pouhere Taonga for advice on how to proceed in accordance with the requirements of the Heritage New Zealand Pouhere Taonga Act 2014.</p> <p>This condition does not limit Special Condition 12 (Existing arrangements).</p>	<p>At all times</p>
<p>If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.</p>	
<b>Special condition 13: Public access to Kaipara Harbour, Manganui River, and Ngunguru River</b>	
<p>You must consult with Herenga ā Nuku   Outdoor Access Commission to determine what reasonable practical access can be provided to and along the Ngunguru River, Manganui River, and Kaipara Harbour, where these waterbodies adjoin or pass through the Land.</p> <p>Practical public access must be protected in perpetuity through the registration of public access instruments within two years of you and Herenga ā Nuku   Outdoor Access Commission agreeing on practical public access routes.</p> <p>The reasonable costs of implementing the protection of public access routes will be borne by you.</p>	<ol style="list-style-type: none"> <li>(a) Complete consultation by 1 July 2026</li> <li>(b) Once the public access arrangements are implemented, at all times</li> </ol>
<p>If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.</p>	
<b>Special condition 14: Consult with the Department of Conservation</b>	

Details	Required date
You must consult with the Department of Conservation to discuss the possibility of a formal arrangement for access to the adjoining Ngunguru Government Purpose (Wildlife Management) Reserve.	Complete consultation by 1 July 2026
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	
<b>Special condition 15: Engage with Te Uri o Hau Settlement Trust</b>	
<p>In preparing the Planting Plan, you must engage with Te Uri o Hau Settlement Trust about the impact of Forestry Activities on them including:</p> <ul style="list-style-type: none"> <li>a) conducting and producing a cultural impact assessment and monitoring report in a format agreed between you and Te Uri o Hau Settlement Trust;</li> <li>b) preventing dust nuisance in water tanks on the Ngā Tai Whakarongorua marae arising from the Consent Holder's forestry activities;</li> <li>c) supporting the Predator Free 2050 Kaipara Harbour Project by allowing access to the Tinopai Forest to conduct fieldwork regarding the number of any possums, rats, mustelids, and feral pigs; and</li> <li>d) whether there should be any setbacks from the coastline greater than those required under the Resource Management (National Environmental Standards for Plantation Forestry) Regulations 2017.</li> </ul>	By 31 October 2024
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	

### Standard Conditions

You must also comply with the **standard conditions** set out below. These apply to all overseas people who are given consent to acquire sensitive New Zealand land, including you:

Details	Required date
---------	---------------

Standard condition 1: acquire the Land	
<p>You must acquire the Land:</p> <ol style="list-style-type: none"> <li>by the date stated in the Consent. If you do not, your Consent will lapse or become invalid and you must not acquire the Land, and</li> <li>using the acquisition, ownership and control structure you described in your application. Note, only you – the named Consent Holder - may acquire the Land, not your subsidiary, trust or other entity.</li> </ol>	As stated in the Consent.
Standard condition 2: tell us when you acquire the Land	
<p>You must tell us in writing when you have acquired the Land. Include details of:</p> <ol style="list-style-type: none"> <li>the date you acquired the Land (<b>Settlement</b>),</li> <li>consideration paid (plus GST if any),</li> <li>the structure by which the acquisition was made and who acquired the Land, and</li> <li>copies of any transfer documents and Settlement statements.</li> </ol>	As soon as you can, and no later than two months after Settlement.
Standard condition 3: allow us to inspect the Land	
<p>Sometimes it will be helpful for us to visit the Land so we can monitor your compliance with the Conditions. We will give you at least two weeks' written notice if we want to do this. You must then:</p> <ol style="list-style-type: none"> <li>Allow a person we appoint (<b>Inspector</b>) to: <ol style="list-style-type: none"> <li>enter onto the Land, including any building on it, other than a dwelling, for the purpose of monitoring your compliance with the Conditions (<b>Inspection</b>),</li> <li>remain there as long as is reasonably required to conduct the inspection,</li> <li>gather information,</li> <li>conduct surveys, inquiries, tests and measurements,</li> <li>take photographs and video records, and</li> </ol> </li> </ol>	At all times.



<p>(f) do all other things reasonably necessary to carry out the Inspection.</p> <p>2. Take all reasonable steps to facilitate an Inspection including:</p> <p>(a) directing your employees, agents, tenants or other occupiers to permit an Inspector to conduct an Inspection,</p> <p>(b) being available, or requiring your employees, agents, tenants or other occupiers to be available, at all reasonable times during an Inspection to facilitate access onto and across the Land. This includes providing transport across the Land if reasonably required.</p> <p>3. During an Inspection:</p> <p>(a) we will not compel you and your employees, agents, tenants or other occupiers to answer our questions or to let us look at, copy or take away documents,</p> <p>(b) our Inspector will comply with any reasonable instruction and co-operate with any reasonable health and safety policy or procedure you notify to us before the Inspection.</p>	
<b>Standard condition 4: remain not unsuitable to invest in New Zealand</b>	
<p>You, and to the extent that you are not an individual, the Individuals Who Control You must remain not unsuitable to own or control the Assets.</p> <p>The <b>Individuals Who Control You</b> are individuals who:</p> <p>(a) are members of your governing body,</p> <p>(b) directly or indirectly, own or control more than 25% of you or of a person who itself owns or controls more than 25% of you, and</p> <p>(c) are members of the governing body of the people referred to in paragraph (b) above.</p>	<p>At all times.</p>
<b>Standard condition 5: tell us about changes that affect you, the people who control you, or people you control</b>	
<p>You must tell us in writing if any of the following events happens to any of the Consent Holders:</p> <p>1. You become aware that you and/or any Individual Who Controls you establishes any of the investor test factors listed in section 18A(4) of the Act.</p>	<p>Within 20 working days after the change.</p>

2.	You cease to be an overseas person or dispose of all or any part of the Land.	
3.	Your New Zealand Service Address changes. This is the address you provided us in your application as the address which we will send any legal document we need to serve on you.	
<b>Standard condition 6: dispose of the Land if you do not comply with key special conditions</b>		
<p>If all or part of this Standard Condition 6 applies to a special condition, we have said so in that special condition.</p> <p>If we consider you have failed to comply with one of those special conditions in a material way we may require you to dispose of the Land.</p> <p>We will give you written notice if we require you to dispose of the Land. After we have given you notice, you must:</p>		
<b>Value the Land:</b> obtain and send us a copy of a market valuation of the Land from a New Zealand registered valuer.		Within six weeks of the date of our notice.
<b>Market the Land:</b> instruct a licensed real estate agent to actively market the Land for sale on the open market.		Within six weeks of the date of our notice.
<b>Dispose of the Land:</b> dispose of the Land to a third party who is not your associate.		Within six months of our notice.
<b>Offer without reserve:</b> if you have not disposed of the Land within six months of our notice, offer the Land for sale by auction or tender without a reserve price or minimum bid and dispose of the Land.		Within nine months of our notice.
<b>Report to us about marketing:</b> tell us in writing about marketing activities undertaken and offers received for the Land.		By the last day of every March, June, September and December after our notice or at any other time we require.
<p><b>Report disposal to us:</b> send us, in writing, evidence of the following:</p> <p>(a) that you have disposed of the Land (including copies of sale and purchase agreements, settlement statements and titles showing the purchaser as registered proprietor), and</p>		Within one month after the Land has been disposed of.

(b) that the purchaser is not your associate.	
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### Reporting conditions

We need information from you about how your investment plan is tracking so we can monitor your progress against the Conditions.

In addition to Settlement reporting (as set out in Standard Condition 2), you must provide LINZ with reports detailing the progress of the investment. The reports must:

1. be submitted via our [Webform](#) by these dates:
  - (a) 31 July 2025; and
  - (b) 31 July 2026.
2. contain information about:
  - (a) your progress in implementing the special conditions (which can include photographs, maps or aerial imagery as evidence of compliance with relevant conditions),
  - (b) the subdivision of the Other Land, and
  - (c) your most current forecast or schedule for harvesting and replanting of various areas of the Land (including maps indicating the particular areas and likely schedules).
3. follow the format of the template annual report published on our website.

If requested in writing by LINZ, the Consent Holder(s) must provide a written report within 20 working days (or such other timeframe as specified) on any matter relating to its compliance with:

- (a) the representations and plans made or submitted in support of the application and notified by the regulator as having been taken into account when the Consent was granted, or
- (b) the conditions of this Consent.

### Power to vary reporting date

The dates on which reports are due to be provided may be changed by agreement between the regulator and the consent holder, provided that this power may not be used to give a time extension for an individual report.

### Power to narrow scope of reports

The regulator may temporarily or permanently waive the requirement to report on a particular matter.

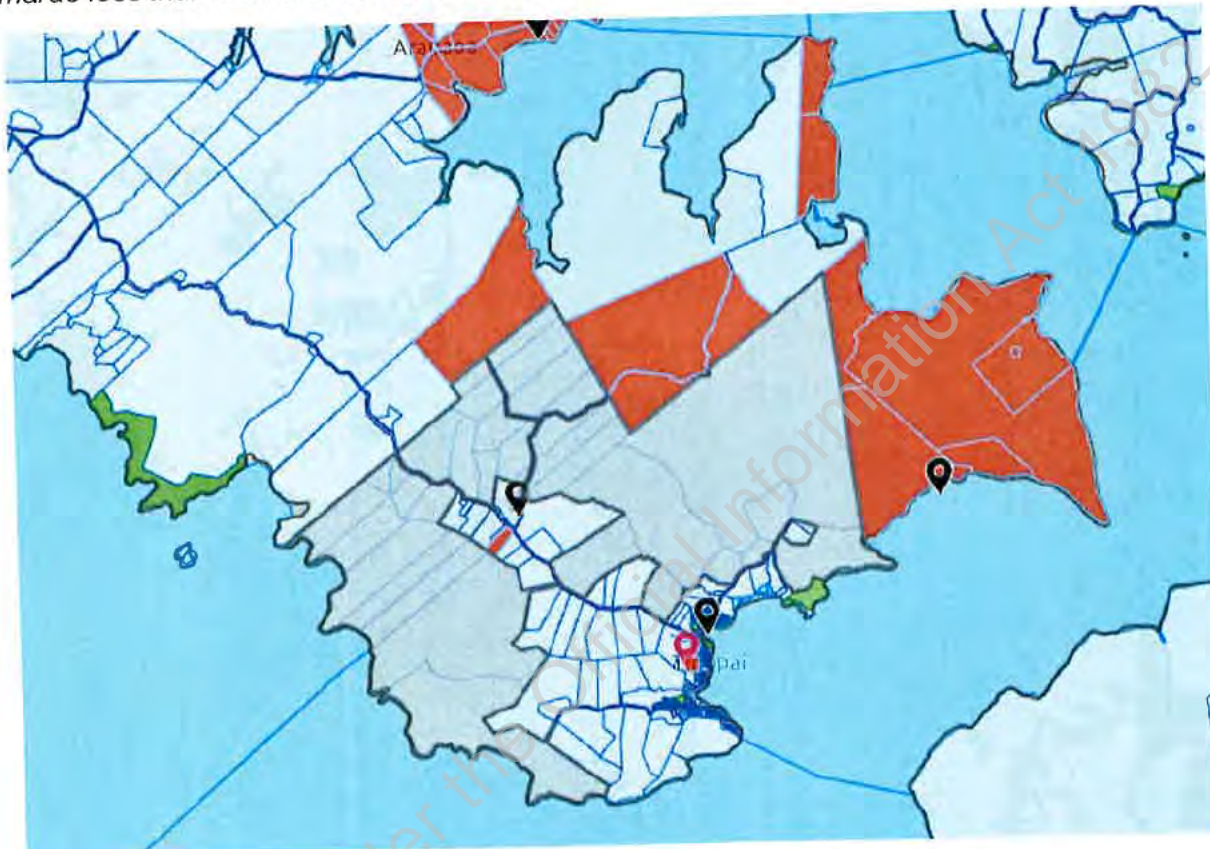
### Power not to require further reporting

The regulator may waive the requirement to submit a report and may waive the requirement for future reporting.



## Appendix A – Te Uri o Hau marae

Image supplied to LINZ by Herenga ā Nuku | Outdoor Access Commission's internal mapping layer showing marae locations with a black pin. The subject forestry land is shown in grey. Māori Land Court blocks are shown in red. The western black pin is Ngā Tai Whakarongorua marae, directly across the road from the forestry land. The middle black pin is labelled Waiōhou marae on our mapping system, approx. 300m from the forestry boundary. And there is a third marae less than 1km east of the forestry land.



**Bounded & Drawn by:**

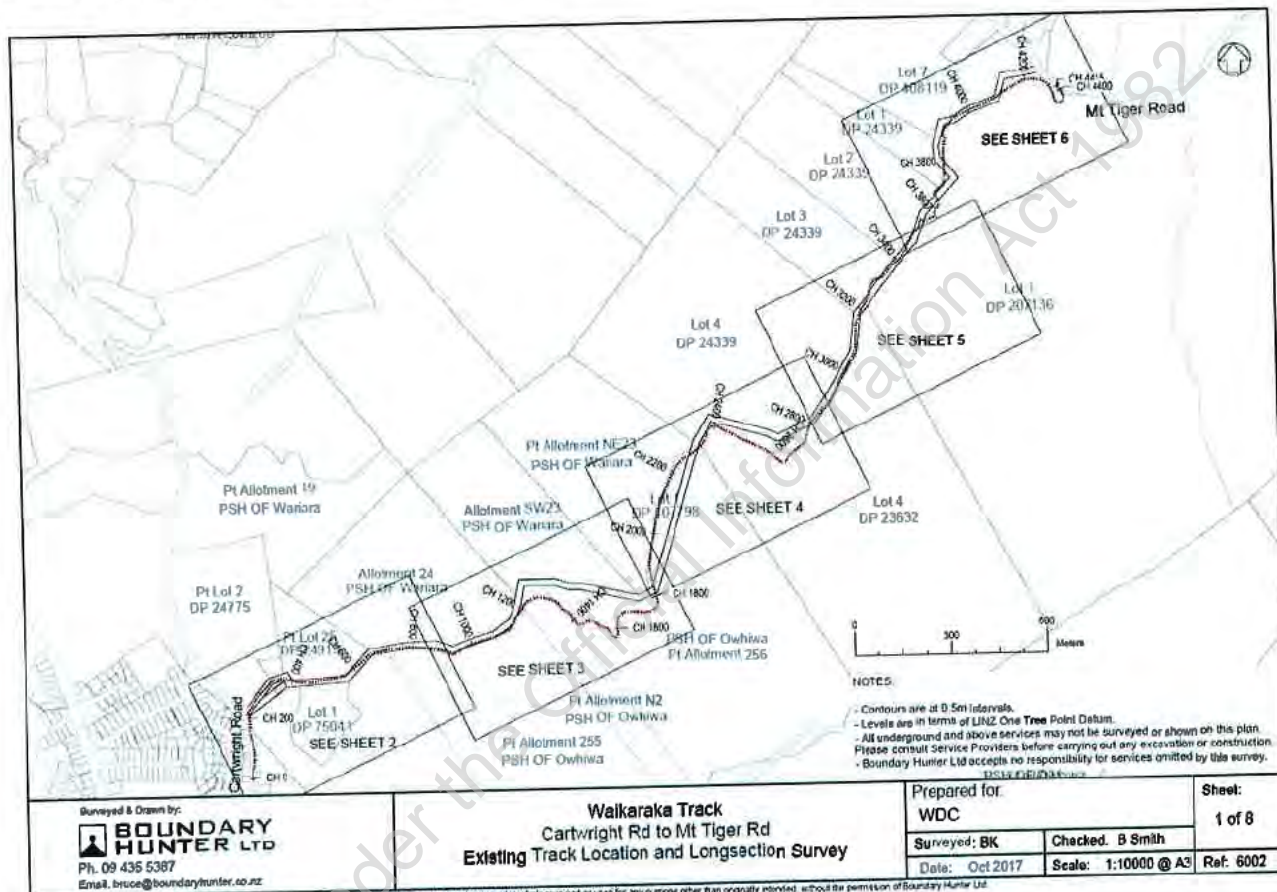
**BOUNDARY HUNTER LTD**  
Ph. 09 435 5387  
Email: bruce@boundaryhunter.co.nz

**Waikaraka Track**  
**Cartwright Rd to Mt Tiger Rd**  
**Existing Track Location and Longsection Survey**

<b>Prepared for:</b> WDC		<b>Sheet:</b> 1 of 8
<b>Surveyed by:</b> BK	<b>Checked:</b> B Smith	<b>Ref:</b> 6002
<b>Date:</b> Oct 2017	<b>Scale:</b> 1:10000 @ A3	

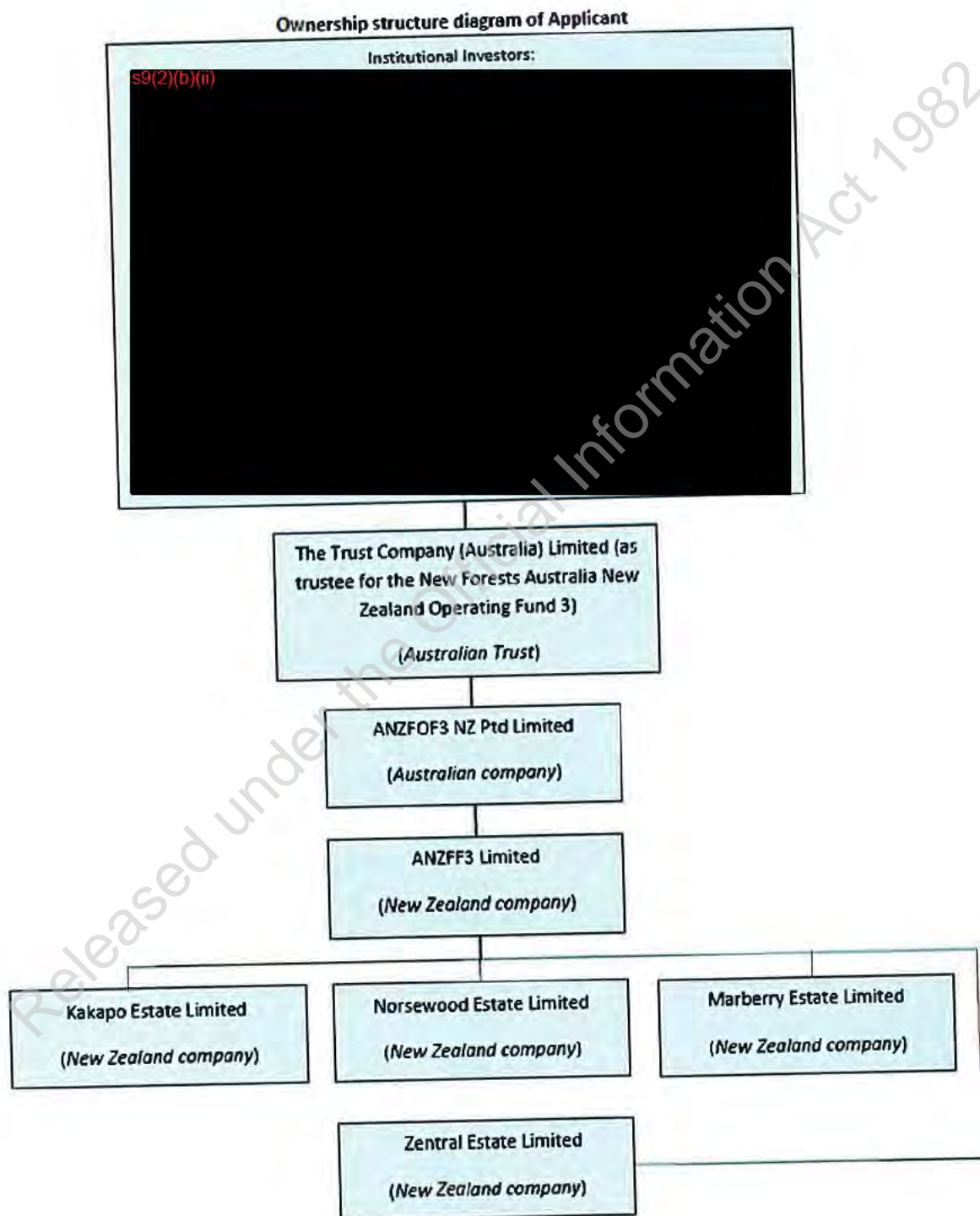
This drawing shall not be reproduced or copied in whole or in part or used for any purpose other than originally intended, without the permission of Boundary Hunter Ltd.

*Survey data of the track route of the Waikaraka Walkway prepared by a licensed surveyor in 2017 and supplied to LINZ by Herenga ā Nuku | Outdoor Access Commission; Sheets 2 to 8 of the survey data have been omitted but can be supplied to the Overseas Investment Monitoring Team, LINZ, if required.*



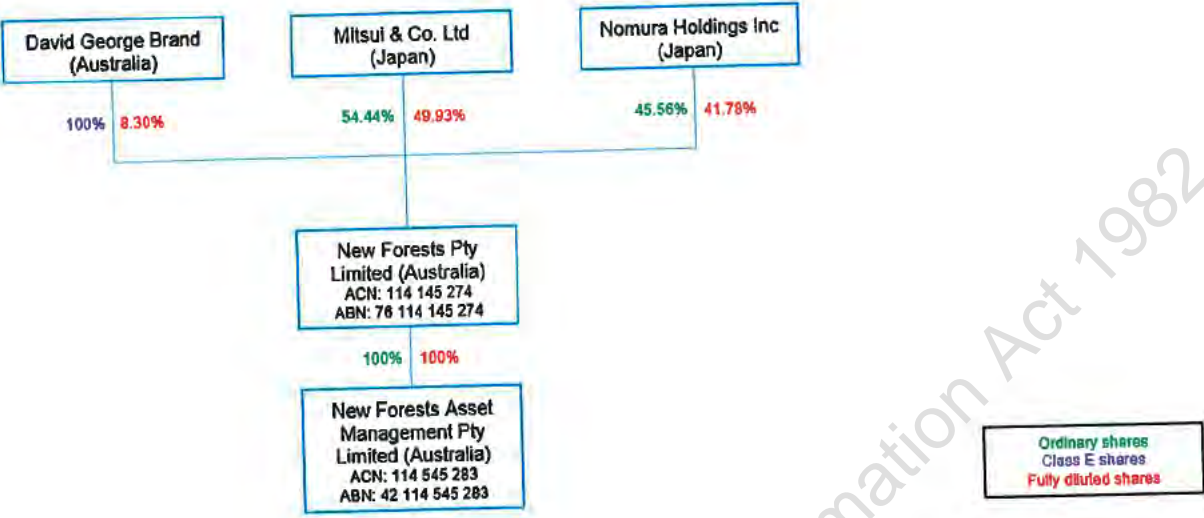
## Attachment 2: Ownership Structure

Extract from appendix to application submissions showing ownership structure of Applicant



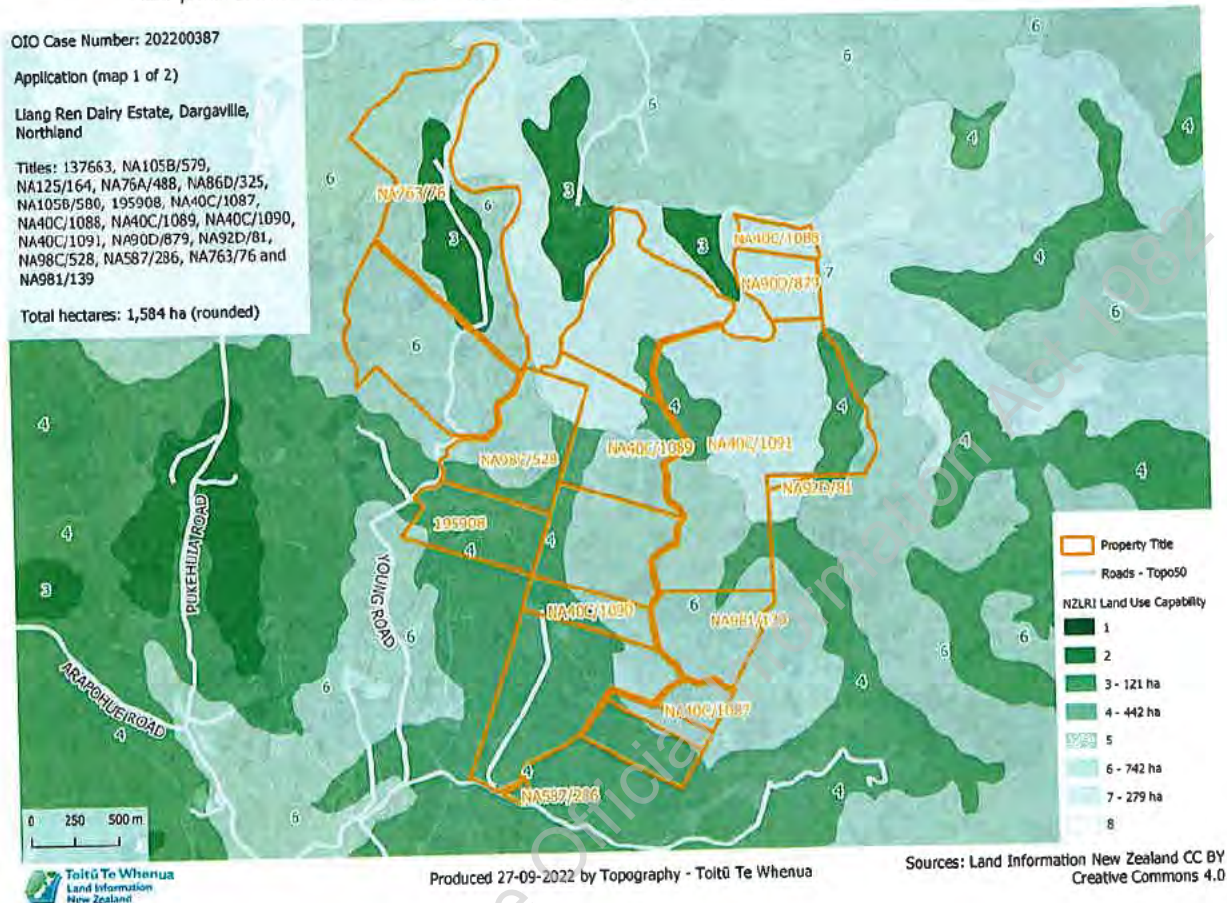


*Applicant's ownership diagram for New Forests Asset Management Pty Limited*



## Attachment 3: Land use capability

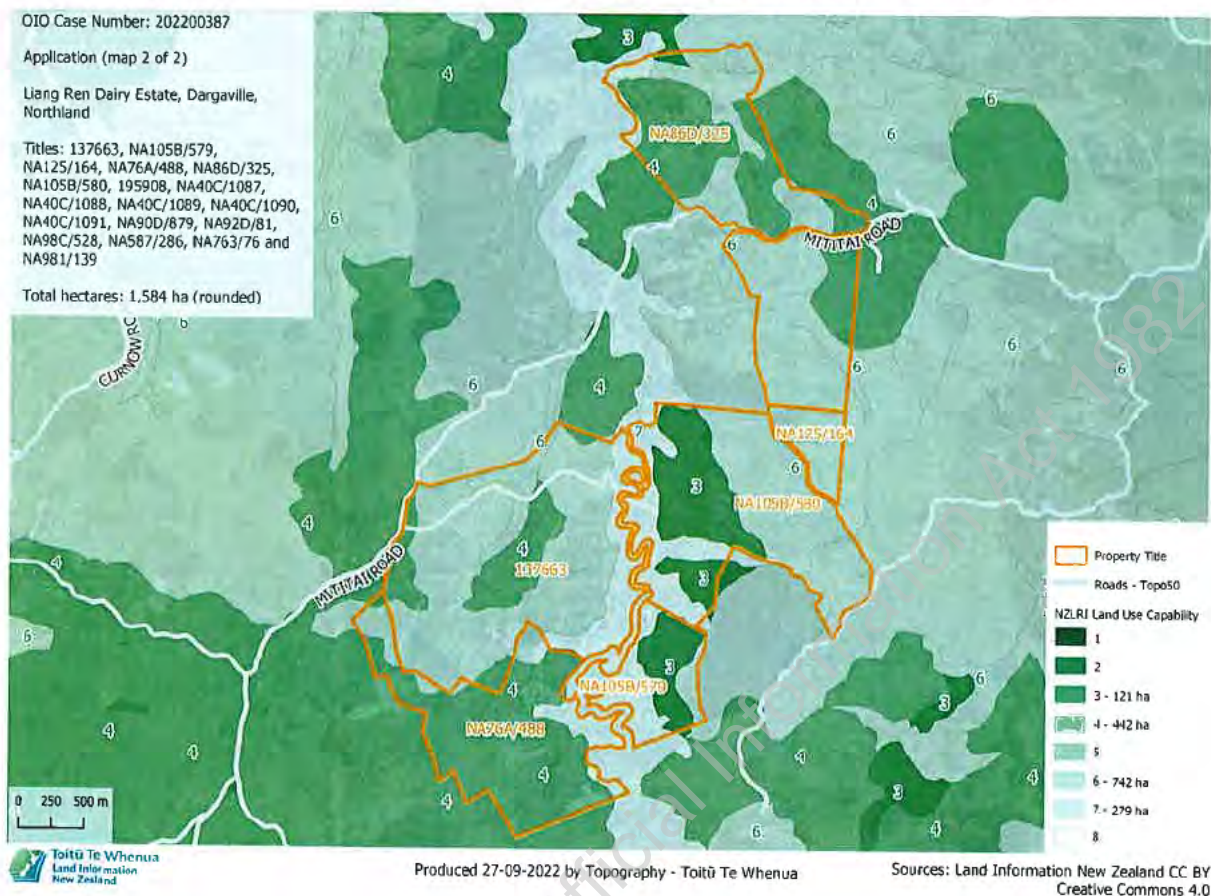
Map 1 of 2 showing the Land Use Capability (LUC) classes on the Land



LUC Class code	Description
1	Land with virtually no limitations for arable use and suitable for cultivated crops, pasture or forestry
2	Land with slight limitations for arable use and suitable for cultivated crops, pasture or forestry
3	Land with moderate limitations for arable use, but suitable for cultivated crops, pasture or forestry
4	Land with moderate limitations for arable use, but suitable for occasional cropping, pasture or forestry
5	High producing land unsuitable for arable use, but only slight limitations for pastoral or forestry use
6	Non-arable land with moderate limitations for use under perennial vegetation such as pasture or forest
7	Non-arable land with severe limitations to use under perennial vegetation such as pasture or forest
8	Land with very severe to extreme limitations or hazards that make it unsuitable for cropping, pasture or forestry



Map 2 of 2 showing the Land Use Capability (LUC) classes on the Land



LUC Class code	Description
1	Land with virtually no limitations for arable use and suitable for cultivated crops, pasture or forestry
2	Land with slight limitations for arable use and suitable for cultivated crops, pasture or forestry
3	Land with moderate limitations for arable use, but suitable for cultivated crops, pasture or forestry
4	Land with moderate limitations for arable use, but suitable for occasional cropping, pasture or forestry
5	High producing land unsuitable for arable use, but only slight limitations for pastoral or forestry use
6	Non-arable land with moderate limitations for use under perennial vegetation such as pasture or forest
7	Non-arable land with severe limitations to use under perennial vegetation such as pasture or forest
8	Land with very severe to extreme limitations or hazards that make it unsuitable for cropping, pasture or forestry



## Attachment 4: Photos

*Extract from Indufor report showing forestry photos*

<b>Tinopal</b> 	
<b>Ngunguru</b> 	
<b>Waikaraka</b> 	
<b>Brynderwyn</b> 	



Extract from Indufor report showing farm photos

**Ridgeview**



**Clear Ridge**





## Attachment 5: Extracts from Sensitive Land Certificate

Extract from maps attached to Sensitive Land Certificate dated 9 August 2022 showing the sensitivities (other than non-urban land exceeding 5 ha) on the land to be acquired. The land covered by Map 3 further below is sensitive because it is non-urban land exceeding 5 ha

#	Map	Adjoin	Legal Description	Area	CT Number	Land District	Regional Council	Local Council	District Plan Zone	Contains	Covenants	#
1	1, 6	1.1-1.3, 6.1-6.5	Marine and coastal area							PART B. 3. (a) Marine and coastal area	Ngunguru River and Kaipara Harbour	1
10	1	1.1-1.3	Lot 7 DP 95049	4.5100	NA340/39, NA25A/47	North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Open Space	PART B. 4. (a) Any reserve under the Reserve Act 1977 that is administered by the Department of Conservation (if that reserve land exceeds 0.4 hectares in area)	Ngunguru Government Purpose Wildlife Management Reserve Reserve Act 1977 s.22 - Government Purpose Reserve	10
11	2	2.1-2.5	Part Allot 240 PSH OP Onhiwa	167.0297		North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Open Space	PART B. 4. (c) Any reserve under the Reserve Act 1977 that is administered by the Department of Conservation (if that reserve land exceeds 0.4 hectares in area)	Maungatapu Scenic Reserve Reserve Act 1977 s.10(1)(a) - Scenic Reserve	11
12	4	4.6	Crown Land	10.1330		North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Rural Production	PART B. 4. (b) Land held for conservation purposes under the Conservation Act 1987 (if that conservation land exceeds 0.4 hectares in area)	Maungatapu River Marginal Strip No. 3 Conservation Act 1987 s.24(3) - Flood Marginal Strip	12
13	9	9.1	Part Allot 546 PSH OF Waipu	27.6596		North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Open Space	PART B. 4. (b) Land held for conservation purposes under the Conservation Act 1987 (if that conservation land exceeds 0.4 hectares in area)	Waipā Gorge Forest Conservation Area Conservation Act 1987 s.25 - Stewardship Area	13
14	5	5.2	Lot 2 DP 211877	67.3335	NA1380/394	North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Rural Production	PART B. 4. (c) Any reserve under the Reserve Act 1977 that is administered by the Department of Conservation (if that reserve land exceeds 0.4 hectares in area)	Sydenham Scenic Reserve Reserve Act 1977 s.10(1)(a) - Scenic Reserve	14





#	Map	Adjoints	Legal Description	Area	CT Number	Land District	Regional Council	Local Council	District Plan Zone	Contains	Comments	#
9	1.0	1.1, 1.2, 5.1-5.5	Marine and coastal area							PART B. 3. (a) Marine and coastal area	Ngunguru River and Kaipara Harbour	9
10	1	1.1-1.3	Lot 7 DP 65940	4.6100	NA340/36, NA55A/47	North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Open Space	PART B. 4. (c) Any reserve under the Reserves Act 1977 that is administered by the Department of Conservation (if that reserve land exceeds 0.4 hectares in area)	Ngunguru Government Purpose Reserves Management Reserve Reserves Act 1977 s.22 - Government Purpose Reserve	10
11	2	2.1-2.3	Part Allot 240 PSH CF Owhine	157.6287		North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Open Space	PART B. 4. (c) Any reserve under the Reserves Act 1977 that is administered by the Department of Conservation (if that reserve land exceeds 0.4 hectares in area)	Maungatapu Scenic Reserve Reserves Act 1977 s.19(1)(a) - Scenic Reserve	11
12	4	4.6	Crown Land	15.1300		North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Rural Production	PART B. 4. (b) Land held for conservation purposes under the Conservation Act 1987 (if that conservation land exceeds 0.4 hectares in area)	Whangarei River Marginal Strip No 3 Conservation Act 1987 s.24(3) - Flood Marginal Strip	12
13	3	5.1	Part Allot 548 PSH CF Waipou	27.8566		North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Open Space	PART B. 4. (b) Land held for conservation purposes under the Conservation Act 1987 (if that conservation land exceeds 0.4 hectares in area)	Waipou Gorge Forest Conservation Area Conservation Act 1987 s.25 - Stewardship Area	13
14	5	5.2	Lot 2 DP 211877	67.3325	NA1360/364	North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Rural Production	PART B. 4. (c) Any reserve under the Reserves Act 1977 that is administered by the Department of Conservation (if that reserve land exceeds 0.4 hectares in area)	Ngunguru Scenic Reserve Reserves Act 1977 s.19(1)(a) - Scenic Reserve	14

Map 2





#	Map	Adj. or s	Legal Description	Area	CT Number	Land District	Regional Council	Local Council	District Plan zoning	Contains	Comments	#
9	1.6	1.1- 1.3, 6.1-6.5	Marine and coastal area							PART B. 3. (a) Marine and coastal area	Huapara River and Kaipara Harbour	1
10	1	1.1-1.3	Lot 7 DP 95940	4.5100	NA340/32, NA28A/47	North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Open Space	PART B. 4. (c) Any reserve under the Reserves Act 1977 that is administered by the Department of Conservation (if that reserve land exceeds 0.4 hectares in area)	Huapara Government Purpose Wildlife Management Reserve Reserves Act 1977 s.22 - Government Purpose Reserve	10
11	2	2.1-2.6	Part Allot 240 PSH OF Owhiro	187.8281		North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Open Space	PART B. 4. (c) Any reserve under the Reserves Act 1977 that is administered by the Department of Conservation (if that reserve land exceeds 0.4 hectares in area)	Mangakaka Scenic Reserve Reserves Act 1977 s.19(1)(a) - Scenic Reserve	11
12	4	4.8	Crown Land	18.1330		North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Rural Production	PART B. 4. (b) Land held for conservation purposes under the Conservation Act 1987 (if that conservation land exceeds 0.4 hectares in area)	Manukau River Marginal Strip No 3 Conservation Act 1987 s.24(3) - Fixed Marginal Strip	12
13	5	5.1	Part Allot 848 PSH OF Waipū	27.6590		North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Open Space	PART B. 4. (b) Land held for conservation purposes under the Conservation Act 1987 (if that conservation land exceeds 0.4 hectares in area)	Waipū Gorge Forest Conservation Area Conservation Act 1987 s.25 - Stewardship Area	13
14	5	5.2	Lot 2 DP 211877	67.3326	NA1360/294	North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Rural Production	PART B. 4. (c) Any reserve under the Reserves Act 1977 that is administered by the Department of Conservation (if that reserve land exceeds 0.4 hectares in area)	Bryndwyn Scenic Reserve Reserves Act 1977 s.19(1)(a) - Scenic Reserve	14

Map 4





#	Map	Adjacent	Legal Description	Area	CT Number	Land District	Regional Council	Local District	District Plan Zone	Contains	Comments	#
1	1, 6	1.1-1.3, 6.1-6.5	Marine and coastal area							PART B. 3. (a) Marine and coastal area	Huon River and Kaipara Harbour	1
10	1	1.1-1.3	Lot 7 DP 95949	4.6100	NA34055, NA85A/47	North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Open Space	PART B. 4. (c) Any reserve under the Reserves Act 1977 that is administered by the Department of Conservation (if that reserve land exceeds 0.4 hectares in area)	Huon River Government Purpose Wildlife Management Reserve Reserves Act 1977 s.22 - Government Purpose Reserve	10
11	2	2.1-2.5	Part Allot 240 PSH OF Ombira	107.8287		North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Open Space	PART B. 4. (c) Any reserve under the Reserves Act 1977 that is administered by the Department of Conservation (if that reserve land exceeds 0.4 hectares in area)	Mangilikia Scientific Reserve Reserves Act 1977 s.19(1)(a) - Scientific Reserve	11
12	4	4.6	Crown Land	18.1330		North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Rural Production	PART B. 4. (b) Land held for conservation purposes under the Conservation Act 1987 (if that conservation land exceeds 0.4 hectares in area)	Mangilikia River Marginal Strip No 3 Conservation Act 1987 s.24(3) - Fixed Marginal Strip	12
13	5	5.1	Part Allot 546 PSH OF Waipoua	27.6505		North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Open Space	PART B. 4. (b) Land held for conservation purposes under the Conservation Act 1987 (if that conservation land exceeds 0.4 hectares in area)	Waipoua Forest Conservation Area Conservation Act 1987 s.25 - Stewardship Area	13
14	5	5.2	Lot 2 DP 211877	67.3325	NA1300/294	North Auckland	Northland Regional	Whangarei District	PDP: Natural Open Space ODP: Rural Production	PART B. 4. (c) Any reserve under the Reserves Act 1977 that is administered by the Department of Conservation (if that reserve land exceeds 0.4 hectares in area)	Sydney River Scientific Reserve Reserves Act 1977 s.19(1)(a) - Scientific Reserve	14





Extract from maps attached to Sensitive Land Certificate dated 9 August 2022 showing the remaining extent of the land that is sensitive because it is non-urban land exceeding 5 ha

Map 3

