

Application No. 200710065

13 November 2008

The Ingleby Company Limited
C/- Bell Gully
P O Box 4199
AUCKLAND

Attn: Mark Flaherty

APPLICANT – THE INGLEBY COMPANY LIMITED

1. On 7 December 2007, consent was granted under the Overseas Investment Act 2005 to give effect to an Overseas Investment (“the consent”). The consent was granted subject to certain conditions. A copy of the consent letter is attached.

Conditions 6(c) & (i) – Continued compliance with the investor test

2. Condition 6(c) of the attached consent letter requires the applicant, or the individuals with control of the Applicant, to continue to have business experience and acumen, continue to demonstrate financial commitment to the overseas investment, continue to be of good character, and not become an individual of the kind referred to in section 7(1) of the Immigration Act 1987.
3. Condition 6(i) of the attached consent letter requires the applicant to report to us in writing providing evidence of compliance with condition 6(c) no earlier than 7 June 2008 and no later than 7 December 2008.
4. This report has not been received and is due by **8 December 2008**.
5. Pursuant to section 40 of the Overseas Investment Act 2005, you are required to provide a statutory declaration verifying the extent to which the consent holder has complied with condition 6(c) of the consent letter by **8 December 2008**. A statutory declaration provided in the form annexed to this letter will also satisfy your current obligation pursuant to condition 6(i).

Other Conditions

6. Conditions 6(d) - (g) of the attached consent letter require that:
 - (d) The Applicant must take appropriate steps to preserve any wahi tapu or archaeological sites on the property (in consultation with local iwi, the Department of Conservation, the New Zealand Archaeological Association and the New Zealand Historic Places Trust), and comply with the provisions of the Historic Places Act 1993 and any other relevant legislation in relation to those sites. If any new historic, wahi tapu or archaeological areas or sites are uncovered, the Applicant must consult with local iwi and the relevant government agencies as to the appropriate measures to be taken to preserve such areas or sites;

Overseas Investment
Office
Lambton House
160 Lambton Quay
Private Box 5501
Wellington
New Zealand
Tel 64-4-462 4490
Fax 64-4-460 0111
Internet
<http://www.lin.govt.nz>

- (e) The Applicant must allow reasonable requests from iwi for access to historic, wahi tapu or archaeological sites on the land except where the requested access would jeopardise the farming or forestry activities on the property;
- (f) In respect of the land currently planted in forest, the Applicant must:
- (i) replant the forestry land in exotic or native forest after the current crop has been harvested; and
 - (ii) provide to the OIO, a report from a forestry consultant providing evidence of the replanting.
- (g) The Applicant (as purchaser) must:
- (i) be bound by any arrangement that the vendor reached or entered into with the Crown in relation to the special land;
 - (ii) if so required by the Crown, enter into a deed of covenant with the Crown to be so bound;
 - (iii) deal with the Crown in accordance with the Overseas Investment Regulations 2005 as if the vendor were the party making the initial offer of the special land to the Crown.
7. Condition 6(i) of the attached consent letter requires the applicant to report in writing to the Overseas Investment Office by **8 December 2008** providing evidence of their compliance with conditions 6(d) - (g).
8. This report has not been received and is due by **8 December 2008**

Summary

9. The following is a summary of your current obligations:

| Condition | Your Obligation |
|---------------------------------------|--|
| 6(c) & 6(i) – Investor Test | Provide Report by 8 December 2008 |
| 6(d) - (g) & (i) – Special Conditions | Provide Report by 8 December 2008 |

Yours sincerely

Estelle Cook - Solicitor
Overseas Investment Office

Please note that the information in this reminder letter is provided as a courtesy to applicants. It is not a substitute for your own record of the obligations imposed in your consent letter.

The Overseas Investment Office takes no responsibility for any errors or omissions in this letter, or any failure to send a reminder letter in the future.

The provision of false or misleading information or making a material omission in a communication to the Overseas Investment Office, or failure to comply with an obligation imposed by this letter or conditions of consent, are breaches of section 45 and 46 of the Overseas Investment Act 2005.

Section 52 of the Overseas Investment Act 2005 allows the Overseas Investment Office to impose an administrative penalty of \$500 if a person provides a report or statutory declaration after the time when the report or statutory declaration must be provided.

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OFFICIAL INFORMATION ACT 1982

Appendix: Form of Statutory Declaration of compliance with condition 6(e) and notice pursuant to section 40 - Individuals

I <FULL NAME, OCCUPATION AND PLACE OF RESIDENCE> solemnly and sincerely declare that in relation to the acquisition of <THE OVERSEAS INVESTMENT>:

- 1. I have business experience and acumen relevant to the overseas investment; and
- 2. I have demonstrated financial commitment to the overseas investment; and
- 3. I am of good character; and
- 4. I am not, an individual of the kind referred to in section 7(1) of the Immigration Act 1987;

and I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at <PLACE>)
 this <DAY> day of <MONTH>)
 <YEAR> before me:) _____

 A person authorised to take statutory declarations
 by the Oaths and Declarations Act 1957

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Appendix: Form of Statutory Declaration of compliance with condition 6(e) and notice pursuant to section 40 – All other entities

I <FULL NAME, OCCUPATION AND PLACE OF RESIDENCE> solemnly and sincerely declare that in relation to the acquisition of <THE OVERSEAS INVESTMENT>:

1. the individuals with control of the relevant overseas person collectively have, business experience and acumen relevant to the overseas investment; and
2. the relevant overseas person has demonstrated financial commitment to the overseas investment; and
3. all the individuals with control of the relevant overseas person are, of good character; and
4. each individual with control of the relevant overseas person is not, an individual of the kind referred to in section 7(1) of the Immigration Act 1987;

and I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Declared at <PLACE>)
 this <DAY> day of <MONTH>)
 <YEAR> before me:) _____

 A person authorised to take statutory declarations
 by the Oaths and Declarations Act 1957

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BELL GULLY

By courier

FROM **Ruth Markham-Short**
DDI 64 9 916 8398
EMAIL Ruth.Markham-Short@bellgully.com
MATTER NO. 02-319-9973
PARTNER Tom Bennett
DATE 12 February 2009

Estelle Cook
Overseas Investment Office
Land Information New Zealand
Lambton House
160 Lambton Quay

Wellington 6145

Dear Estelle

The Ingleby Company Ltd - Matahiia Station - Statutory declarations in compliance with conditions of consent

Further to my email of today, please find **enclosed** the original statutory declarations of the directors of The Ingleby Company Ltd, in compliance with conditions 6(c) and 6(i) of the consent to acquire Matahiia Station.

Please contact me if you have any queries.

Yours faithfully
Bell Gully

Ruth Markham-Short
Solicitor

Enc.

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Statutory Declaration of compliance with condition 6(c)

I, **Johannes Burger of Liechtenstein**, Company Director, solemnly and sincerely declare that in relation to the acquisition of


- (a) a freehold interest in 1,117.6392 hectares of land at Matahiia Station, Matahiia Road, Ruatoria described in certificates of title GS4B/1405, GS5C/449, GS6B/564 and GS5A/1314 (Gisborne Registry); and
 - (b) a leasehold interest in 41.0857 hectares of land at Matahiia Station, Matahiia Road, Ruatoria described in certificates of title GS2A/1317 (Gisborne Registry):
1. the individuals with control of the relevant overseas person collectively have business experience and acumen relevant to the overseas investment; and
 2. the relevant overseas person has demonstrated financial commitment to the overseas investment; and
 3. all the individuals with control of the relevant overseas person are, of good character; and
 4. each individual with control of the relevant overseas person is not an individual of the kind referred to in section 7(1) of the Immigration Act 1987 (which lists certain persons not eligible for exemptions or permits under that Act):

and I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

DECLARED AT _____
 this _____ day
 of _____ 2008

Deponent 


Die Echtheit der Unterschrift des Herrn Dr. Johannes BURGER, geb. am 30.08.1960, wird beglaubigt.
 Fürstliches Landgericht Kanzlei
 Vaduz, am _____ 5. Feb. 2009
 Maili Schädler
 Urkundeperson

A person authorised to take statutory declarations by the Oaths and Declarations Act 1957 



M

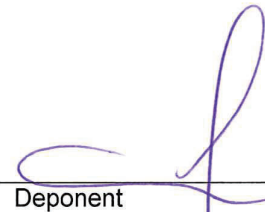
Statutory Declaration of compliance with condition 6(c)

I, **Heinz Grabher of Liechtenstein**, Company Director, solemnly and sincerely declare that in relation to the acquisition of

- (a) a freehold interest in 1,117.6392 hectares of land at Matahiia Station, Matahiia Road, Ruatoria described in certificates of title GS4B/1405, GS5C/449, GS6B/564 and GS5A/1314 (Gisborne Registry); and
 - (b) a leasehold interest in 41.0857 hectares of land at Matahiia Station, Matahiia Road, Ruatoria described in certificates of title GS2A/1317 (Gisborne Registry):
1. the individuals with control of the relevant overseas person collectively have business experience and acumen relevant to the overseas investment; and
 2. the relevant overseas person has demonstrated financial commitment to the overseas investment; and
 3. all the individuals with control of the relevant overseas person are, of good character; and
 4. each individual with control of the relevant overseas person is not an individual of the kind referred to in section 7(1) of the Immigration Act 1987 (which lists certain persons not eligible for exemptions or permits under that Act):

and I make this declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

DECLARED AT _____
 this _____ day
 of _____ 2008


 Deponent



Die Echtheit der Unterschrift des
 Herrn Dr. Heinz GRABHER
 Geschäftsadresse:
 Heiligkreuz 6, FL-9490 Vaduz
 wird beglaubigt.
 Fürstliches Landgericht, Kanzlei
 Vaduz, am

Malk Schäfer
 Urkundsperson

05. Feb. 2009

A person authorised to take statutory
 declarations by the Oaths and
 Declarations Act 1957



BELL GULLY

By email ecook@linz.govt.nz

Estelle Cook
Overseas Investment Office
Land Information New Zealand
Private Box 5501
Wellington

FROM **Ruth Markham-Short**
DDI 64 9 916 8398
EMAIL Ruth.Markham-Short@bellgully.com
MATTER NO. 02-319-9973
PARTNER Tom Bennett
DATE 12 February 2009

Dear Estelle

Evidence of compliance with conditions of consent to acquire Matahiia Station - The Ingleby Company Ltd - application no. 200710065

1. Introduction

- 1.1 We refer to your letter dated 13 November 2008 in relation to the consent granted to The Ingleby Company Ltd (**Ingleby**) to acquire Matahiia Station, Matahiia Road, Ruatoria, East Cape (**Matahiia**) under the Overseas Investment Act and Regulations 2005 (the **consent**).
- 1.2 On behalf of Ingleby, we set out below evidence of compliance with the following conditions of the consent:
 - (a) Conditions 6(c) and 6(i), relating to the investor test;
 - (b) Conditions (d) and (e), relating to wahi tapu or archaeological sites;
 - (c) Condition (f), relating to land currently planted in forest; and
 - (d) Condition (g), relating to offer back of special land.

2. Investor test

- 2.1 We **attach** statutory declarations from each Ingleby director, Dr Heinz Grabher and Dr Johannes Burger, verifying that they continue to have business experience and acumen, continue to demonstrate financial commitment to the overseas investment, continue to be of good character, and are not an individual of the kind referred to in section 7(1) of the Immigration Act 1987.

3. Wahi tapu or archaeological sites

- 3.1 There have been no new wahi tapu or archaeological sites uncovered since the acquisition of Matahiia by Ingleby. The current mechanisms for the existing sites (reference Y15/22 and Y15/23 on the Gisborne Combined Regional Land and District Plan and by the New Zealand Archaeological Association) continue to be appropriate for preservation of the sites. The sites are planted in pine trees which are not expected to be harvested for at least 15 years.
- 3.2 We **attach** the report by Chris Williams of Williams Landscape Architects, dated 18 September 2007 that was included in the application for consent. The report describes these sites and their preservation mechanisms in further detail.

3.3 Ingleby also advises that local iwi are aware of the sites. Access continues to be over private property and will require permission from farm management in order to protect stock and forestry.

4. **Forestry**

4.1 Ingleby advises that there has been no forest harvesting since the acquisition of Matahiia. The current tree stocks were planted in the mid-1990s and harvesting is expected to occur in another 10-15 years.

5. **Special land**

5.1 Ingleby continues to be bound by the arrangement that the vendor, Mr Jeremy Williams, reached with the Crown in relation to the special land, contained in certificates of title GS5A/1314, GS6B/564, GS4B/1405 and GS5C/449 (Gisborne Registry). If so required by the Crown Ingleby will enter into a deed of covenant with the Crown to be so bound. Ingleby will deal with the Crown in accordance with the Overseas Investment Regulations 2005 as if Mr Williams were the party making the initial offer of the special land to the Crown.

Yours faithfully
Bell Gully

[Sgd: Ruth Markham-Short]

Ruth Markham-Short
Solicitor

Enc.

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WILLIAMS
LANDSCAPE ARCHITECTS

PO Box 76-302
Manukau City 2241
AUCKLAND
Ph (09) 263 5210
Fax (09) 263 5122
Mob 027 473 9990
E-mail: chriswilliams@pl.net

18 September 2007

Overseas Investment Office
Land Information New Zealand
Private Box 5501
Wellington

Attention: David Turnbull
Applications Analyst

Dear Sir/Madam

The Ingleby Company Ltd
Overseas Investment Office Application
Matahiia Station, Ruatoria, East Coast
Archaeological Sites, Historic Heritage

This report is in response to an enquiry from the Overseas Investment Office (OIO) to clarify future management of Archaeological Sites Y15/22 and Y15/23 on Matahiia Station. The sites are scheduled by the Gisborne District Plan (GDC), and recorded by the New Zealand Archaeological Association (NZAA).

In order to satisfy section 17(2)(d) of the Overseas Investment Act 2005 the report describes the sites and recommends that the current mechanisms are satisfactory for protecting this identified Historic Heritage within the relevant land.

The report has relied on several sources –

- Reference of the GDC District Plan Schedules
- The NZAA Site Recoding Scheme inventory
- Photos and general landscape assessment of issues on the property (WLA), and
- Discussions with the owner - he has many years of experience of the sites and surroundings.

Both sites are located within the boundaries of the certificate of title GS4B/1405

The GDC District Plan map marks the sites Y15/22 and Y15/23

- These are at the Southwest corner of the Station, adjoining a neighbouring property high above and generally overlooking the Mata River valley to the South
- The GDC schedule lists site 22 significance as a Pa, site 23 as terraces, and requests a 100m buffer around each
- 22 - Easting 2965350, Northing 6349450
- 23 - Easting 2964500, Northing 6349400
- The background zone is Rural, being within or next to Land Overlay 2 & 3
- The site also falls within a Heritage Alert Overlay. This overlay covers much of the valley hills and neighbouring property. This overlay has no particular weight except to raise awareness and dependant on the proposed type of works, it may require specific activities when resource consent applications are made.

The District Plan objectives (3.5) for the Heritage Alert Overlay and Scheduled Sites are:

- Reduction of risk of damage to archaeological sites.
- Sustainably manage archaeological sites to ensure that adverse effects on them are avoided, remedied or mitigated
- Archaeological sites that are identified by the community, tangata whenua and landowners, as significant, should where practicable, have a management regime prepared for them to ensure that adverse effects are avoided, remedied or mitigated.

The NZAA specifications lists:

Map: **Y15** Site: **22** Description: **PA = Pa** Type: AD = Pa Category: XX = Pre Historic/Maori Sites
Sub-Category = General categories, Defensive categories, Pa categories

Map: **Y15** Site: **23** Description: **Platforms/Terraces** Type: AP = Terrace(s) Category: XX = Pre Historic/Maori Sites
Sub-Category = Terrace categories

Scanned copy of the NZAA Site Record Form may be supplied as further information. In summary, the Forms note several points of interest:

- The sites were first identified by inspection and record making in 1994. The sites were not revisited as part of the 2001 Upgrade Project
- Site 22 is centred on a knoll that includes Karewa Trig
- Described in 1994 as in good condition under pasture (with the threat of forestry), compact, a series of terraces on south and west side of knoll, and no sign of defence architecture
- Site 23 is 1km to the west of 22
- Described in 1994 as small with several terraces around a central platform, may have been larger, damaged by farm track making through the site
- Both sites have 'natural defences to the south' - which would be the steep 'escarpment type hill running down to the Mata River.

Attached to the records is a letter written by the Victoria Grouden of Gisborne (NZAA record reporter) to the owners. It states her site inspection that identified the x2 sites was in conjunction with an application for an East Coast Forestry Project grant. It was suggested that a space of 50m radius around the trig be left unplanted – for site protection and Survey purposes. Site 23, with its integrity already compromised, was not required to be protected for scientific reasons.

The following answers OIO questions and provides a current perspective on this part of the property:

Current Site Description - The identified archaeological sites are similar to that described above, except that they are now covered with 12 year old pines – excepting for the 50m circle around the Karewa Trig. The 'knolls' are now difficult to distinguish as a visual promontory amongst the surrounding forest, as viewed from road and valley vantage points. Historically, the sites topography would have provided for good surveillance and security above the river valley.

There is little evidence of pastoral stock now gaining access, although occasional musters take place to retrieve wild stock and goats.

Therefore, it is reasonable to believe there have been no or little changes to the Archaeological features as listed in 1994, and the inherent qualities that have been there for many decades. The 'buffer' zone (as listed by GDC - 100m) has not been applied as clear space around the sites.

Access to the site will continue to be limited over private property, and available to those that gain permission from farm management. The Company will remain interested in gaining additional knowledge of the sites historical values from people with suitable experience.

The current mechanisms (GDC and NZAA schedules) are an appropriate way to recognise the sites for historical significance. However, the current consented landuse will continue to affect the physical nature of the sites and suitability for scientific research.

Conservation planning. The Company indicates a strong interest in conserving and interpreting heritage values on all of its properties, and is prepared to take reasonable and practical steps to integrate these aspects into farm redevelopment and management programmes. The Company's approach is to ensure diversity wherever possible and, for example, identified remnant bush areas would become important to protect and enhance for heritage protection, conservation, and wildlife corridors reasons. From a landscape quality perspective the integration of natural features, conservation, forestry, and pastoral production is an important objective.

These identified sites will have to be closely considered when the harvest and possible reforestation plans are developed in 15-20 years time. The Company will need to ensure those with cutting-rights over the forest are aware of the sites, and that wherever practical the sites will not be further interrupted or degraded without first clarifying this through the appropriate channels.

No **capital expenditure** is required to maintain the site.

The timeline to give effect to possible further protection measures will be identified by the forest development plan.

In summary, the two sites sit high above the valley amongst an exotic forest block. One site remains in an open clearing with Karewa trig as a centre point. The other has suffered from earthworks and is now covered in pine forest. Careful planing will be required to minimise any further damage during forest harvest and retain the sites integrity. The current mechanisms (both the scheduled Archaeological sites and Heritage Alert Overlay) are adequate to provide for this protection.

Yours sincerely



Chris Williams
Landscape Architect
BLA. Dip Hort Mgt. ANZILA

CC Bell Gully
The Ingleby Company Ltd

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Amber McCormick

From: Estelle Cook
Sent: Thursday, 12 February 2009 12:32 p.m.
To: Amber McCormick; Olwyn Smith
Subject: FW: The Ingleby Company Ltd - Matahiia Station
Importance: High
Follow Up Flag: Follow up
Flag Status: Red

Please see below. I have acknowledged receipt.

Estelle

From: Markham-Short, Ruth RKM [mailto:Ruth.Markham-Short@bellgully.com]
Sent: Thursday, 12 February 2009 12:00 p.m.
To: Estelle Cook
Subject: The Ingleby Company Ltd - Matahiia Station
Importance: High

Dear Estelle,

Further to my email of Monday 11 February 2009, please find **attached** the final report (with archaeological report) in response to your letter of 13 November 2008.

We will forward the original statutory declarations today.

Please contact me if you wish to discuss.

Regards,

Ruth Markham-Short Solicitor

BELL GULLY

DDI +64 9 916 8398
Vero Centre, 48 Shortland Street, Auckland, New Zealand

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Internal Memo



To: Annelies McClure

 Olwyn Smith – Legal Executive

From: _____
 27 February 2009

Date: _____

File Ref: H2-100-TIC

Subject: **The Ingleby Company Limited**

Application Number **200710065**

Decision Number **200720071**

National Office
 Lambton House
 160 Lambton Quay
 Private Box 5501
 Wellington
 New Zealand
 Tel 64-4-460 0110
 Fax 64-4-472 2244
 Email
info@linz.govt.nz
www.linz.govt.nz
www.govt.nz

Progress report from consent date 7 December 2007. 1 off report required.

| | |
|---|--|
| <p>(a) this consent will lapse if the land, the rights or interests in the securities, the business, or property, as the case may be (the investment) has not been acquired by and transferred to the Applicant by 7 December 2008;</p> | <p>Compliance was received on the 15/2/08.</p> |
| <p>(b) the Applicant or their agent must notify the Overseas Investment Office in writing as soon as practicable and no later than 7 December 2008, whether settlement of the acquisition of the investment took place. If settlement of the acquisition of the investment did take place, the notice must include:</p> <ul style="list-style-type: none"> i. the date of settlement; ii final consideration paid (plus GST, if any); iii the structure by which the acquisition was made, and whether an associate of the Applicant acquired the investment; iv where applicable, copies of transfer documents and settlement statements; and v any other information which would aid the Overseas Investment Office in its function to monitor overseas investment in New Zealand. | <p>Compliance was received on the 15/2/08, settlement date was 1/2/08.</p> |

| | |
|---|--|
| <p>(c) That the Applicant, or the individuals with control of the Applicant, must:</p> <p>(i) continue to (and in the case of individuals with control of the Applicant, collectively) have business experience and acumen relevant to the investment;</p> <p>(ii) continue to demonstrate financial commitment to the investment;</p> <p>(iii) continue to be of good character; and</p> <p>(iv) not become an individual of the kind referred to in section 7(1) of the Immigration Act 1987.</p> | <p>Compliance was received on 12/2/09.</p> |
| <p>(d)The Applicant must take appropriate steps to preserve any wahi tapu or archaeological sites on the property (in consultation with local iwi, the Department of Conservation, the New Zealand Archaeological Association and the New Zealand Historic Places Trust), and comply with the provisions of the Historic Places Act 1993 and any other relevant legislation in relation to those sites. If any new historic, wahi tapu or archaeological areas or sites are uncovered, the Applicant must consult with local iwi and the relevant government agencies as to the appropriate measures to be taken to preserve such areas or sites;</p> | <p>Report received 12/2/09 - There has been no new wahi tapu or archaeological sites uncovered since the acquisition of Matahiia by Ingleby. The current mechanisms for the existing sites on the Gisborne Combined Regional Land & DP and by the NZ Archaeological Association continue to be appropriate for preservation of the sites. The sites are planted in pine trees which are not expected to be harvested for at least 15 years.</p> |
| <p>(e)The Applicant must allow reasonable requests from iwi for access to historic, wahi tapu or archaeological sites on the land except where the requested access would jeopardise the farming or forestry activities on the property;</p> | <p>Report received 12/2/09 - Ingleby advises that local iwi are aware of the sites. Access continues to be over private property and will require permission from farm management in order to protect stock and forestry.</p> |
| <p>(f) In respect of the land currently planted in forest, the Applicant must:</p> <p>(i) replant the forestry land in exotic or native forest after the current crop has been harvested; and</p> <p>(ii) provide to the OIO, a report from a forestry consultant providing evidence of the replanting</p> | <p>Report received 12/2/09 – Ingleby advises that there has been no forest harvesting since the acquisition of Matahila. The current tree stocks were planted in the mid-1990s and harvesting is expected to occur in another 10-15 years.</p> |

Summary – 27/2/09 - The Applicant appears to be complying with conditions (d) and (e) of the consent. Harvesting of the current tree stocks is not due to occur for another 10-15 years, therefore condition (f) is not applicable in the near future.

Recommendation – Any report for condition (f) cannot really be expected for at least 15 years therefore I recommend that OIO closes off the file.

Generic Activity in IMS is 200910041.

Agree/Disagree

Annelies McClure
Manager

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From: [John O'Leary](#)
To: [Danielle Stephens](#)
Subject: Ingleby: Taoroa Station Your Ref 201310054
Date: Wednesday, 21 November 2018 3:05:04 pm
Attachments: [SC554E0210718112114530.pdf](#)
[SC554E0210718112114531.pdf](#)
[SC554E0210718112114532.pdf](#)

Dear Ms.Stephens,

Your 19 November 2018 letter and attachments, refer.

Please find attached our client Limited Partnership's 2018 compliance report as requested.

Yours faithfully,

John O'Leary

Consultant

NOLANS Lawyers | www.nolans.co.nz

| P O Box 1141 | DX LP78501 | GISBORNE | Phone 0 6 867 1209 | Fax 0 6 867 9835

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NOLANS
LAWYERS

1st Floor, Treble Court
180 Palmerston Road
Box 1141, Gisborne
New Zealand. DX LP 78501
Telephone 0-6-867 1209
Facsimile 0-6-867 9835
email enquiries@nolans.co.nz
web www.nolans.co.nz

21 November 2018

Our Reference
JR O'Leary
039835-16
Email: johno@nolans.co.nz

Land Information New Zealand
Overseas Investment Office
PO Box 5501
Wellington 6145

Email: dstephens@linz.govt.nz

Attention: Ms Danielle Stephens

INGLEBY NEW ZEALAND LP - TAOROA STATION
YOUR REFERENCE: 201310054

Your letter of 19 November 2018 and attachments, refer.

In relation to compliance with consent condition 11, we are instructed that, since our client's last advice report to your office on 20 November 2017, the following has been undertaken:

Condition 11

- 1 Applied 500kg/ha of superphosphate on 50 hectares of strategically selected pasture (capital fertilizer application on 10% of the property) and 300kg per hectare, being 15% above maintenance on remaining area (90% of the property);
- 2 Completed construction of small sheep yards in Little Dump and associated holding paddocks;
- 3 No poles or amenity planting in 2018 due to reallocation of resources to repair Queens Birthday Weekend flood damage.

However Gisborne District Council have prepared a 2 year pole planting programme for 2019/2020 (as **attached**) which has been submitted to MPI for grant assistance under East Coast Forestry Grant Scheme.

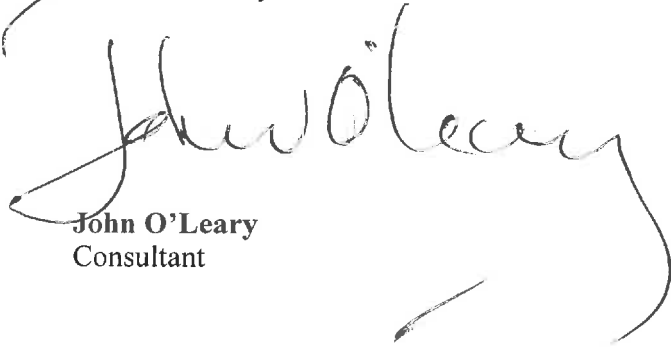
Pursuant to the advice provided in last year's reporting letter in respect of emphasis of the combined Matahiia/Taoroa farm direction undergoing a change from a finishing farm to a breeding property, with some finishing, there has been a continued increase in breeding stock numbers and a reduction of livestock trading policy, with the intention of breeding and finalising the property's own stock allowing it to work in closer synergy with Ingleby's adjoining Katoa Station.

Attached is a copy of the Ingleby 30 June 2018 sustainability report detailing enhancements to, and increased productivity of, its New Zealand farms over the last year.

JOL-039835-16-70-V4:JB

Please advise if you require any additional information or verification of the Applicant's compliance with the consent condition at this stage.

Yours faithfully

A handwritten signature in cursive script, appearing to read "John O'Leary". The signature is written in dark ink and is positioned above the printed name and title.

John O'Leary
Consultant

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Treatment plan Taoroa Station

| Block(s) Name | Treatment type (Forestry, reversion or pole planting or any other treatment) | Establishment year (month and year 1 year per row) | Species (1 species per row) | Estimated area (ha) | Planted stems/ha or number of poles (if applicable) | Is thinning contemplated? (only required for forestry species) |
|---------------|---|--|--------------------------------|------------------------|---|---|
| e.g. Block 1 | Forestry | July 2018 | Pinus Radiata | 80ha | 1050sph | Yes |
| Top Taoroa | Pole Planting | 2019 | Poplar & Willow | 3.6 | 100 sph = 360 | No |
| Top Taoroa | Pole Planting | 2019 | Poplar & Willow | 1.0 | 50 sph = 50 | No |
| Bottom Taoroa | Pole Planting | 2020 | Poplar & Willow | 5.2 | 75 sph = 390 | No |
| Bottom Taoroa | Pole Planting | 2020 | Poplar & Willow | 5.8 (1.8+ 1.6 + 2.4) | 50 sph = 290 | No |
| Aorangi | Pole Planting | 2021 | Poplar & Willow | 2.2 | 100 sph = 220 | No |
| Back | Pole Planting | 2021 | Poplar & Willow | 2.4 | 50 sph = 120 | No |
| Back | Pole Planting | 2021 | Poplar & Willow | 1.0 | 25 sph = 25 | No |

410

680

365

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INGLEBY NEW ZEALAND

PRODUCTION & SUSTAINABILITY REPORT
2017/18

1 JULY 2017 - 30 JUNE 2018



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1 EXECUTIVE SUMMARY

The East Coast (EC) farms had a very good grass-growing season with regular rain. The King Country (KC) farms were dryer than normal at New Year. Since late February, they have also had good rain. Overall, stock are in good order, and all four farms had a fairly pleasant winter.

Although we had plenty of grass, the humid and wet weather caused higher worm burden. Fly strike has also been a major problem this season.

Lamb, mutton, and prime and manufacturing beef prices have all been very strong.

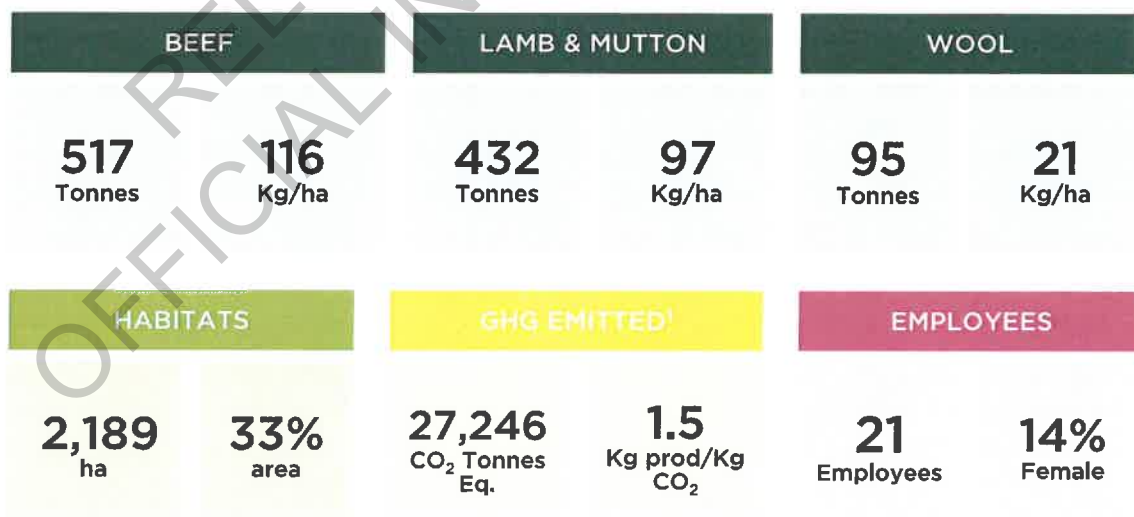
We monitored facial eczema closely on all our farms, and have avoided most of the risk with crops and long grass grazing due to the good growing season. We have been closely monitoring both ewes and cows for Magnesium and Calcium deficiency at the end of pregnancy.

We have fenced 12 more tomos at Puketiti, and 1.6km along the Mangaorongo River. In July, we planted 5,000 native seedlings along the riparian zone. Last winter Matahiia planted 150 willow poles to control gully erosion.

We have completed our nutrient budgets for the KC farms, a requirement from the Waikato Regional Council. We are also working on a strategy to mitigate our environmental impact.

Last year in the Silver Fern Farms annual meat quality competition, Matahiia and Katoa were finalists for lamb. This year, Katoa won in the category of prime beef. This is an acknowledgement of our increased focus on genetics, meat quality and animal welfare.

1.1 KEY FIGURES 2017/18



1. GHG includes: Fertilisers, Pesticides, Energy & Livestock emissions

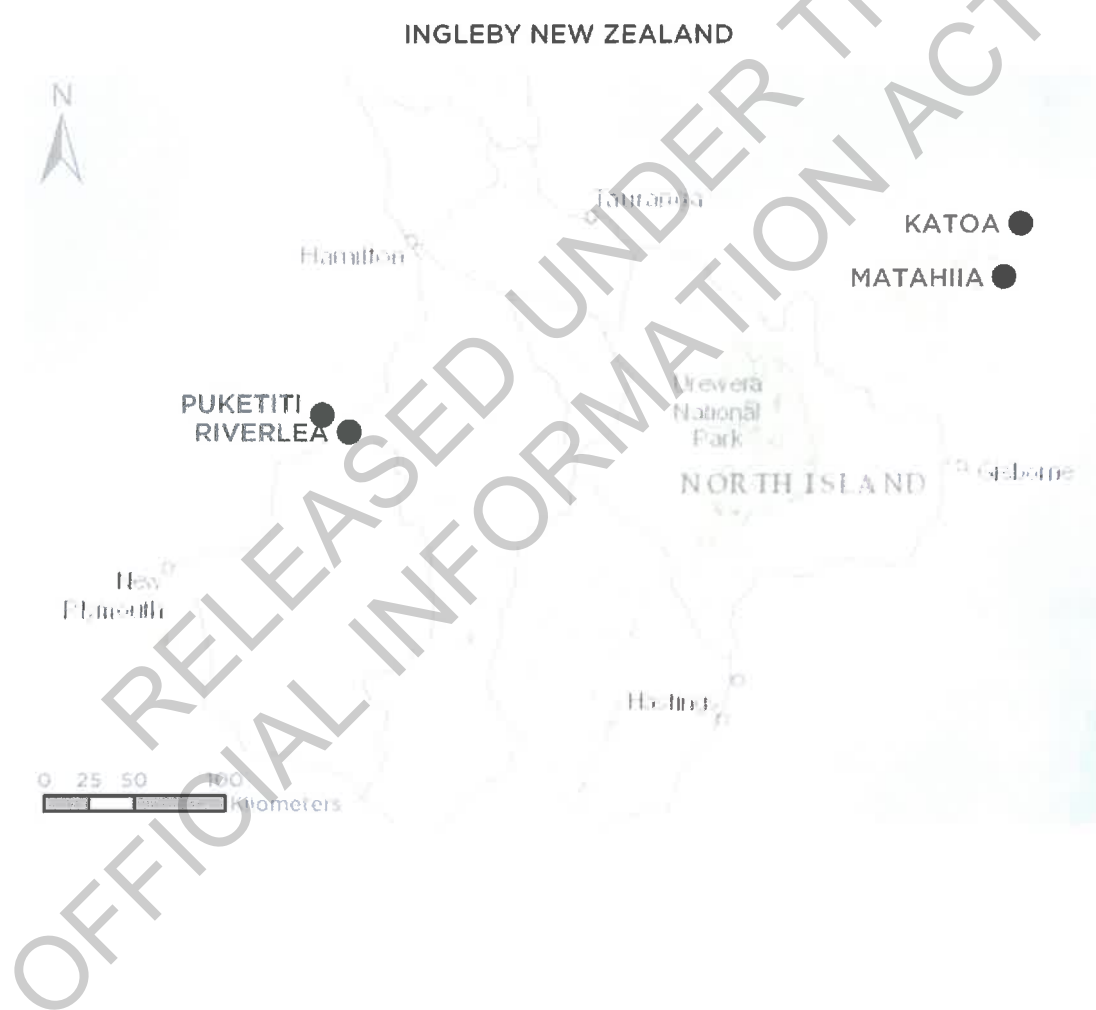
2 FARM DESCRIPTION

Ingleby has four sheep and beef farms in New Zealand, and the total area is 6,735 hectares.

The farms are divided into two hubs: King Country with Riverlea and Puketiti totalling 4,324 hectares, and East Coast with Katoa and Matahiia totalling 2,411 hectares. Puketiti is predominantly a breeding farm, while the other three are mainly finishing farms.

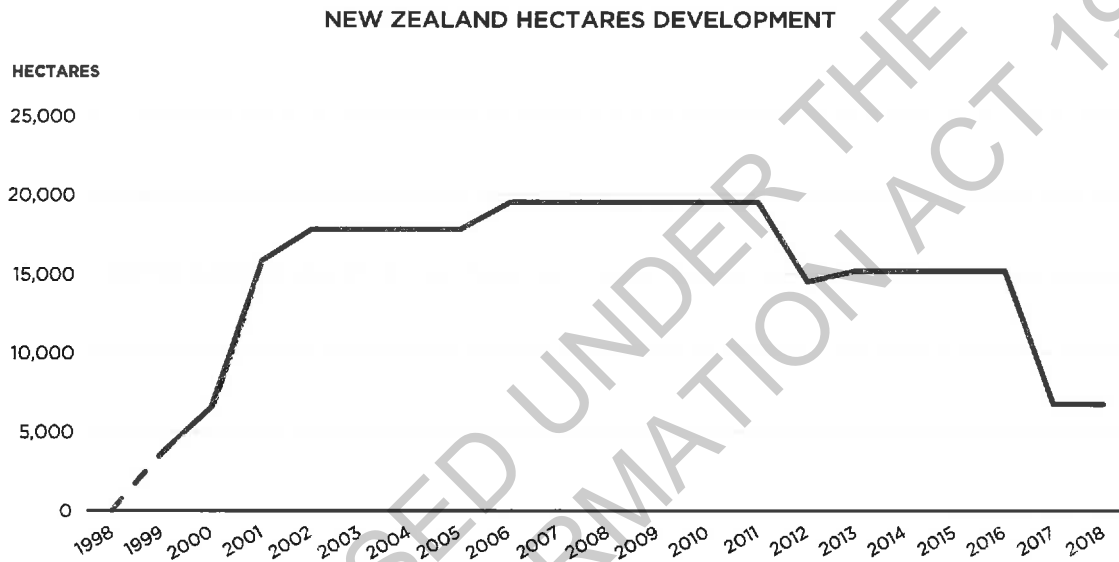
As of July 2018, Ingleby New Zealand is overseen by Stephen Creese and teams.

Data included in this report cover the **financial year 1 July 2017 – 30 June 2018**.



3 HECTARES OVERVIEW

Puketiti Station in the King Country was Ingleby New Zealand's first farm, purchased in August 1999, followed by Riverlea in February 2000. Pakira (July 2000) and Waikura (June 2001) were the first farms in the East Coast hub, followed by Puketoro. Matahiia, Katoa and Taoroa were added later. Pakira, Waikura and Puketoro have since been sold.



SUMMARY OF HECTARES (AS OF JUNE 2018)

| | Matahiia | Katoa | Puketiti | Riverlea | Total |
|----------------------------------|-----------------|--------------|-----------------|-----------------|--------------|
| Effective grazing | 1,232 | 450 | 2,100 | 660 | 4,442 |
| Formal covenants | - | - | 885 | - | 885 |
| Wetlands & Water bodies | 9 | 8 | 15 | 7 | 39 |
| Woodland (not incl. n covenants) | 550 | 132 | 450 | 34 | 1,166 |
| Geological formations | - | - | 123 | - | 123 |
| Infrastructure | 25 | 5 | 42 | 8 | 80 |
| Area leased in ¹ | 22 | - | - | - | 22 |
| Ingleby owned hectares | 1,816 | 595 | 3,615 | 709 | 6,735 |

1. Included in grazing area

4 PRODUCTION

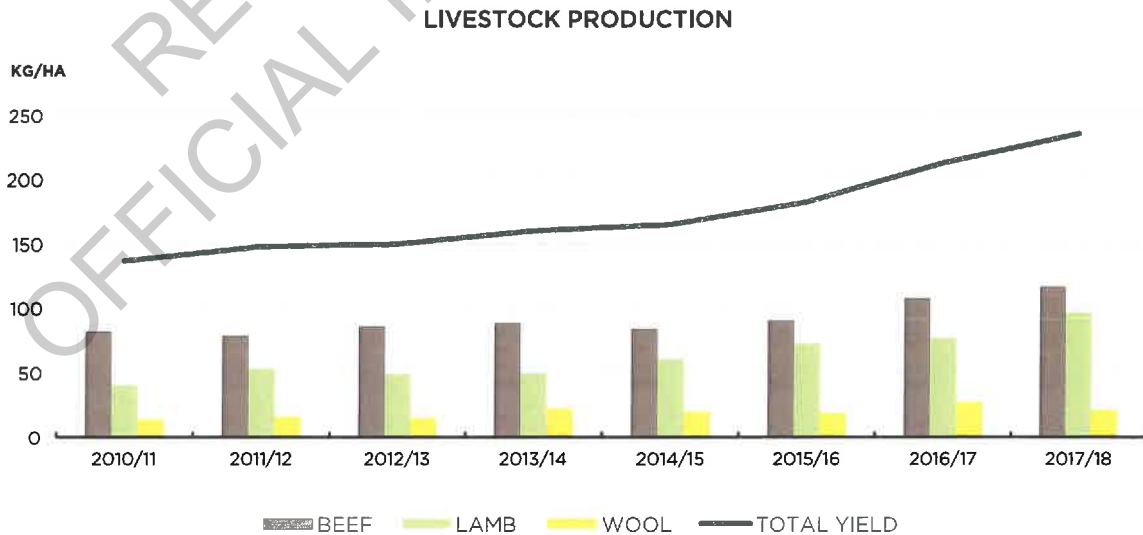
LIVESTOCK PRODUCTION

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| Area (ha)¹ | | | | | | |
| Pasture | 8,998 | 9,256 | 9,284 | 9,135 | 4,564 | 4,389 |
| Fodder crops | 227 | 157 | 315 | 285 | 136 | 53 |
| Total grazing ha | 9,225 | 9,413 | 9,599 | 9,420 | 4,700 | 4,442 |
| Tonnes (CWT for meat)² | | | | | | |
| Beef | 793 | 831 | 804 | 854 | 506 | 517 |
| Mutton and lamb | 453 | 467 | 587 | 688 | 362 | 432 |
| Wool | 140 | 212 | 194 | 177 | 130 | 95 |
| Total tonnes | 1,386 | 1,510 | 1,585 | 1,719 | 999 | 1,044 |
| Yield (kg/ha) | | | | | | |
| Beef | 86 | 88 | 84 | 91 | 108 | 116 |
| Mutton and lamb | 49 | 50 | 61 | 73 | 77 | 97 |
| Wool | 15 | 23 | 20 | 19 | 28 | 21 |
| Total yield | 150 | 161 | 165 | 183 | 213 | 234 |

1. Cattle and sheep graze the same areas. The fodder crop areas are grazed only, meaning there is no harvest
2. Some animals are killed for consumption on farm, which are not included in total production

The poor spring in 2017 meant 20 hectares of winter crop were cancelled. Less crops were cultivated also in an effort to save costs and focus on growing grass for meat.

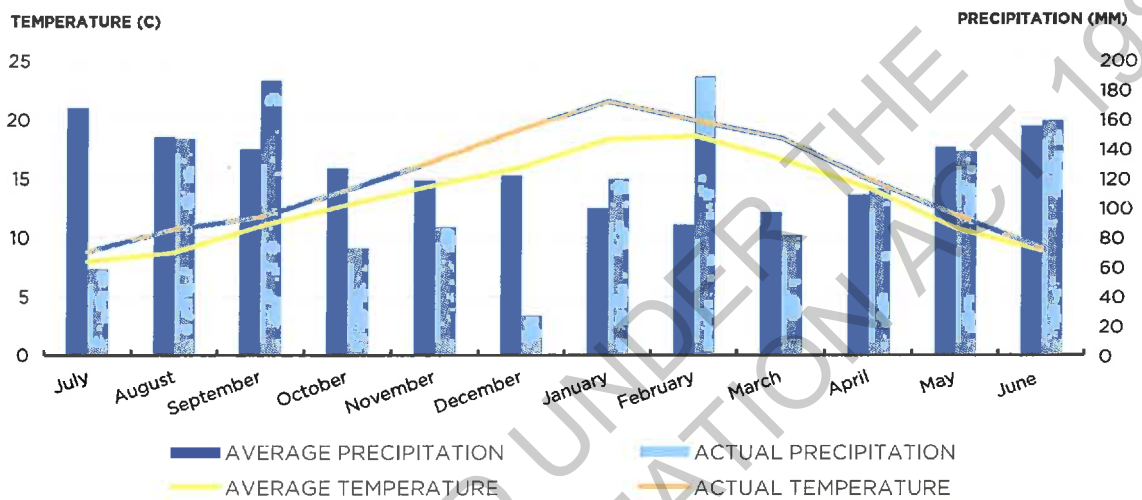
Wool production is lower than normal because, on Puketiti, wet weather delayed some of the shearing into July, meaning the approx. 20,000 kilos will show in next year's report.



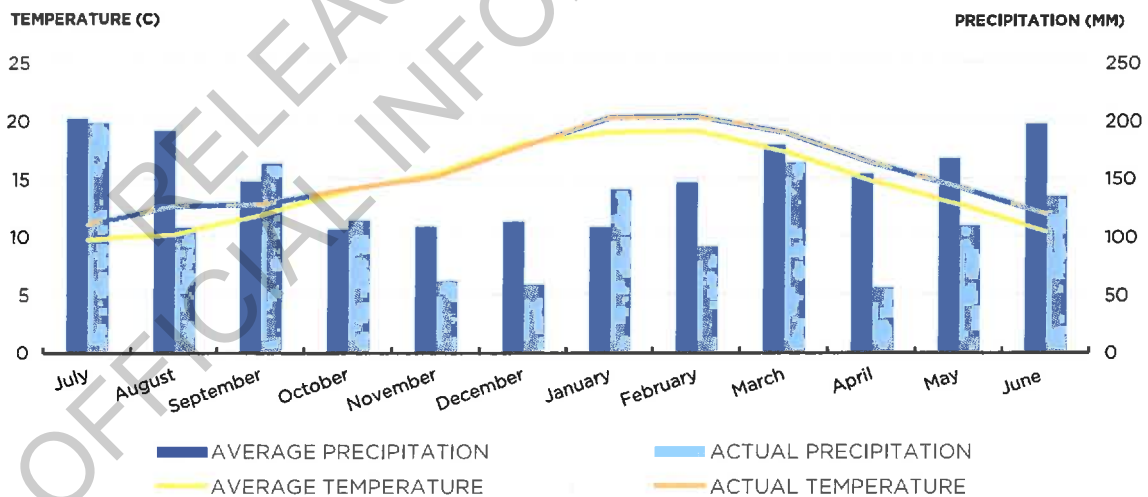
5 CLIMATE AND WATER-USE EFFICIENCY

The East Coast (EC) farms had a very good grass-growing season with regular rain. The King Country (KC) farms were dryer than normal at New Year. Since late February, they have also had good rain.

KING COUNTRY, NEW ZEALAND



EAST COAST, NEW ZEALAND

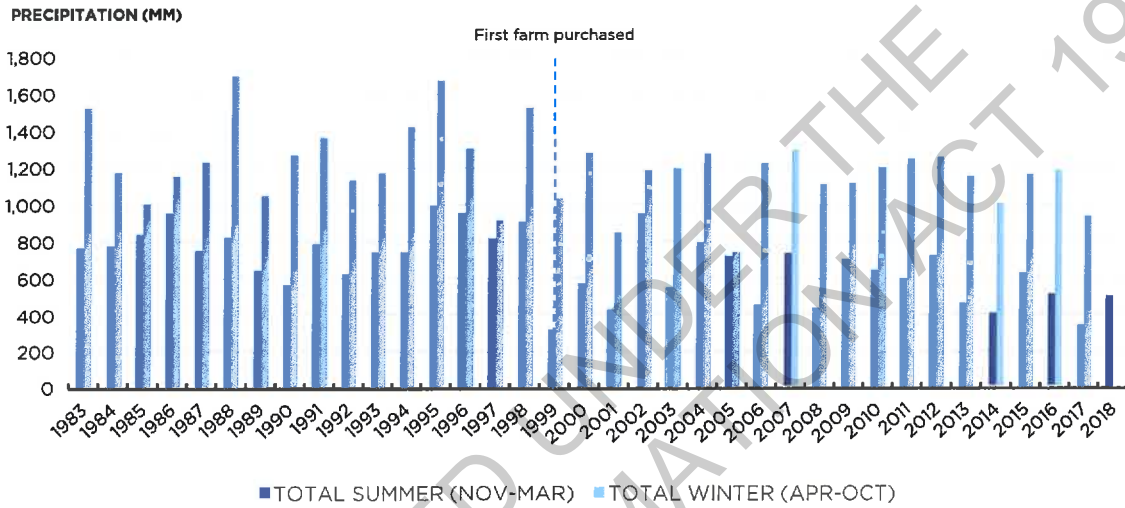


The averages for precipitation and temperature are calculated as the average for each month across all historical data, beginning in 1992 through to 2017.

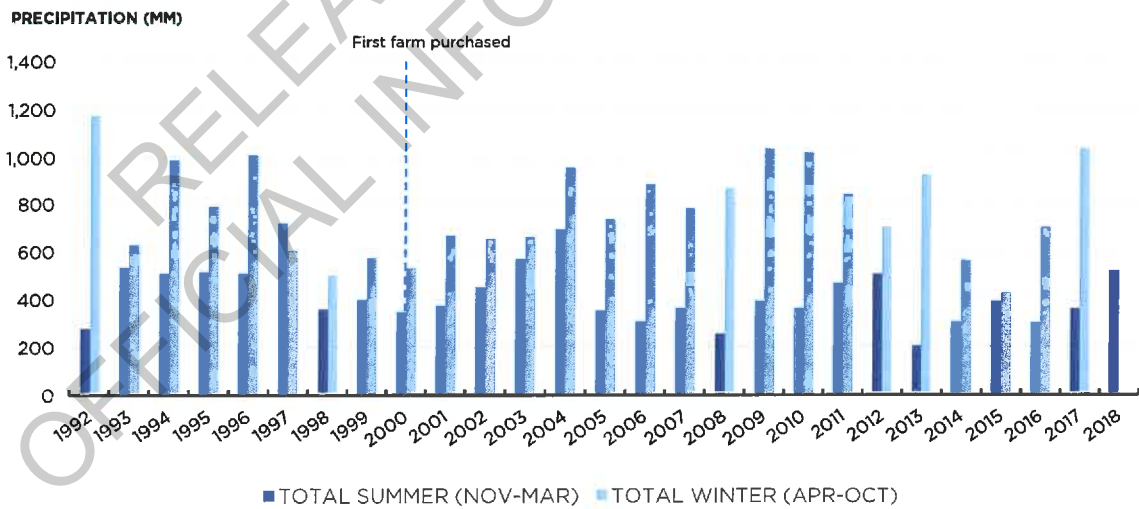
TOTAL ANNUAL PRECIPITATION (MM)

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 6-yr avg |
|--------------|---------|---------|---------|---------|---------|---------|----------|
| King Country | 1,614 | 1,673 | 1,744 | 1,685 | 1,391 | 1,378 | 1,581 |
| East Coast | 975 | 1,123 | 635 | 919 | 1,212 | 1,404 | 1,045 |

KING COUNTRY RAINFALL 1985-2018

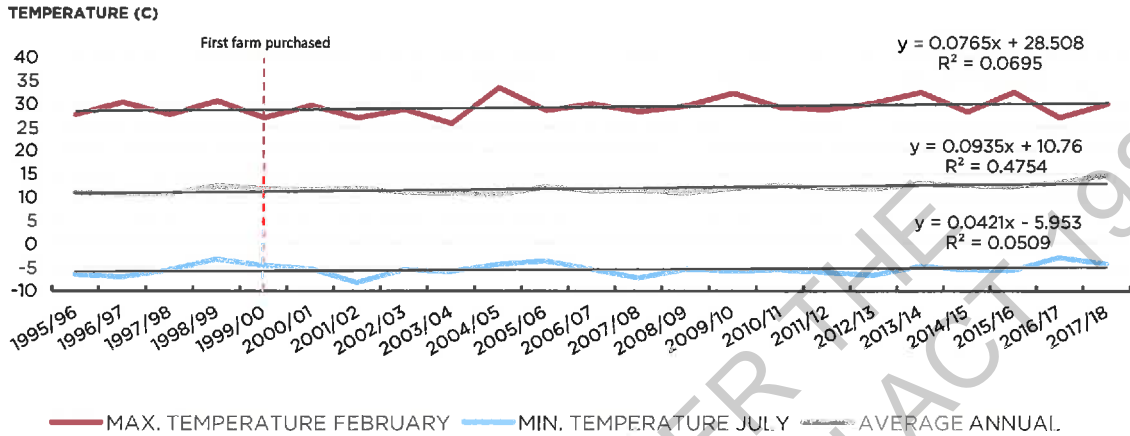


EAST COAST RAINFALL 1992-2018

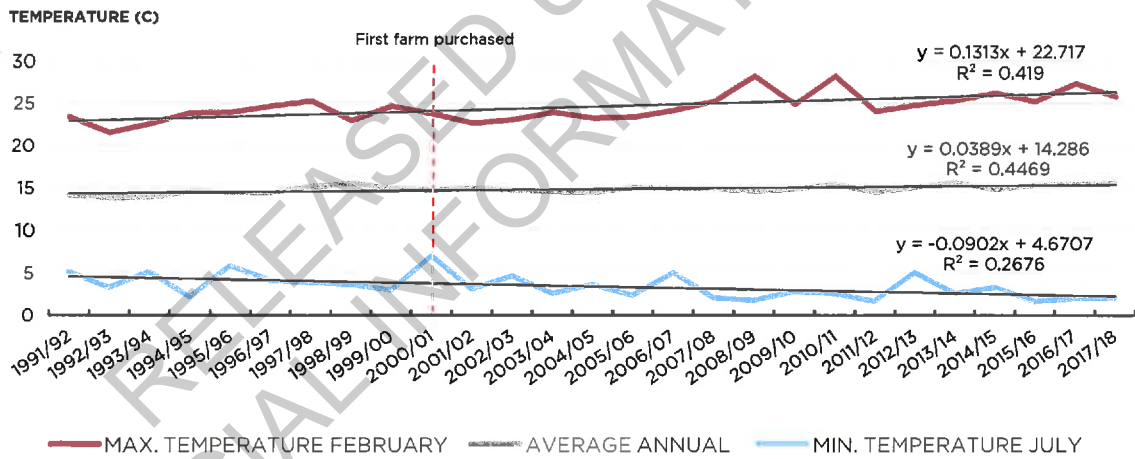


These graphs plot total rainfall (mm) during the summer versus the winter months.

KING COUNTRY TEMPERATURE EXTREMES FEBRUARY VS. JULY, AND ANNUAL AVERAGE 1995-2018



EAST COAST TEMPERATURE EXTREMES FEBRUARY VS. JULY, AND ANNUAL AVERAGE 1992-2018



The maximum temperature in February is plotted against the lowest temperature in July, as these two months have the most extreme temperatures.

6 SOIL

KING COUNTRY

| Assessment | Unit | % | Comments |
|-------------------------|------------|------|---|
| Soil fertility | Low | 20% | Low fertility on Puketiti's steep hill and gullies. Building this up each year. |
| | Moderate | 30% | |
| | High | 50% | |
| Soil physical structure | Poor | 0% | |
| | Adequate | 30% | |
| | Excellent | 70% | |
| Erosion | Negligible | 90% | Must manage cattle in wet winters to prevent erosion. Need to plant more trees. |
| | Moderate | 10% | |
| | Severe | 0% | |
| Biological activity | Low | 0% | |
| | Moderate | 100% | |
| | High | 0% | |

EAST COAST

| Assessment | Unit | % | Comments |
|-------------------------|------------|-----|--|
| Soil fertility | Low | 20% | Fertility is building as we lift Taoroa up to Matahiia's levels. |
| | Moderate | 50% | |
| | High | 30% | |
| Soil physical structure | Poor | 0% | Need to monitor compaction in winter. |
| | Adequate | 50% | |
| | Excellent | 50% | |
| Erosion | Negligible | 80% | Slips on Matahiia, gully movement to monitor. |
| | Moderate | 18% | |
| | Severe | 2% | |
| Biological activity | Low | 0% | |
| | Moderate | 85% | |
| | High | 15% | |

We have used more soluble fertiliser to get our soils up to an optimum level for pasture production.

We are herbage testing while all our farms have better fences and therefore grazing, which leads to better metabolisable energy from the pasture. Biological activity across all farms has improved.

7 FERTILISER NUTRIENT BALANCE

FERTILISER USE

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|-----------------------------|---------|---------|---------|---------|---------|---------|
| Nitrogen - Kg N/ha | | | | | | |
| Pasture | 2 | 1 | 5 | 15 | 21 | 18 |
| Fodder crops | 57 | 38 | 44 | 73 | 68 | 132 |
| Phosphorus - Kg P/ha | | | | | | |
| Pasture | 8 | 11 | 22 | 29 | 44 | 32 |
| Fodder crops | 44 | 17 | 61 | 38 | 69 | 46 |
| Potassium - Kg K/ha | | | | | | |
| Pasture | 1 | 3 | 3 | 2 | 3 | 3 |
| Fodder crops | 11 | 14 | 13 | 30 | 56 | 71 |

This year, we have deliberately reduced the amount of N applied to pasture areas.

Fodder crop N applied increased, as fodder beets made up most of the crops. These are high consumers of N.

LIME USE - CaCO₃

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|--------------|---------|---------|---------|---------|---------|---------|
| Area covered | NA | NA | NA | 320 | 905 | - |
| Total tonnes | 697 | 128 | 1,021 | 1,154 | 542 | - |
| T/ha | NA | NA | NA | 1.7 | 1.0 | - |

We did not apply any lime this year, as lime induces metabolic issues in cows. Any lime must be applied before February, so that it has time to breakdown before cows graze.



8 ENERGY AND CARBON FOOTPRINT

ENERGY USE AND EFFICIENCY

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|--------------------------------|---------|---------|---------|---------|---------|---------|
| GJ, total | 6,300 | 5,059 | 5,312 | 5,527 | 4,825 | 2,608 |
| GJ/hectare | 0.7 | 0.5 | 0.6 | 0.6 | 1.0 | 0.6 |
| Kg produced /GJ | 220 | 298 | 298 | 311 | 207 | 400 |
| Litres diesel /ha ¹ | 18.8 | 14.8 | 15.2 | 16.1 | 28.2 | 16.1 |

1. The total energy use is converted into equivalents of litres of diesel/ha as this often is used as a "rule of thumb" in crop production

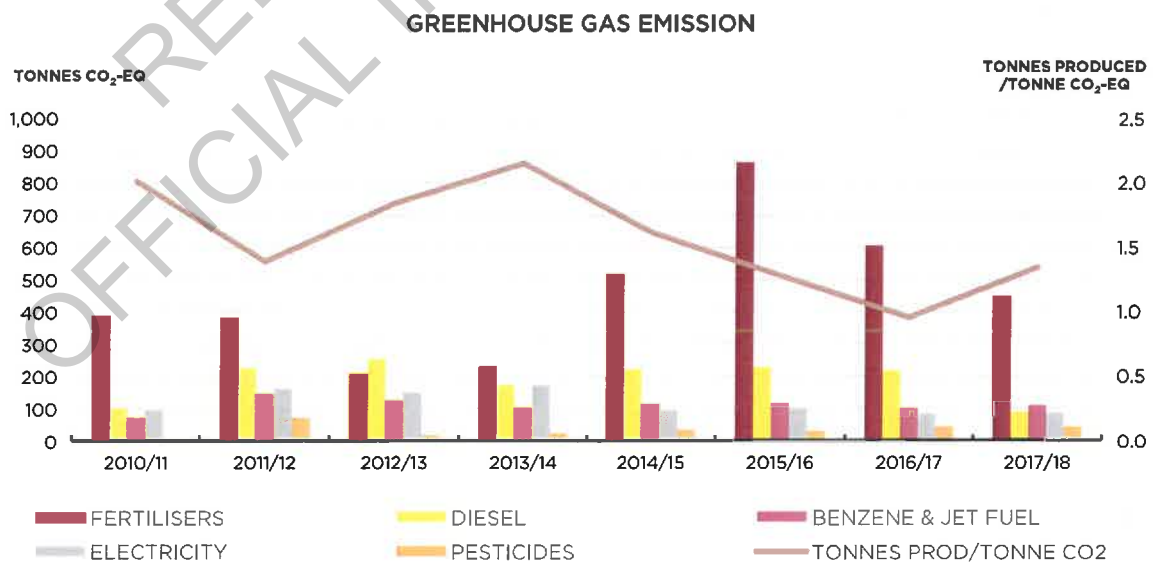
The King Country farms use contractors for all cultivation work, which is included in these tables.

INPUTS GREENHOUSE GAS EMISSION AND EFFICIENCY

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|--|------------|------------|------------|--------------|--------------|------------|
| T CO ₂ ¹ eq (electricity & fuel) | 527 | 448 | 428 | 446 | 398 | 285 |
| T CO ₂ eq (inputs ²) | 225 | 253 | 551 | 897 | 649 | 492 |
| T CO₂ eq total | 752 | 701 | 979 | 1,343 | 1,047 | 777 |
| Kg CO ₂ /ha | 82 | 74 | 102 | 143 | 223 | 175 |
| Kg prod/kg CO ₂ | 1.8 | 2.2 | 1.6 | 1.3 | 1.0 | 1.3 |

1. Refers to CO₂ equivalent emitted from energy and input use. No biological sources or sinks are included
2. Inputs include N, P, K fertilisers as well as pesticides

The reduction in GHG is a result of focus on cost saving, and also because of a significant reduction in diesel use, due to less cropping, less development and less fencing.



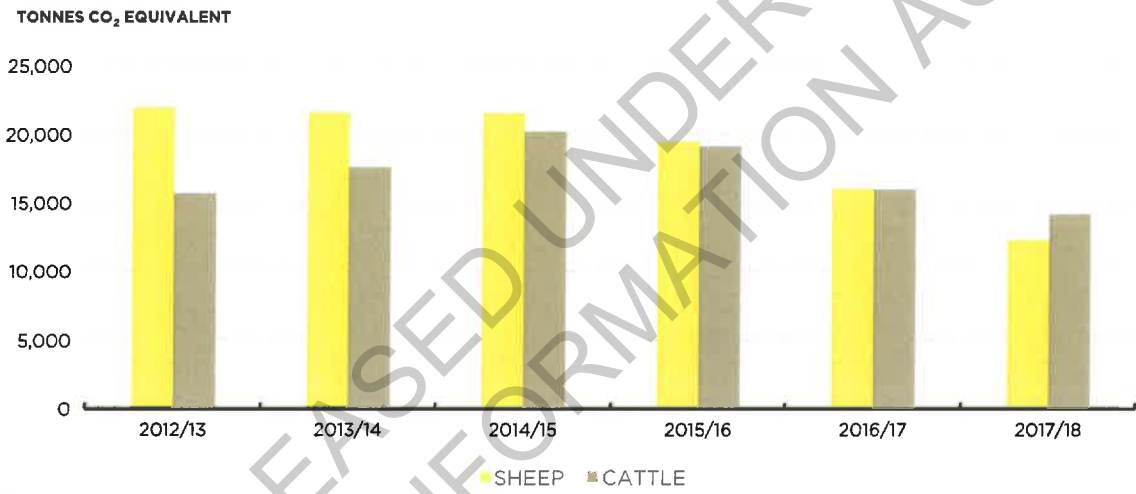
8.1 LIVESTOCK EMISSION

LIVESTOCK¹ GREENHOUSE GAS EMISSION AND EFFICIENCY

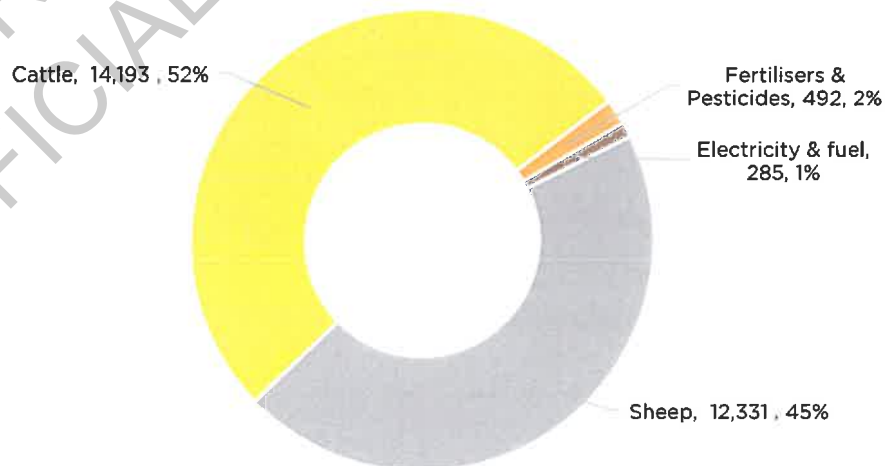
| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| T CO ₂ eq (sheep) | 22,010 | 21,632 | 21,589 | 19,492 | 16,076 | 12,331 |
| T CO ₂ eq (cattle) | 15,700 | 17,632 | 20,193 | 19,115 | 15,986 | 14,193 |
| T CO₂ eq total | 37,710 | 39,264 | 41,782 | 38,607 | 32,062 | 26,524 |
| Kg prod/kg CO ₂ | 0.04 | 0.04 | 0.04 | 0.04 | 0.03 | 0.04 |

1. Data sourced from the Parliamentary Commissioner for the Environment, which estimates Methane and Nitrous Oxide emission (converted to CO₂ equivalent) in New Zealand per animal per year. No biological sources or sinks are included

NZ LIVESTOCK GREENHOUSE GAS EMISSIONS



SHARE OF CO₂ EQ EMISSION 2017/18



9 PESTICIDES

PESTICIDE USE - BY CROP

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|-------------------------------|---------|---------|---------|---------|---------|---------|
| Kg AI¹ / ha | | | | | | |
| Pasture | 0.01 | 0.08 | 0.13 | 0.09 | 0.29 | 0.20 |
| Fodder crops | 2.44 | 0.61 | 0.75 | 1.59 | 3.06 | 14.88 |

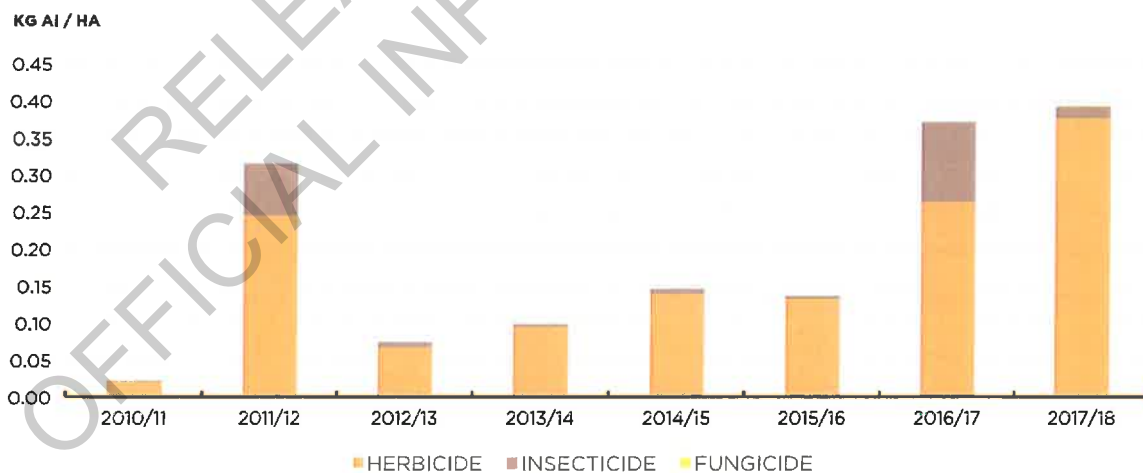
1. AI: Insecticide, herbicide and fungicide pesticide products

Crops had to be sprayed to deal with weeds. Because this relies on contractors, the weather constraints delayed the timing of spraying, meaning more treatment was needed.

PESTICIDE USE - BY TYPE

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Kg AI¹ / ha | | | | | | |
| Herbicide | 0.07 | 0.09 | 0.14 | 0.13 | 0.26 | 0.38 |
| Insecticide | 0.01 | 0.00 | 0.01 | 0.00 | 0.11 | 0.02 |
| Fungicide | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 0.08 | 0.09 | 0.15 | 0.13 | 0.37 | 0.40 |

NEW ZEALAND PESTICIDE USE



USE OF INGLEBY PROHIBITED ACTIVE INGREDIENTS

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|--------------------------|---------|---------|---------|---------|---------|---------|
| Prohibited in Guidelines | - | - | - | - | - | - |

SYNTHETIC ACTIVE INGREDIENTS USED 2017/18

| Crop | Type | AI Name |
|--------------|------------------|--|
| Fodder crops | Fungicide | Cyproconazole, Trifloxystrobine |
| | Herbicide | Carfentrazone-ethyl, Clethodim, Clomazone, Clopyralid, Desmedipham, Dicamba, Ethofumesate, Flumetsulam, Glyphosate, Haloxyfop-P methyl ester, MCPA, MCPB, Metamitron, Phenmedipham, Picloram, Saflufenacil, Thifensulfuron |
| | Insecticide | Chlorpyrifos, Lambda-cyhalothrin, Metaldehyde, Methiocarb, Spinetoram |
| | Growth regulator | - |
| Pasture | Fungicide | - |
| | Herbicide | 2,4D, Aminopyralid, Glyphosate, MCPA, Picloram, Triclopyr |
| | Insecticide | Alpha-cypermethrin, Methiocarb |
| | Growth regulator | - |

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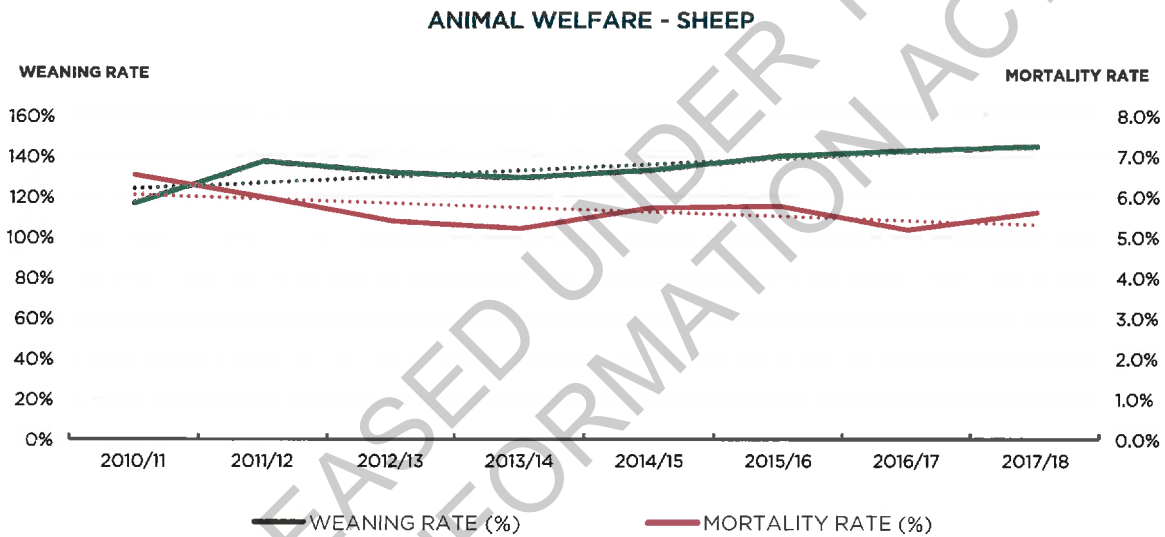
10 ANIMAL WELFARE

ANIMAL WELFARE - SHEEP

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|-------------------------------|---------|---------|---------|---------|---------|---------|
| Weaning rate (%) ¹ | 132% | 130% | 133% | 140% | 143% | 145% |
| Mortality rate (%) | 5.4% | 5.2% | 5.8% | 5.8% | 5.2% | 5.6% |

1. The weaning rates can be slightly lower when the farms have a higher number of hoggets lambing

Puketiti had an outbreak of viral pneumonia in February, causing the loss of 420 lambs.



PHARMACEUTICALS - SHEEP

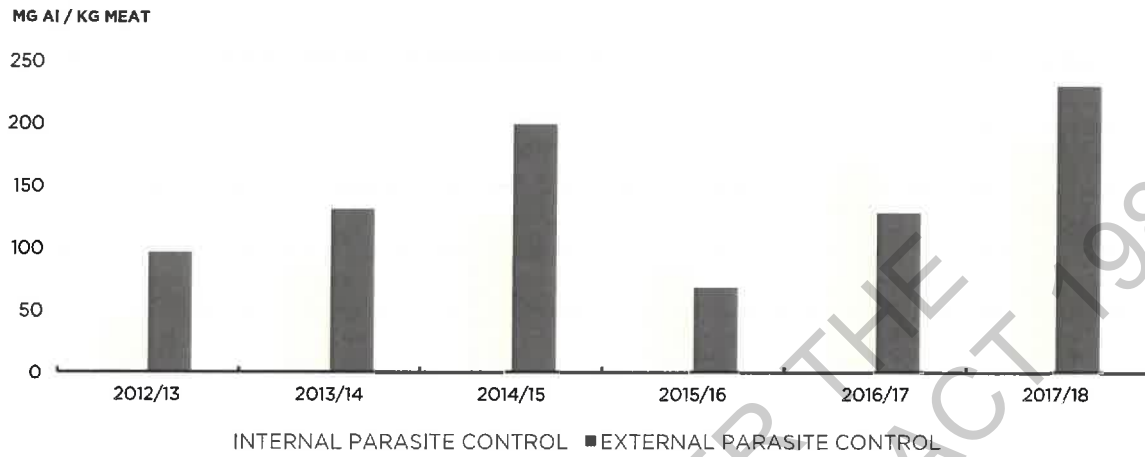
| Type | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|-----------------------------------|---------|---------|---------|---------|---------|---------|
| Milligrams AI / kg meat | | | | | | |
| Internal parasite control | 42.7 | 84.4 | 123.3 | 83.9 | 168.6 | 185.3 |
| External parasite control | 96.1 | 130.9 | 198.8 | 68.0 | 127.8 | 229.5 |
| Antibiotics | 0.0 | 0.0 | 0.7 | 0.0 | 0.0 | 27.8 |
| Other Antimicrobials ¹ | 0.0 | 0.0 | 34.1 | 0.0 | 0.0 | 0.0 |

1. Antimicrobials include antiprotozoal and antifungal agents used as antiseptics in skin conditions

In the King Country, the sheep were all dipped 2-4 times for extra protection because of the wet summer. This shows in the high external parasite control this year. We have also noticed an increase in resistance.

We only use health remedies on an “as needed basis”. This involves better monitoring by blood tests and faecal egg counts.

INTERNAL & EXTERNAL PARASITE CONTROL IN SHEEP



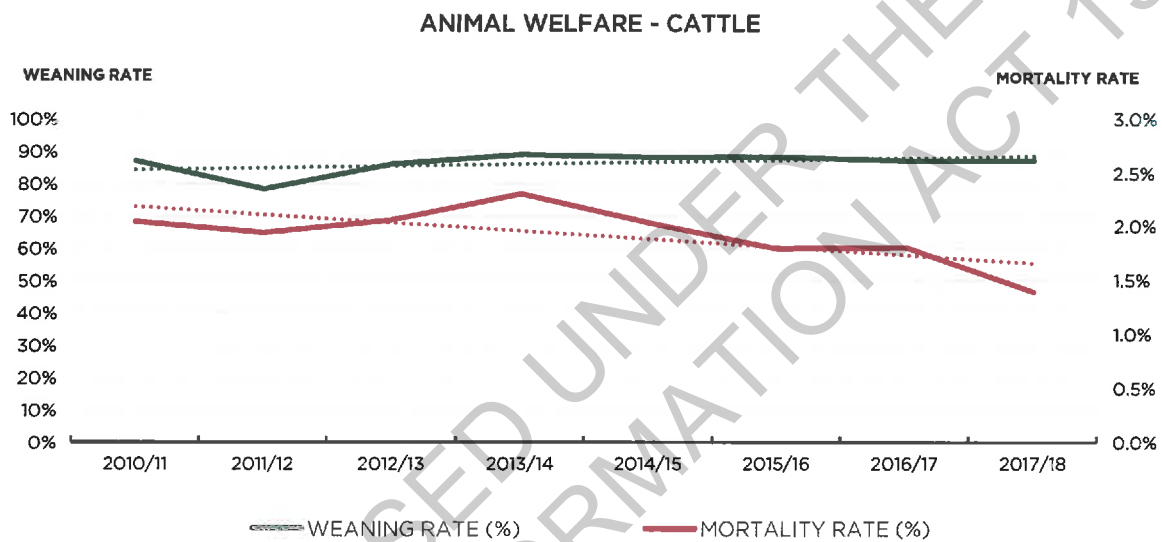
Note - 2010/11 and 2011/12 are excluded, as data from these years are not specific to sheep



ANIMAL WELFARE - CATTLE

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|---------------------------------|---------|---------|---------|---------|---------|---------|
| Weaning rate (%) ^{1,3} | 86% | 89% | 88% | 88% | 87% | 87% |
| Mortality rate (%) ² | 2.1% | 2.3% | 2.0% | 1.8% | 1.8% | 1.4% |

1. Calculation considers the number of weaned calves over the number of pregnant cows
2. The increase in mortality rate for the King Country in 2013/14 resulted from the nitrate poisoning of young cattle on plantain crop
3. Puketiti is calving R2 heifers which have lower reproduction success (by 5-7%)



PHARMACEUTICALS - CATTLE

| Type | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|-----------------------------------|---------|---------|---------|---------|---------|---------|
| Milligrams AI / kg meat | | | | | | |
| Internal parasite control | 31.9 | 14.2 | 36.4 | 51.2 | 57.6 | 25.9 |
| External parasite control | 13.0 | 12.0 | 17.5 | 12.4 | 4.7 | 8.1 |
| Antibiotics | 0.4 | 1.0 | 1.3 | 0.6 | 0.3 | 5.1 |
| Other Antimicrobials ¹ | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 |

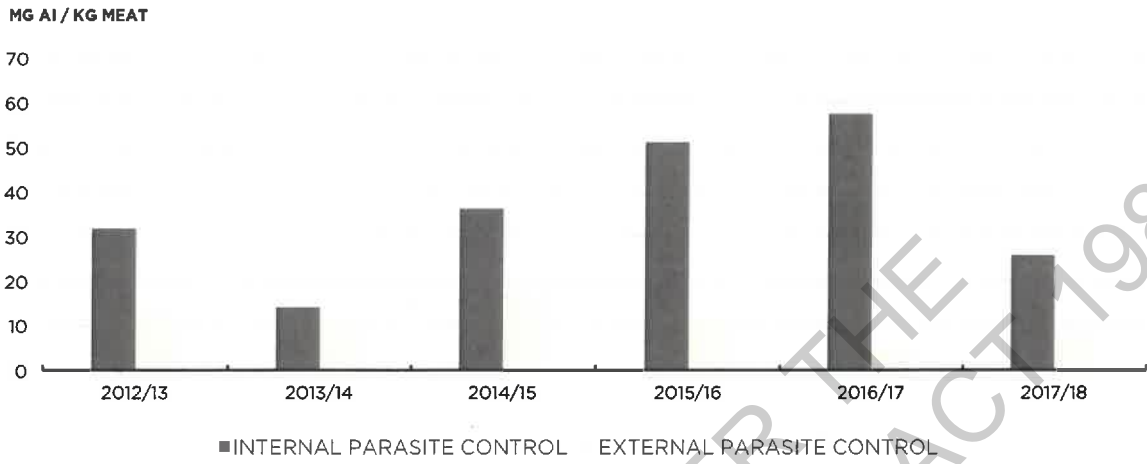
1. Antimicrobials include antiprotozoal and antifungal agents used as antiseptics in skin conditions
2. External parasite control in cattle on the East Coast was much lower in 2014/15 as they were of an older age growth, better fed and didn't need treatment for lice

The reduction of internal parasite control is partially because of less trading.

More antibiotics were applied because of Woody Tongue.

We use oral drenches on young cattle and injectable/pour-on for older cattle.

INTERNAL & EXTERNAL PARASITE CONTROL IN CATTLE



Note - 2010/11 and 2011/12 are excluded, as data from these years are not specific to cattle



11 ENVIRONMENTAL

NATURAL ECOSYSTEMS AND NON-CULTIVATED AREAS

| Type | Hectares |
|------------------------------------|--------------|
| Formal covenants ¹ | 885 |
| Wetlands & water bodies | 39 |
| Woodlands (not incl. in covenants) | 1,166 |
| Geological formations | 123 |
| Total area (ha) | 2,213 |
| % of total area | 33% |
| % area in water | 0.6% |

1. These are areas legally protected under the Queen Elizabeth II Trust because of their conservation and heritage value. Covenanted areas are bound to the land titles in perpetuity

We have fenced 12 more tomos at Puketiti, and 1.6km along the Mangaorongo River. In July, we planted 5,000 native seedlings along the riparian zone. Last winter Matahiia planted 150 willow poles to control gully erosion.



SIGNIFICANT SPECIES

| Type | Common name (Latin name) | Status ¹ | On farm ² |
|-----------|--|---------------------|----------------------|
| Mammals | Long-tailed bat (<i>Chalinolobus tuberculatus</i>) | Endangered | Yes |
| Fish | Longfin Eel (<i>Anguilla dieffenbachia</i>) | Gradual decline | Yes |
| Birds | Kokako (<i>Callaeas cinerea wilsoni</i>) | Endangered | Possible |
| | NZ Falcon (<i>Falco novaeseelandiae</i>) | Vulnerable | Possible |
| | Brown kiwi (<i>Apteryx mantelli</i>) | Gradual decline | Possible |
| | North Island Kākā (<i>Nestor septentrionalis</i>) | Endangered | Possible |
| Reptiles | Ornate Skink (<i>Oligosoma ornatum</i>) | Gradual decline | Possible |
| Amphibian | Hochstetter's Frog (<i>Leiopelma hochstetteri</i>) | Sparse | Possible |

Area covered

Mostly found in exclusion areas. The long-tailed bats are found in QEII protected areas. The bats are closely monitored by the National Department of Conservation. Waterways where there might be longfin eels are gradually being fenced and planted.

Map of occurrence

Yes

1. Conservation status specific to New Zealand
2. Species not recorded as present on farm are those known in the general area, or have distribution ranges covering Ingleby land



Inside Long John's Cave (photo: Speleological Society)



Long-tailed Bat (photo: Department of Conservation)



Brown Kiwi



Grand Canyon Cave on Puketiti – important roosting place for the Long-tailed Bats

INVASIVE SPECIES

| Type | Common name (Latin name) | Management |
|---------|---|--|
| Flora | Gorse (<i>Ulix spp.</i>) | Spray |
| | Nodding Thistles (<i>Carduus nutans</i>) | Spot spraying and helicopter spraying |
| | Privet (<i>Ligustrum spp.</i>) | Chopping out |
| | Thistles (<i>Asteraceae spp.</i>) | Spot praying |
| | Blackberry (<i>Rubus fruticosus</i>) | Sprayed 90% last summer in EC Spray on ground and with helicopter in KC |
| | Bathurst Burr (<i>Xanthium spinosum</i>) | Chip with spade |
| | Wild ginger (<i>Asarum spp.</i>) | Spray |
| | Australian sege | No control, but it is not spreading |
| | Rushes | Drainage, lime pasture removal |
| | Californian thistle (<i>Cirsium arvense</i>) | Depends on budget, varies depend on season |
| Insects | Diamondback moth (<i>Plutella xylostella</i>) | Spray when these insects attack the crops |
| | Black beetle (<i>Heteronychus arator</i>) | |

Map of occurrence

Yes

Effectiveness of measure

Reduces numbers/maintaining

Comments

High expenditure on weeds in the King Country. Cut down privet, improved control of thistles. Doubled expenses for spraying. Making steady progress. Reducing Gorse, Blackberry, Bathurst Burr and Nodding thistle in the King Country. The Black Beetle in fodder crops is a problem on Riverlea.

PEST MANAGEMENT

| Species | Numbers culled | Management | Comments |
|-----------------|----------------|---------------------|--|
| Goats | NA | Helicopter shooting | Ongoing problem as they cross over from neighbours. Goats add parasites to pasture |
| Hares & rabbits | 109 | Control by staff | Ongoing problem |
| Wild pigs | 84 | Control by staff | Wild pigs ruin grass by rooting up the soil |
| Feral cats | 13 | Control by staff | Endanger native birds |
| Possums | 252 | Control by staff | Government control on 20,000 ha, including Ingleby land. Possums ruin planted poles and natural bush. They also carry tuberculosis (TB) and can infect stock |
| Wild deer | 29 | Control by staff | Deer graze on Douglas Fir, Willows and ornamental trees. Problem on Matahiia and Puketiti |
| Canadian geese | NA | Helicopter shooting | They are a real problem, used a helicopter and professional shooter. They destroy large areas of grass and crops |
| Turkeys | 99 | Control by staff | All eradicated from East Coast |

12 SOCIAL

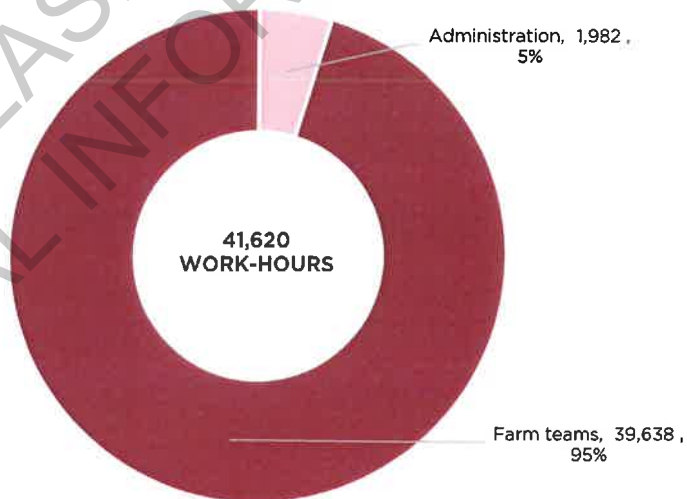
EMPLOYEES

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| Full-time employees | 26 | 29 | 23 | 28 | 18 | 15 |
| Seasonal employees | NA | NA | 19 | 7 | 3 | 2 |
| Calc. full-time employees¹ | 28 | 30 | 32 | 32 | 27 | 21 |
| Employees living on farm | 21 | 22 | 21 | 24 | 16 | 16 |
| Children living on farm | 12 | 14 | 6 | 13 | 8 | 9 |
| Gender ratio (% females) | 15% | 24% | 18% | 23% | 22% | 14% |
| Staff stability (%) | 81% | 79% | 43% | 89% | 94% | 79% |
| Total person-hours | 55,560 | 59,080 | 64,540 | 63,186 | 53,512 | 41,620 |
| Person-hours /hectare | 6 | 6 | 7 | 7 | 11 | 9 |

1. Calculated from person-hours to account for part-time or seasonal staff (2,000 hours per person per year)

The King Country employs local contractors to do all agricultural work. The East Coast does all this work internally as no contractors are available. The Ingleby Tasmania office handles the farms' administration and HR.

NEW ZEALAND WORK-HOURS 2017/18



TRAINING

| Type | Description | No. staff | Total hours |
|---|--------------------------------------|-----------|--------------|
| Health & safety | First aid course | 1 | 8 |
| | 4WD Tractor & Chainsaw training | 2 | 10 |
| | General safety meeting | 21 | 252 |
| | Safety follow up and policies review | 5 | 40 |
| Production | Livestock committee | 1 | 4 |
| | AUS & NZ management meeting | 4 | 96 |
| | Tasmania trip - management meeting | 1 | 16 |
| Time training as share of person-hours | | | 0.91% |

We hold internal training sessions on KPI's, and the Ingleby goals and vision.

COMMUNITY PROJECTS AND DONATIONS

| Description | Amount NZ\$ |
|---|-----------------|
| Trees for Bees | 15,000 |
| Waipaoa Station Farm cadet Training Trust | 10,000 |
| Massey University Scholarship | 3,000 |
| Makarika School - Assembly books | 166 |
| Eastland Helicopter Rescue Trust | 4,400 |
| Lincoln University Scholarship | 3,000 |
| Total donated | \$35,566 |

COUNT OF SAFETY INCIDENTS






| Type of Incident | Total count 2016/17 | Total count 2017/18 ¹ | Hours on leave 2017/18 |
|--|---------------------|----------------------------------|------------------------|
| Accidents | | | |
| Livestock | 1 | 4 | 8 |
| Machinery/equipment | 0 | 0 | 0 |
| Vehicles/ATVs | 1 | 0 | 0 |
| Other | 1 | 3 | 0 |
| Total no. accidents | 3 | 7 | 8 |
| Hours on leave as share of person-hours | | | 0.02% |
| Near misses | | | |
| Livestock | 6 | 0 | |
| Machinery/equipment | 3 | 0 | |
| Vehicles/ATVs | 8 | 4 | |
| Other | 6 | 0 | |
| Total no. near misses | 23 | 4 | |

1. Reporting year 1 July 2017 - 30 June 2018

13 COMPLIANCE


INGLEBY VALUES - HOW DO WE PROMOTE

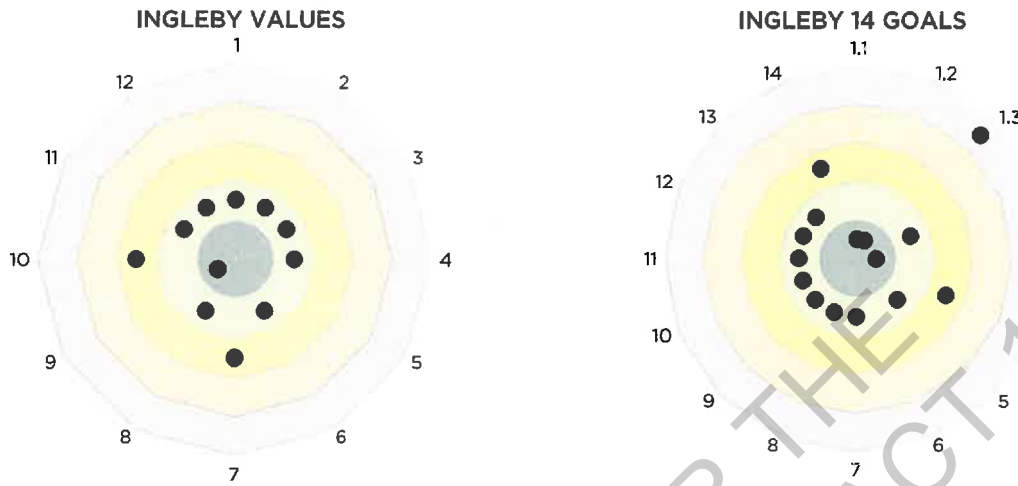
| # | Value | 15/16 | 16/17 | 17/18 ¹ | Comments 2017/18 |
|----|--|-------|-------|--------------------|---|
| 1 | Fertile, well-structured soils | | | | Ongoing. Annual soil testing and fertilisers according to the tests. Erosion areas are fenced and planted. Also debris dams and pole planting. We restrict livestock pugging and manage compaction. |
| 2 | Clean, plentiful water | | | | Fencing riparian areas. We restrict livestock from waterways and manage runoff. We fenced 1,200 m along Mangaoronga River at Puketiti. Installed 22 new water troughs at Puketiti and a new water system at Katoa. |
| 3 | Healthy, species-rich ecosystems | | | | High biodiversity on farms, trees for bees and amenity planting for shade. |
| 4 | Beautiful farms | | | | Ongoing renovation of homes and sheds. We keep the farms tidy and neat. Roads and laneways are maintained. Continued planting for shade and shelter as well as amenity trees. |
| 5 | Natural, varied crops | N/A | N/A | N/A | |
| 6 | Animal welfare and good husbandry | | | | Aim to treat young stock as well as possible to lamb ewe hoggets and calve R2 heifers. Surplus stock are finished to a high specification for SFF premium EQ and lamb premiums. |
| 7 | Less consumption and greener sources of energy | | | | Solar water systems installed at Puketiti. |
| 8 | Less waste, with responsible disposal | | | | Waste oil and tyres returned to district recyclers. Bale wrap returned for recycling. |
| 9 | Responsible supply chains | | | | Major source of supplies come from good companies whom we have dealt with for some number of years e.g. Farmlands. |
| 10 | Skilled, motivated farm teams | | | | Leadership seminars twice yearly, support from farm consultants, vets. Continually training staff and encouraging management to change attitudes and understand the Ingleby Vision. It is difficult to get good, young staff on the EC. |
| 11 | Safe working environments | | | | H&S audits, hazards are identified, training completed and monthly meetings. We drug test to focus on safety. H&S representative for each farm and the bee business. Monthly Skype meetings are held. |
| 12 | A good name locally | | | | The Ingleby name is highly regarded. We are perceived as good and innovative stewards of the land. Contact with the local tribe for good community relationship. |

1. Points-based on scale of 1 – 5, where 5 is most compliant (5= , 4= , 3= , 2= , 1= ).

14 SIMPLE GOALS

| # | Goal | 15/16 | 16/17 | 17/18 ¹ | Comments 2017/18 |
|----|--|-------|-------|--------------------|--|
| 1 | Improve annual key production metrics by 2% | ↗ | ↗ | ↗ | 10% average annual increase over past 6 years |
| | Improve annual key efficiency metrics by 1% | ↘ | ↗ | ↗ | 7% average annual increase in efficiency over past 6 years |
| | Greenhouse gas efficiency (Kg prod/Kg CO ₂) | ↘ | ↘ | ↘ | 11% average annual decrease in efficiency over past 6 years |
| 2 | Build topsoil by 2 mm per year | | | | Applied lime, High level of capex and increased R&M on all farms |
| 3 | 10% of the farm areas are natural habitats | | | | The farms are hill country sheep and beef, and so have many areas that are not in production. In total, NZ has 33% of the area in natural habitats |
| 4 | Convert 1% of farmland to aquatic environments | | | | 0.6% of the area in aquatic habitats |
| 5 | 10 metre buffer strips along all major streams, rivers and lakes | | | | All rivers and streams on the farms are continually being fenced to keep stock out of waterways. Planting will continue until 2019/20 |
| 6 | Natural, native grass waterways in erosion prone areas | N/A | N/A | N/A | |
| 7 | No mechanical soil treatment on erosion prone slopes | | | | Mostly done |
| 8 | Contour cultivation on steep areas | | | | Mostly done |
| 9 | Welcoming avenues along the main driveways to the farm | | | | Planting ongoing |
| 10 | Plant solitary trees in the landscape | | | | We are planting solitary amenity trees, especially for stock shade and shelter |
| 11 | Grow a mix of insect/bee plants on the farms | | | | Ongoing planting for bee feed, primarily in manuka, but also other species for varied sources of nectar and pollen |
| 12 | Surround larger buildings by appropriate planting | | | | Planting ongoing |
| 13 | Promote a "scruffy" look in the open landscape | | | | Riparian areas are left to revegetate, gullies and erosion areas are replanted and encouraged to naturally revegetate |
| 14 | Spend 2% of annual working hours on training | | | | 0.91% total person-hours were spent training this year |

1. Points-based on scale of 1 – 5, where 5 is most compliant (5= , 4= , 3= , 2= , 1= )



The radar charts compare achieved for each Ingleby value (1-12) and of the 14 Goals for 2017/18. The closer to the inner, dark-green circle (score 5), the higher the achievement within that goal. Goal 5 of the Values, and goal 6 of the 14 Goals remain blank, as these are not relevant to the production on the farms in New Zealand.

COMPLIANCE WITH INGLEBY POLICIES AND GUIDELINES

| Policy | King Country | East Coast | Comments |
|---|--------------|------------|---|
| Ethical Policy | ✓ | ✓ | |
| Suppliers code of conduct | ✓ | ✓ | |
| Travel and inducement | ✓ | ✓ | |
| Anti-money laundering and anti-corruption | ✓ | ✓ | |
| Media relations | ✓ | ✓ | |
| Whistleblowing policy | ✓ | ✓ | |
| Bird monitoring | WIP | WIP | |
| Establishing ponds | WIP | WIP | |
| Fencing | ✓ | ✓ | |
| Game management | ✓ | ✓ | |
| Tree planting | ✓ | ✓ | |
| Waste management | ✓ | ✓ | |
| Wind turbines and hydro power | ✓ | ✓ | |
| Management of invasive species | ✓ | ✓ | |
| Pesticide use | ✓ | ✓ | |
| Welfare of cattle | ✓ | ✓ | |
| Welfare of sheep | ✓ | ✓ | Due to practical reasons we cannot castrate lambs and calves before two weeks of age. Rubber rings are used instead of anaesthetic injections when castrating |
| Welfare of horses | ✓ | ✓ | |
| Welfare of dogs | ✓ | ✓ | |