

Will Hewitt

From: Karen <matters@gtoddlaw.com>
Sent: Tuesday, 8 November 2016 10:59 a.m.
To: Olwyn Smith
Cc: Graeme Morris Todd; Sek Yin Li
Subject: Blue Lake Investment (NZ) Limited - Your Ref: 201520055 id=gtoddlaw:p4579a3885
Attachments: 3885 Nov 2016 Reporting Letter OIO.pdf

Hi Olwyn

On behalf of Graeme Todd, please find attached our letter of today's date reporting on the above. Should you require anything further, please do not hesitate to contact us.

Kind regards
Karen

Karen Morris
Office Manager/PA

GTODD law
LAWYERS & NOTARY PUBLIC

SECOND OFFICE NOW OPEN AT FRANKTON

Level 1, Alta House, Terrace Junction, Frankton, Queenstown

GTODD LAW
Ph 03 4412743
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36 Shotover Street
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Queenstown 9348

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07 November 2016

The Manager
Overseas Investment Office
Land Information New Zealand
P O Box 5501
Wellington 6045

NEW TRUST ACCOUNT NUMBER:
ANZ Bank New Zealand Limited Queenstown Branch
06-0949-0265814-02

Attention: Olwyn Smith

By Email: osmith@linz.govt.nz

Dear Olwyn

Blue Lake Investment (NZ) Limited – Your Ref: 201520055

I advise I act on behalf of Blue Lake Investment (NZ) Limited ("Blue Lake") and refer to your letter of 2 November 2016 and the obligations of the consent granted to my client to acquire the freehold interest in Guide Hill Station at Lake Pukake in the Mackenzie country of the South Island.

I now report as follows:

1. In terms of Special Condition 11 the following payments have been made, the last being in October 2016:

Lincoln University	\$60,000.00
The Trustees, The Mackenzie Trust	\$66,666.00
Tourism Waitaki	\$10,000.00

I confirm that similar payments are to be made to each entity in 2017 and 2018.

2. In respect to Special Condition 3 I advise:
 - (a) **Restoration/Enhancement:** My client has instructed Dawn Palmer, Ecologist of Queenstown to undertake an initial assessment of the natural values of the property and make recommendations in regards to revegetation of gullies and water courses. My client has also engaged staff from Lincoln University to undertake similar assessments. Initial plantings are proposed to be undertaken in the autumn of 2017;
 - (b) **Research Facility:** My client has approved Lincoln University to commence work on the concept of the research facility, with the support of Architect Christopher Kelly of Architectural Workshop. The same will form the basis of an application for Resource Consent for the right to construct the same to be filed with the Mackenzie District Council within the next four months.
 - (c) **New Farm Irrigation:** My client has had a design of the new farm irrigation infrastructure completed, has ordered the irrigation equipment and the same is proposed to be installed no later than 24 December 2017.

Will Hewitt

From: Jessica Weinberg <jessica@toddandwalker.com>
Sent: Wednesday, 27 September 2017 10:07 a.m.
To: Olwyn Smith
Cc: Matters
Subject: Blue Lake Investment (NZ) Limited – Your Ref: 201520055 id=3885
Attachments: 20170927100529180.pdf

Dear Olwyn,

Please see attached letter.

Kind regards,

Jessica Weinberg LLB BCom
Senior Solicitor
P: +64 3 441 2743 | M: +64 27 371 5171 | F: +64 3 441 2976
E: jessica@toddandwalker.com
W: www.toddandwalker.com

TODD & WALKER law
LAWYERS | NOTARY PUBLIC

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FACEBOOK: www.facebook.com/toddandwalker
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TRUST ACCOUNT NUMBER: ANZ, Queenstown Branch
06-0949-0265814-02

The Manager
Overseas Investment Office
Land Information New Zealand
P O Box 5501
Wellington 6045

Attention: Olwyn Smith

By Email: osmith@linz.govt.nz

Dear Olwyn

Blue Lake Investment (NZ) Limited – Your Ref: 201520055

I refer to the Notice of Decision of 1 March 2016 and the subsequent variation decision of 12 October 2016 by the Overseas Investment Office granting consent to the purchase of the property known as Guide Hill Station, Lake Pukaki by Blue Lake Investment (NZ) Limited ("BLINZL").

I confirm I act for BLINZL and now wish to report on its behalf in accordance with the requirements of condition 4 of the original consent.

We are pleased to advise that in terms of Special Condition 4 of the consent, that the application for resource consent for the new lodge is to be filed with the Mackenzie District Council on 29 September. I will confirm by email once this has been filed.

We also confirm that in accordance with Special Condition 11 the second tranche payments to Lincoln University, Mackenzie Trust and Tourism Waitaki have now been made.

Yours faithfully
TODD & WALKER LAW


Jessica Weinberg, LLB BCom
Senior Solicitor
Email: jessica@toddandwalker.com
Action ID: 3885

Will Hewitt

From: Louise Gill <louise@toddandwalker.com>
Sent: Thursday, 30 November 2017 1:05 p.m.
To: Olwyn Smith
Cc: Graeme Todd; Matters
Subject: Blue Lakes Investment (NZ) Limited - 201520055 - Reporting Letter Nov 2017 ID=3885
Attachments: 3885 Blue Lakes Reporting Letter OIO - Nov 2017.pdf
Follow Up Flag: Follow up
Flag Status: Flagged

Hi Olwyn

Please see the attached reporting letter with regards to the above client

Kind regards

Louise Gill

P.A/ Office Administrator

P: +64 3 441 2743 | F: +64 3 441 2976

E: louise@toddandwalker.com

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TODD & WALKER law
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FACEBOOK: www.facebook.com/toddandwalker
SKYPE: toddandwalker
TRUST ACCOUNT NUMBER: ANZ, Queenstown Branch
06-0949-0265814-02

30 November 2017

The Manager
Overseas Investment Office
Land Information New Zealand
P O Box 5501
Wellington 6045

Attention: Olwyn Smith

By Email: osmith@linz.govt.nz

Dear Olwyn

Blue Lake Investment (NZ) Limited – Your Ref: 201520055

We advise we act on behalf of Blue Lake Investment (NZ) Limited ("Blue Lake") and refer to the decision of 12 October 2016 granting consent to our client to acquire the freehold interest in Guide Hill Station at Lake Pukaki in the Mackenzie Country of the South Island.

We also refer to previous reports filed on 7 November 2016, 1 March 2017 and 29 September 2017. In accordance with condition 13 of the consent we now report as follows:

1. In terms of Special Condition 11 the following payments have been made in September of this year:

Lincoln University	\$60,000.00
The Trustees, The Mackenzie Trust	\$66,666.00
Tourism Waitaki	\$10,000.00

We confirm that these were the second payments made and that final similar payments are to be made to each entity in 2018.

2. In respect to Special Condition 3 we advise:

(a) **Restoration/Enhancement:** Our client has instructed Dawn Palmer, Ecologist of Queenstown to undertake an initial assessment of the natural values of the property and make recommendations in regards to revegetation of gullies and water courses. Our client has also engaged staff from Lincoln University to undertake further assessments. These assessments form part of a larger study of the whole property being undertaken by Lincoln University in respect of the ecological and biodiversity values of the property with a view to developing a conservation and ecological plan for the whole property. Work has commenced

Site inspections have been undertaken by both organisations and recommendations have been received from both WAC and DOC although DOC is yet to complete its site visit and investigations. Their recommendations will be incorporated into the overall conservation and ecological management plan being developed for the property. It is proposed there will be ongoing consultation and dialogue with both organisations during December 2017 and in 2018.

4. In respect of Special Condition 13, in addition to the information noted above we confirm:
- (a) That other than the appointment of the farm consultants and Farm Manager and various consultants to assist with the planning and future development of the property, to date our client has also employed a married couple as stock managers and a single man.
 - (b) In terms of Blue Lake's guardianship of its stretch of the Alps to Ocean Cycleway, we confirm that as noted above, the second of three payments in terms of the guardianship fee has been paid. Further discussions in terms of our client's guardianship agreement with Tourism Waitaki as managers of the Alps to Ocean Cycleway have occurred with the consent holder offering to meet some of the costs of forming part of the Alps to Ocean Cycleway on its land and allowing for the relocation of the same from Hayman Road.

We trust the contents of this letter comply with the reporting requirements set out in the consent.

Should you require any further information, you should not hesitate to contact the writer.

Yours faithfully
TODD & WALKER LAW

Graeme M Todd LLB, Notary Public
Principal
Email: graeme@toddandwalker.com
Matter ID: 3885

Will Hewitt

From: Jessica Weinberg <jessica@toddandwalker.com>
Sent: Monday, 3 December 2018 3:27 p.m.
To: Overseas Investment Office Monitoring
Cc: Matters; Graeme Todd
Subject: Blue Lake Investment (NZ) Limited Case number 201520055 id=3885
Attachments: 3885-3885-2018 Annual Report Updated (1) (2).pdf

Please find attached the 2018 annual report for Blue Lake Investment (NZ) Limited.

Kind regards,

Jessica Weinberg LLB BCom
Senior Solicitor
P: +64 3 441 2743 | M: +64 27 371 5171 | F: +64 3 441 2976
E: jessica@toddandwalker.com
W: www.toddandwalker.com

TODD & WALKER law
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Recent legislation changes mean that ALL law firms are required to undertake higher levels of client due diligence. TODD & WALKER Law will be asking clients for more information and verifying documents as part of this new process. For further information on what we need from clients please click [here](#).

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Annual Report to the Overseas Investment Office

This Annual Report template sets out the required structure and content for reporting on your conditions of consent.

We will rely on the information in this document to review and assess your compliance with the conditions of your consent. It is an offence to make a false or misleading statement or material omission in any information or document provided to the Overseas Investment Office (OIO) ([s46](#)).

Instructions:

- **Please do not remove the instruction text from this template.**
- Download this template from our [website](#) before each use to ensure you have the latest version.
- Review the brief guidance in each section of this template to ensure you supply us with the required information.
- Be concise and write in plain English – if after reviewing your report we need more information, we will ask you for it.
- The formatting of this template has been kept as simple as possible so that you can adapt it to suit your own information and document management systems. You can customise the template e.g. with your own logo etc.
- Tables, diagrams, maps, schedules etc should be added as appendices to your Annual Report rather than being inserted within this template.
- Contact the OIO if you have any questions about this template or your consent generally (+64 4 462 4490, oio@linz.govt.nz).

Electronic Filing Requirements

Your Annual Report must be submitted electronically. Documents should be provided in PDF form unless otherwise advised. Documents should be provided by link to a secure download site (preferred) or encrypted USB or CD/DVD (note: electronic media will be securely destroyed after use). If necessary, your Annual Report may be emailed to OIOmonitoring@linz.govt.nz (maximum 10MB per email).

Please ensure your PDF report is:

- 'Printed to PDF', or scanned and OCR'd (i.e. all text in the document can be copied)
- Free from security restrictions
- In colour (if the document contains colour)
- If scanned, at 300 dpi (where possible)

Please do not provide a hard copy version of your report.

Consent Holder's Signature

	3 December 2018
Graeme Morris Todd Solicitor for Blue Lakes Investment (NZ) Limited	Date

Summary of Key Information

Date consent granted	1 March 2016
Case number	201520055
Consent holder	Blue Lake Investment (NZ) Limited
Land/Asset	3,522ha of land at Braemar Road, Lake Tekapo known as Guide Hill Station comprised in Record of Title CB281/173 and approximately 28ha of land adjoining Lake Pukaki being former Crown Land comprised in Part Section 1 SO 380603, Part RS 33297 and Part GN 76911.1.
Report due date	1 December 2018 (next working day 3 December 2018)
Report prepared by	Graeme Morris Todd
Contact details of preparer	Graeme Todd Todd & Walker Law Limited P: 03 441 2743 M: 027 433 0457 E: graeme@toddandwalker.com

Section A: Report on Conditions

Please start a new page for each condition.

Condition 13(a)

The Consent Holder must report in writing annually to the OIO detailing progress of its Business Plan ("Annual Report") including the following:

- (a) Blue Lake's compliance with conditions 3, 4, 6 and 8;

Third year reporting

Condition 3 – Additional Investment

1. Restoration/Enhancement – Blue Lake's has instructed Dr Mick Abbott of Lincoln University to oversee restoration works for Guide Hill Station. The following restoration and enhancement works have either been completed, or scheduled for completion by 31 December 2018:
 - a. Fencing off from stock three blocks totally approximately 24ha in Boltons Gully, to allow native biodiversity to re-establish.
 - b. Modifying one of the small irrigation lakes to allow Kaki (Black Stilt) to nest. This work has been undertaken in conjunction with the Department of Conservation ("DOC"). This work has been extremely successful with one breeding pair of this endangered bird currently established at the site.
 - c. Fencing off research plots in the Maryburn Drylands Area. Each plot is 30mx30m and excludes deer, sheep, cattle and rabbits so the effects of grazing can be monitored.
 - d. Removing invasive Wilding Conifers from the property. This work has been undertaken in conjunction with Environment Canterbury.
 - e. Removing invasive Willows from Bolton's Gully This work has been undertaken in conjunction with DOC.
 - f. Establishing a site for planting of native plants site using experimental direct-drilling techniques. This ongoing work is being undertaken in conjunction with DOC.
 - g. Raising, since 2017, eco-sourced totara and other native species at a DOC Nursery. These are to be planted in Autumn 2019, when establishment rates are strongest.
 - h. Purchasing materials and equipment to allow access to assess and protect wetland values in the Black Hole, to set up plant nursery, for ongoing volunteer planting, ongoing monitoring and removing pests.
 - i. Establishing photo point survey sites and programme including use of detailed drone footage.
 - j. Working with NEXT foundation and DOC to support the Te Manahuna Aoraki Predator Free Project that includes Guide Hill Station.

- k. Development of a farm-wide management plan to support biodiversity outcomes.

The value of these restoration and enhancement works being undertaken prior to 31 December 2018 exceeds \$200,000.00.

- 2. Research Facility – the research facility has received both resource and building consent. The facility is under construction. The construction contract provides for completion by 31 December 2018.

The purchase of a mobile research facility to supplement the permanent facility at Guide Hill Station will be completed this year. The cost of the vehicle is \$73,000.00 and the mobile facility cost is \$40,000.00.

- 3. New Farm Irrigation – as per our report on 1 March 2017 the irrigation has been installed and is operational.
- 4. New Lodge – as previously advised the application for resource consent for the lodge has been filed and is being processed as a Direct Referral application to the Environment Court. The application is adjourned pending the determination of the High Court declaration proceedings in respect of Land Information New Zealand's decision reneging on its original decision declaring the land as surplus and to offer back the land to the previous land owner so they can in turn on sell it to Blue Lake. The hearing of these proceedings is due to occur in the first half of 2019.
- 5. Further Accommodation and tourist facilities – as previously advised, Blue Lake filed with the Mackenzie District Council its application for resource consent for the farm-based accommodation and tourist activities on 19 January 2018. The resource consent for the tourism activity and the first stage of visitor accommodation was granted in July 2018. Construction is expected to commence in 2019.

Condition 4 – Resource Consents

- 6. See above.

Condition 6 – Walking Access

- 7. Blue Lake has continued consultation with New Zealand Walking Access Commission ("WAC") and DOC in relation to making provisions to improve public walking access over the land.
- 8. WAC and DOC have provided recommendations which will be incorporated into the overall conservation plan for the property. One of the recommendations to provide access through the lakeside land is dependent on the outcome of High Court proceedings.

Condition 8 – Environmental Protection

- 9. Consultations with DOC, and the recommendations they have provided, have included making provision to protect and enhance existing significant indigenous vegetation or significant habitats of indigenous fauna on the property. Blue Lake is waiting on a final report from DOC.

10. The Environmental Protection Plan for the property is being developed. DOC have been involved with some of the restoration and enhancement activities undertaken by Blue Lake as outlined in paragraph 1 above.

Released under the Official Information Act 1982

Condition 13(b)

The Consent Holder must report in writing annually to the OIO detailing progress of its Business Plan ("Annual Report") including the following:

- (b) Any new jobs created as a result of the investment

Third year reporting

1. No new jobs have been created in the past year.

Released under the Official Information Act 1982

Condition 13(c)

The Consent Holder must report in writing annually to the OIO detailing progress of its Business Plan ("Annual Report") including the following:

- (c) Details of the payment of the donations referred to in Condition 11;

Third year reporting

In terms of Special Condition 11 the following payments have been made:

1. Lincoln University – third payment of \$60,000 was paid in November 2018;
2. Mackenzie Trust – third payment of \$66,668 was paid in November 2018; and
3. Tourism Waitaki – third payment of \$10,000 was paid in November 2018.

These are the final payments to be made under Special Condition 11.

Released under the Official Information Act 1982

Condition 13(d)

The Consent Holder must report in writing annually to the OIO detailing progress of its Business Plan ("Annual Report") including the following:

- (d) Progress with Blue Lake's guardianship of its stretch of the Alps to Ocean Cycleway.

Third year reporting

1. A donation of \$10,000 was made to the Alps to Ocean Cycle Trial as the final payment of the guardianship fees.
2. This is the last payment under the current BLINZ Guardianship Contract which will lapse in June 2019.

Released under the Official Information Act 1982

Section B: Measuring benefit to New Zealand

This section is for you to provide the information we requested to enable us to measure the benefits you have brought to New Zealand through your investment (see paragraph 2 of the 'Reporting conditions' section of your consent).

Include a brief summary of the information requested, and attach photographs, spread sheets etc if this will help us to understand your report.

Information required

Set out information requested in consent

Information

Include a brief statement of the information requested, and attach photographs, spread sheets etc if this will help us to understand your report.

Not applicable.

Released under the Official Information Act 1982

Section C: Other information

This section is for you to update the contact and other details you gave us when you applied for consent, to provide any other information you think will help us monitor your compliance with the conditions, and for you to make any special requests regarding confidentiality.

Updated details

Several of the standard conditions that apply to your consent require you to tell us when particular events occur. For example, to tell us:

- when you have acquired the Land or Asset and provide details including about the price and acquisition structure,
- about changes that affect you, the people who control you, or people you control. For example, when an Individual Who Controls You ceases to be of good character, commits an offence or contravenes the law anywhere in the world, or becomes bankrupt,
- if your NZ Service Address changes.

We recommend you take this opportunity to double check that you have updated us as required. If not, use this section to tell us about changes.

Other information

Include a brief summary of the other information you wish to provide, and explain its relevance to our monitoring of your compliance with conditions.

Confidentiality

The OIO is subject to the Official Information Act 1982. Any request for confidentiality must make direct reference to the provisions of the Official Information Act 1982 that you consider justify the withholding of the information. Review our website and the practice guidelines issued by the Office of the Ombudsman before making a request.

Not applicable.