

03 August 2015
Overseas Investment Office
Private Box 5501
WELLINGTON
Attention; Olwyn Smith

PRIVATE & CONFIDENTIAL

Dear Olwyn,

PSA Capital Limited – Decision Number 201110070

We refer to your letter dated 30 June 2015 and report on our compliance with the relevant conditions set out below.

Condition 1

This condition required that the investment be acquired by and transferred to the Applicant within three years of the date of consent. We wish to seek an extension to this condition for a further 6 month (as advised by our lawyers) for the reason set out in the response to Condition 2.

Condition 2

This Condition requires the Applicant to report to the OIO if the settlement of the acquisition of the investment took place. We wish to set out the current status of the investment.

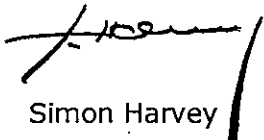
1. The land exchange agreement is with DOC for execution (this was delayed as the owner of the Steep Head gully site sought a further agreement with DOC about potential changes to the land that is being exchanged – however we understand that will now be progressed separately directly between that owner and DOC).
2. In the meantime, the parties have continued with the process of implementing the exchange.
 - a. For the Crystal Valley site, the scheme plan which will form the basis of the application to Council for subdivision consent has been prepared. Provided there are no boundary changes the survey work is complete. The survey plan will be generated based on that survey work.
 - b. For the Steep Head gully site, the concept plan showing the new land parcels and easements is complete. This will form the basis of the application to Council for approval of the rights of way (subdivision consent is not required for this site). The survey work is 80-90% complete. Drawing of the survey plan is about 50% complete.

Once the survey work and subdivision consent/right of way approvals are completed, Chapman Tripp will be able to register the exchange and the various easements and encumbrances with LINZ to complete the transaction.

Given the above reason we seek a further extension for 6 months but notify that as best we can PSA and their local lawyers, Chapman Tripp, are making all attempts to work with all the various stakeholders to finalise this transaction within 6 months.

If you require any further information please do not hesitate to contact the writer.

Yours faithfully,



Simon Harvey
Managing Director
PSA Capital Ltd

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