

14 February 2016
Overseas Investment Office
Private Box 5501
WELLINGTON
Attention; Olwyn Smith

PRIVATE & CONFIDENTIAL

Dear Olwyn,

201110070 - PSA CAPITAL LTD

- 1 Thank you for your letter dated 5 July 2016. We report on our compliance with the relevant conditions set out below.

Condition 1

- 2 This condition required that the investment be acquired by and transferred to the applicant within a specified timeframe, currently by 28 January 2017. We wish to seek an extension to this condition until the 16 August 2017 (as advised by our surveyors and lawyers) for the reasons set out below in relation to condition 2.

Condition 2

- 3 This condition requires the applicant to report to the OIO if the settlement of the acquisition of the investment takes place. We set out below the current status of the investment.
 - 3.1 Survus is ready to lodge the subdivision consent applications for the Crystal Valley site. Lodgement will coincide with the completion of the work set out in 3.2.
 - 3.2 The survey field work and drawing of the survey plan for the Steep Head gully site is nearing completion and has been progressed since the last reporting date of 15 August 2016. This workstream however has proven more problematic than initially anticipated with limited titles involved, the age of underlying survey work and changes within DOC.
 - 3.3 Below is a revised time table to complete the Land Exchange transaction and forms the basis on which we seek the further extension.
 - i. Feb – Completion of survey plan for Porters site.
 - ii. 31st Mar – Subdivision Consents issued by Council for Porters and Reduced Lease area plan.
 - iii. 7th April – Completion of survey plan for Steep Head gully site.
 - iv. 21st April - Sec 223 / Sec 348 certificates for Survey plans issued by Council.

- v. 12th May - Final "approval as to layout" obtained from the various parties on copies of the survey plans before plans are lodged at Land Information NZ (LINZ).
- vi. 19th May - LINZ fees requested and Survey plans lodged at LINZ for examination, and survey approval.
- vii. 16th June - Plans approved as to survey
- viii. 16th August - Completion of Title and legal matters.

- 4 Given the above, we seek a further extension until the 16th August 2017 to complete the transaction.
- 5 We will continue to work with DOC, the owners of the Steep Head gully site and other stakeholders on concluding settlement of the land exchange within this extension period and are confident that no further requests for extensions will be sought beyond this.
- 6 If you require any further information, then please do not hesitate to contact me. PSA Capital Ltd appreciates the support and understanding of the OIO in the granting of extensions to date.

Yours faithfully,



Simon Harvey
Managing Director
PSA Capital Ltd

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