

Overseas Investment Office

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Our Ref: 202000228

3 August 2020

TO: Resources Investment Pte. Ltd

BY EMAIL Catherine Reid, Intorn Kam

CONSENT FOR YOU TO ACQUIRE 100% of the shares in Zindia Timber Assets Limited

Dear Catherine

1. We¹ have now considered, and approved, your application for consent to acquire 100% of the shares in Zindia Timber Assets Limited which owns approximately 657.7734 hectares of land in the Marlborough Sounds.
2. We enclose a copy of the decision. You will see it contains some important details of the consent you have been given, and of the conditions you must meet.
3. These include standard conditions that apply to all overseas people who are given consent to acquire sensitive New Zealand land. They also include special conditions that apply only to you and were important considerations that particularly influenced our decision to give consent.
4. The conditions are about the things you must do in order to be allowed to acquire, and keep, the land. They also require you to provide information to us either regularly or when particular events occur.
5. **Please read the conditions carefully and make sure you put processes in place so you can meet them. This is important because if you do not meet the conditions, you may be required to dispose of the land and/or be subject to fines or other penalties.**
6. You can find information about these penalties and how we monitor and enforce them on our website at: <http://www.linz.govt.nz/regulatory/overseas-investment/enforcement>.
7. Your legal advisers can advise you about the conditions and about the consequences of failing to comply with them, but only you are responsible for complying with them.
8. We made some minor amendments to wording of the conditions since we requested your comment on them. In particular, we clarify that special conditions 2 and 3 do not require you to plant trees in areas identified as archaeological sites on the Land.

¹ Your consent has been granted either by the Associate Minister of Finance and the Minister of Land Information, or by a manager at the Overseas Investment Office, acting under delegated authority from the Chief Executive of Land Information New Zealand.

9. We note that the Applicant must ensure it meets any other legal obligations relating to archaeological sites identified on the land, despite no existing arrangements being identified in relation to these sites. More information can be found on Heritage New Zealand's website at: <https://www.heritage.org.nz/protecting-heritage/archaeology/standard-archaeological-authority-process> or if you have specific questions you may wish to contact them: <https://www.heritage.org.nz/contact-us> .
10. We look forward to hearing about the progress of your investment.

Yours sincerely



Charlie Hulley
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Overseas Investment Office

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Consent for Overseas Person to Acquire Sensitive New Zealand Land

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

Consent

Decision date: 03 August 2020

The following people have been given the following **consent**:

Case	202000228
Consent type	One-off Consent (forestry activities) for an overseas investment in sensitive land.
Consent holder/s	Resources Investment Pte. Ltd (company number 202006335D) (you or the Consent Holder)
Consent	The Consent Holder may acquire 100% of the shares in Zindia Timber Assets Limited (company number 6338193) which owns the Land, subject to the Conditions set out below.
Land	<p>Approximately 657.7734 hectares of freehold land in the Marlborough Sounds, being the land contained in records of title:</p> <ul style="list-style-type: none"> • MB5A/669, MBA5A/670, MB5A/671, MB5A/672, MB5A/675, MB5A/676, MB5A/677, MB5A/678, MB5A/685, MB5A/686, MB5A/687, MB5A/688, MB5A/689, MB5A/690, MB5D/1039 MB5D/1474 (known as Arapawa Forest); and • MB2D/1292, MB3E/992, MB5D/752 (known as Queen Charlotte Forest).
Use-by Date	01 August 2021

Conditions

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

In the Consent and the Conditions, we refer to the Overseas Investment Office as **OIO, us** or **we**.

Special conditions

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

Definitions

Act means the Overseas Investment Act 2005.

Nurse's Cottage means the three-bedroom cottage used by the New Zealand Nurse's Organisation in Opuia Bay, Marlborough Sounds, which is not located on the Land but is sometimes accessed via a private road on the Land.

Queen Charlotte Forest Buildings means the four-bedroom cottage and three-bedroom cottage located in the Queen Charlotte Forest.

Regulations means the Overseas Investment Regulations 2005.

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

Details	Required date
Special condition 1: land must be used for forestry activities	
<p>The Land must be used exclusively, or nearly exclusively, for forestry activities except as otherwise permitted by these Conditions.</p> <p>If you do not comply with this condition, standard condition 6 will apply and we may require you to dispose of the Land.</p>	At all times.
Special condition 2: land harvested in 2017 must be replanted	
<p>The area of unstocked land (approximately 73.5 hectares) that was harvested in 2017 must be replanted with a crop of trees.</p> <p>This condition does not require you to plant trees in areas identified as archaeological sites on the Land.</p> <p>If you do not comply with this condition, standard condition 6 will apply and we may require you to dispose of the Land.</p>	By 1 October 2022
Special condition 3: trees must be replanted after harvest	
<p>You must replace each crop of trees you harvest with a new crop of trees (Replant). You may Replant on a like-for-like basis or on any similar basis.</p> <p>This condition does not require you to:</p> <ol style="list-style-type: none">1. Replant the Land with the same species of tree or use the same silvicultural regime; or	Within two years of harvest (or as otherwise permitted by this condition).

<p>2. do anything in breach of any other Act, regulation, rule, bylaw, or that is otherwise contrary to law.</p> <p>3. plant or replant trees in areas identified as archaeological sites on the Land.</p> <p>This condition does not limit special condition 1.</p> <p>If you do not comply with this condition, standard condition 6 will apply and we may require you to dispose of the Land.</p>	
<p>Special condition 4: residential use restrictions</p>	
<p>The Land must not be used, or held for future use, for any residential purposes except for:</p> <ol style="list-style-type: none"> worker accommodation in accordance with section 16A(4)(c) of the Act; or as otherwise permitted by these Conditions. <p>This condition does not prevent the Consent Holder from allowing local iwi to occasionally use the Queen Charlotte Forest Buildings for its nature school project (Iwi Nature Education Use).</p> <p>If you do not comply with this condition, standard condition 6 will apply and we may require you to dispose of the Land.</p>	<p>At all times.</p>
<p>Special condition 5: existing arrangements</p>	
<p>You must implement and maintain any existing arrangements in respect of the Land that are for a specified purpose as set out in Regulation 29 of the Regulations (Arrangements).</p> <p>You must implement and maintain all Arrangements, including:</p> <ol style="list-style-type: none"> specific Arrangements set out in these Conditions; and Arrangements you did not identify in your application for consent. <p>If you do not comply with this condition, standard condition 6 will apply and we may require you to dispose of the Land.</p>	<p>At all times.</p>
<p>Special condition 6: specific Arrangements</p>	
<p>You must allow access to the Nurse's Cottage via the private road on the Land on the same terms as were present when you entered the Share Sale Agreement on 7 April 2020, as summarised in Schedule 1.</p>	<p>At all times.</p>

If you do not comply with this condition, standard condition 6 will apply and we may require you to dispose of the Land.	
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Standard conditions

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

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

<ul style="list-style-type: none"> (b) remain there as long as is reasonably required to conduct the inspection, (c) gather information, (d) conduct surveys, inquiries, tests and measurements, (e) take photographs and video records, and (f) do all other things reasonably necessary to carry out the Inspection. <p>2. Take all reasonable steps to facilitate an Inspection including:</p> <ul style="list-style-type: none"> (a) directing your employees, agents, tenants or other occupiers to permit an Inspector to conduct an Inspection, (b) being available, or requiring your employees, agents, tenants or other occupiers to be available, at all reasonable times during an Inspection to facilitate access onto and across the Land. This includes providing transport across the Land if reasonably required. <p>During an Inspection:</p> <ul style="list-style-type: none"> (a) we will not compel you and your employees, agents, tenants or other occupiers to answer our questions or to let us look at, copy or take away documents, (b) our Inspector will comply with any reasonable instruction and co-operate with any reasonable health and safety policy or procedure you notify to us before the Inspection. 	
Standard condition 4: remain of good character	
<p>You and the Individuals Who Control You:</p> <ol style="list-style-type: none"> 1. must continue to be of good character, and 2. must not become an individual of the kind referred to in section 15 or section 16 of the Immigration Act 2009. <p>In summary, these sections describe convicted or deported people who are not eligible for visa or entry permission to enter or be in New Zealand and people who are considered likely to commit an offence or to be a threat or risk to security, public order or the public interest.</p> <p>The Individuals Who Control You are individuals who:</p> <ul style="list-style-type: none"> (a) are members of your governing body, 	<p>At all times.</p>

<p>(b) directly or indirectly, own or control 25% or more of you or of a person who itself owns or controls 25% or more of you, and/or</p> <p>(c) are members of the governing body of the people referred to in paragraph (b) above.</p>	
<p>Standard condition 5: tell us about changes that affect you, the people who control you, or people you control</p>	
<p>You must tell us in writing if any of the following events happens to any of the Consent holders:</p> <ol style="list-style-type: none"> 1. You, any Individual Who Controls You, or any person in which you or any individual who controls you hold (or at the time of the offence held) a 25% or more ownership or control interest commits an offence or contravenes the law anywhere in the world. This applies whether or not you or they were convicted of the offence. In particular, please tell us about any offences or contraventions that you are charged with or sued over and any investigation by enforcement or regulatory agencies or professional standard bodies. 2. An Individual Who Controls You ceases to be of good character; commits an offence or contravenes the law (whether they were convicted or not); becomes aware of any other matter that reflects adversely on their fitness to have the Land; or becomes an individual of the kind referred to in section 15 or 16 of the Immigration Act 2009 (see standard condition 4). 3. You cease to be an overseas person or dispose of all or any part of the Land. 4. You, any Individual Who Controls You, or any person in which you or any Individual Who Controls You hold (or at the time of the event held) a 25% or more ownership or control interest: <ol style="list-style-type: none"> (a) becomes bankrupt or insolvent (b) has an administrator, receiver, liquidator, statutory manager, mortgagee's or chargee's agent appointed, or (c) becomes subject to any form of external administration. 	<p>Within 20 working days after the change</p>
<p>Standard condition 6: dispose of the Land if you do not comply with key special conditions</p>	
<p>If all or part of this standard condition 6 applies to a special condition, we have said so in that condition.</p>	

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<p>If we consider you have failed to comply with one of those special conditions in a material way we may require you to dispose of the Land.</p> <p>We will give you written notice if we require you to dispose of the Land. After we have given you notice, you must:</p>	
<p>Value the Land: obtain and send us a copy of a market valuation of the Land from a New Zealand registered valuer.</p>	<p>Within six weeks of the date of our notice.</p>
<p>Market the Land: instruct a licensed real estate agent to actively market the Land for sale on the open market.</p>	<p>Within six weeks of the date of our notice.</p>
<p>Dispose of the Land: dispose of the Land to a third party who is not your associate.</p>	<p>Within six months of our notice.</p>
<p>Offer without reserve: if you have not disposed of the Land within six months of our notice, offer the Land for sale by auction or tender without a reserve price or minimum bid and dispose of the Land.</p>	<p>Within nine months of our notice.</p>
<p>Report to us about marketing: tell us in writing about marketing activities undertaken and offers received for the Land.</p>	<p>By the last day of every March, June, September and December after our notice or at any other time we require.</p>
<p>Report disposal to us: send us, in writing, evidence:</p> <ul style="list-style-type: none"> (d) that you have disposed of the Land, (e) of disposal (including copies of sale and purchase agreements, settlement statements and titles showing the purchaser as registered proprietor), (f) the purchaser is not your associate. 	<p>Within one month after the Land has been disposed of.</p>

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Reporting conditions

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

These reports must:

1. be sent to oiomonitoring@linz.govt.nz and/or filed electronically using the OIO's [Consent Monitoring Report Webform](#) by these dates:
 - (a) within two months of Settlement occurring (as set out in standard condition 2);
 - (b) 30 November 2022.
2. contain information about:
 - (a) your progress in implementing the special conditions;
 - (b) scheduled and completed harvesting and replanting of the Land (including your most current harvesting and replanting schedule); and
 - (c) aerial imagery/maps as evidence of compliance with the special conditions;
3. follow the format of the template annual report published on our [website](#).

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

1. the representations and plans made or submitted in support of the application and notified by the regulator as having been taken into account when the consent was granted, or
2. the conditions of this consent.

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Schedule 1: Nurses Cottage Access Arrangement

Excerpt from New Zealand Nurse's Organisation Sounds Cottage Booklet:

ROAD ACCESS

The road into the cottage is now in a reasonable condition but is still primarily a winding, undulating, clay surfaced (with some shingle covering at times) forestry road, which gets very slippery in the wet. **It will take you about one hour to travel from Picton to the Forestry gate and a further 30 minutes to the Cottage in good weather.**

As this road is privately owned by Zindia Ltd (Forest Management) we must abide by their Rules. These are:

- **You need to advise us on the Booking Form that you intend to travel in by road.**
- We will send you a Map and arrange with you to pick up from our maintenance man in Picton, the access keys to unlock the forestry gate, which must be relocked after you pass. We will provide separately a detailed map and driving instructions based on odometer readings of distance travelled prior to your travelling in (if you advise us that this is your preferred method of travel).
- **You MUST check in with Zindia's Property Manager** with your projected dates and time of arrival and departure **AND any other intended trips on the roads during your stay** - so that they can advise you whether they can coordinate your movement along the forestry roads with their logging operations, if they are operating in the area where you will be driving.
- **Forestry Management have advised us that operations are currently in the areas we would use to get to the Cottage. Therefore you should plan to enter/leave the forest before 6am or after 4:30pm. Effectively this means that you should leave Picton after 3:30 pm to arrive at the gate after 4:30 pm.**
- **Please look after the Forestry key as they charge us \$500 whenever the key is lost.**
- **You should drive cautiously and have your lights on at all times. YOU TRAVEL THROUGH QUEEN CHARLOTTE FOREST AT YOUR OWN RISK.**
- Sometimes the number of vehicle movements means that the road access is closed to us. There are two main reasons for this: