

AWARUA INDUSTRIAL PARK, INVERCARGILL, NEW ZEALAND

INFORMATION MEMORANDUM



INTRODUCTION

Invercargill City Properties Limited is seeking to appoint General Agents to effect the sale of land at the Awarua Industrial Park, on SH1, between Bluff and Invercargill in the Southland region of New Zealand. The property is 600 hectares of which approximately 400 hectares is developable.

The information Memorandum provides a preliminary description and information to assist interested parties with assessment of the property.

This information Memorandum is produced as a general guide and does not constitute valuation advice or an offer for sale or purchase.

All interested parties should undertake and rely on their own independent due diligence investigations and not rely on the information contained in this information Memorandum to make their purchasing or leasing decisions.

Sites of virtually any size can be created, and the owner will consider ground leasing or sale. The Council is keen to accommodate significant requirements and will work with interested parties and with Council's consultants to develop appropriate sites.

MAXIMISING SOUTHLAND'S MINERAL AND INDUSTRIAL POTENTIAL

Significant potential exists within the Southland region for creating enhanced economic benefit by recovering and processing the various mineral reserves within the region.

With Southland sitting on 6 billion tonnes, around 72% of the national recoverable coal and lignite reserves, direct access to 500,000 sq km of the Great South Basin oil reserves, and at least 350 million tonnes of silica, Southland is well positioned to enhance their regional economy that so far has been primarily driven through Agriculture, Dairy, Aquaculture, Forestry, Manufacturing, Science and Research.

To enable this growth, Invercargill City Council has taken a lead role to establish unencumbered land at Awarua that is suitable for heavy industrial development whilst minimising environmental effects in the region, to counter the previous shortage of 'ready to use' large scale industrial areas within Southland.

EXECUTIVE SUMMARY

Invercargill City Council is committed to providing appropriate facilities on this site for all significant industries seeking to establish an industrial business in this area.

The developable area of approximately 400 hectares (1,000 acres) can be sub-divided into blocks to provide sites as small as say 5 hectares.

Research into the required infrastructure such as power, water supply, stormwater, sewerage, rail siding access and the necessary road network, including improvements on State Highway One has been completed. The final design and extent of such infrastructure will depend on requirements, but users can be assured that this existing knowledge which includes preliminary costings, will enable development to commence promptly when requirements are known.

The characteristics relating to this site and its zoning are listed in the District Plan and are appropriate for heavy industry. Refer to Page 11 for specific characteristics as they apply to Awarua Industrial Park.

The Council will sell or ground lease land, and will be flexible in its appropriate to commercial arrangements, while seeking a positive outcome for the people of Invercargill.

The site has been purchased and re-zoned to ensure that oil and gas exploration companies active in the Great South Basin have all the on-shore land required for storage and development. However, enquires from all industries are welcomed.

Address:	Awarua Industrial Park on SH1 between Invercargill and Bluff (5km south of Invercargill)
Vendor / Lessor:	Invercargill City Council
Site Area:	Approximately 600 hectares of land, appropriately 400 hectares of developable
Zoning:	Industrial A Sub Area (Awarua) zoning under Invercargill City District Plan, November 2009
Resource Consent:	Awarua Industrial Park has established a special purpose industrial zone to accommodate medium to large scale industrial activity. Minimal consents will be required.
Further Information:	Contact agents.

RESOURCE MANAGEMENT CONSIDERATIONS

The Awarua site is zoned Industrial A Sub Area (Awarua) under the operative Invercargill City District Plan 2009.

The table opposite summarises the permitted, controlled, restricted discretionary and discretionary, and non-complying activities as they relate to the Industrial A Sub Area (Awarua) as defined in the operative District Plan.

Refer also to Appendix A for a summary of Environmental Standards as they related to the Industrial A Sub Area (Awarua).

DEVELOPMENT OPTIONS

The Plan opposite shows one option in terms of future sub-division of the first stage. Layout and size of sites is highly flexible. Further stages will be developed as required. However the wetlands shown around the perimeters of the site are likely to be developed largely as illustrated around existing streams.

A 2007 Traffic Impact Assessment report by Gabites Porter commented on road and rail traffic and access issues. Influenced by this report, road access from State Highway One will be onto Colyer Road, which will provide access to the internal road network. Several rail siding options were identified. These are not show on the sub-division plan illustrated but given that the railway runs alongside State Highway One, it is likely that the sites nearest State Highway One will be most practical to service via a rail siding.

Water supply, electrical supply, wastewater treatment and discharge and stormwater treatment and discharge have all be investigated and can be developed as required.

THE PROPERTY

The site has been selected for purchase and development because of several strategic and locational advantages.

Invercargill Airport is 3km from the CBD and approximately 15km from the site. With a 2,210m runway, it is fully capable for all narrow-bodied commercial jet aircraft and has hangars and open space for helicopters.

South Port at Bluff, less than 10km from the site, is a deep water port ideally situated to provide support services to on-shore and off-shore exploration activities. The Port provides 10 berths for commercial ships and an array of storage, and other facilities.

The site sits on State Highway One, and has approximately 1.5km frontage to this major road. Main traffic access will be off Colyer Road, and Council will undertake all measures required to manage traffic issues that arise as a result of development.

LOCATION

Awarua Industrial Estate is approximately 5 kilometres south of Invercargill City. It includes land between Tiwai Road and Awarua Siding Road on both sites of Bluff Highway.

A great deal of planning has gone into the future development of the site. Some of the reports are available as appendices to this Information Memorandum.

