



Water for our Future

Issue 28

January 2018

In this issue:

Chairman's Comment

CEO's Report

- Scheme Design Development
- Share Trading Platform
- PDS timing reset
- HDC Share Purchase Proposal
- Ngāi Tahu Farming and Amuri Irrigation discussions
- FLC Update

Community Liaison

If you know anyone who has questions or enquiries about the Hurunui Water Project, please ask them to contact us at info@hurunuiwater.co.nz or call 03 378 3524.

Chairman's Comment

Peter Harris, Chairman



I trust a wonderful festive season has been enjoyed by all and I am sure the drenching many enjoyed during that time didn't dampen, but rather lifted spirits. You will be pleased to know the HWP team took time out to recharge and refresh as we head into what is anticipated to be a momentous year for our Project.

Since our last newsletter our efforts have been focused, alongside our various partners and advisors, on maintaining momentum, refining the project design, preparing for capital raising and progressing the Waipara and OPS resource consents, whilst being aware the environment we operate in has changed with the outcome of the General Election. We have adapted our strategy to suit the new Government and are seeking direct engagement with Ministers and key officials to ensure that they have accurate information on our scheme and to garner their support.

As noted recently by Irrigation NZ, the new Government has water quality improvement high on its agenda and will be taking a much more stringent approach to environmental standards and enforcement. We have strategies in place to ensure we are well positioned to deliver on the expectations of Government that will arise over coming months.

To our advantage, the Government have also stated they wish to see more diversification of land use and discourage further dairy conversion – this all fits very comfortably with the messages of intent we have been receiving from our farmer shareholders.

As I mentioned in both our last newsletter and during the November AGM, the Board will invite shareholders to attend a Special General Meeting (SGM) which will be held on March 7th at the Hawarden Rugby Club at 4.00pm to be followed by a barbeque.

The SGM will ask shareholders to consider and approve amendments to the company Constitution and will include an update and opportunity for questions and answers.

I look forward to seeing you there.

Hawarden A&P Show

17 March 2018, 8.00am–5.00pm 
Hawarden Show Grounds, Hawarden

Show theme

"Irrigation to Grow Our Community"



CEO's Report

Scheme Design Development

Over the past few months our partners at Rooney Group have been focused on "value engineering" the concept design, a process used at this stage of project development to test the cost-effectiveness and constructability of proposed works. This process has already identified opportunities to reduce construction cost, largely focused around the On-Plains Storage facility (which is a significant cost component in the scheme).

A huge amount of effort has gone into developing the scheme configuration. Following the Boards' decision to focus on an on-plains storage solution, work has focused on investigating and firming up locations and dimensions of the On-Plains ponds, upstream canals and intake infrastructure. As part of this process, the design team has been looking at options for locating the ponds, to ensure we settle on the best solution for shareholders. At this point in time we are fortunate to have options which allow us to optimize the scheme.

Share Trading Platform – now available

Shareholders wishing to buy or sell HWP ordinary shares can now access the portal on our website which allows potential traders a vehicle to contact one-another. The platform also gives landowners in the HWP Command Area who don't yet own HWP shares a chance to buy them.

To access the portal, click the 'Share Trader Login' button in the top right-hand corner of the homepage. If you haven't registered, the website will take you through the short process to obtain a share trader account. Once your account is activated, you will be able to access the portal and post listings to buy or sell shares, together with your contact details. This area is only visible to approved share trader account holders.

Product Disclosure Statement (PDS)

The HWP Board, at their 20 December meeting, took the decision to reset the timing of the PDS release. The PDS is the suite of documents that will explain the offer of water rights shares, that will ultimately lead to farmers who purchase shares to access the scheme water.

The primary reason for this decision is largely based on the perceived impact of not having the On Plains Storage (OPS) Land Use Consent and of equal significance, the Waipara Nutrient Discharge Consent, by the time the PDS is released to the market. Our previous intention was to have the PDS ready on 1 March 2018, however, to accommodate the consenting process, the Board has elected to move the PDS date to 1 June 2018. We expect to have the consents well progressed by then.

Whilst this is disappointing from the perspective of our Project Schedule, it does provide further time for us to refine the engineering design and costs, as well as providing Shareholder/Customers more time to consider their options in terms of changes to their farming model and, to be more certain about the number of water right shares they wish to purchase.

We're updating the project schedule presently and will communicate the revised timeline in due course.

Please note:

- *no money is currently being sought by HWP in relation to the intended offer of water rights shares;*
- *water rights shares cannot currently be applied for or acquired under the offer intended to be made under the PDS; and*
- *if the offer of water rights shares is made, the offer will be made in accordance with the Financial Markets Conduct Act 2013.*





Hurunui District Council – Share Purchase Proposal

Further to its decision to include funding in their 2017/18 Annual Plan for the purchase of our Treasury Stock shares, Hurunui District Council has conducted its due diligence and will debate the proposal at its February Council meeting.

The next steps in this process involve:

- HDC meeting, 22 February 2018.
- HDC undertake another round of consultation with ratepayers in Feb/March consulting with the Hurunui Community.
- HDC vote in April 2018.

A big thank-you to those 30 shareholders and scheme supporters who made submissions in support of the HDC share investment in May 2017. However, we were disappointed that more shareholders didn't make the effort to send in submissions. We are seeking a significantly greater response this time around. Please help us to convince your elected officials that your irrigation scheme (and community) needs their support.

Ngāi Tahu Farming / Amuri Irrigation discussions

Discussion has continued with both NTF and AIC regarding their participation in our project.

As we advised at the 2017 AGM, these discussions are both positive and constructive with all parties seeking to ensure an optimal design and cost of delivering reliable irrigation services to our respective customers.

HWP in the news...

THE PRESS

Hurunui Water Project to seek more shareholder and govt funding

CHRIS HUTCHING
Last updated 18:01, December 28 2017



Water from the Hurunui River may be siphoned next year to irrigate the region if Hurunui Water Project obtains consents and more funding.

NZFarmer.co.nz

Government called on to stand by existing irrigation contracts

GERARDO HUTCHING
Last updated 08:43, December 8 2017



Decisions over irrigation have yet to be taken by the new Government.

stuff

Hurunui council needs more information ahead of buying shares in water project

EMMA DANGERFIELD
Last updated 14:12, December 7 2017



Concerns have been raised by Hurunui District Councilors over a lack of information on the Hurunui Water Project, in which they are discussing purchasing shares.

Check out our new website!

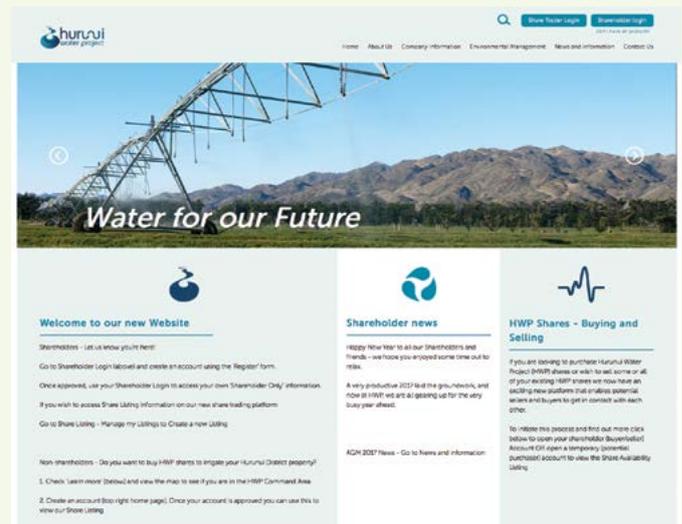
The HWP team was excited to announce the launch of our updated website www.hurunuiwater.co.nz in December.

The site has a fresh new look and was designed with our shareholders' needs in mind – with user-friendly navigation that provides easy access to our shareholder login section and new share trading platform. We've also improved the structure of our content, so you'll get more from a quick read.

Importantly, our News and Information section contains a list of FAQs designed to answer topical questions.

The new site is mobile friendly and easily responds to fit any size monitor, tablet, or smartphone.

If you have any feedback, let us know on info@hurunuiwater.co.nz.



Contact Us

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PHOTO CREDIT – DAVID ALEXANDER

Farmer Liaison Committee

With the Christmas and New Year break all but a distant memory, it's back to business as usual as we commence planning to get through a summer that has turned hot and dry sooner than expected.

Hanmer Forest, for example, experienced it's driest November since records began in 1905 and while we may have enjoyed a brief reprieve with the heavy downpour in January, it's clear that good rainfall cannot be relied on. We might hope for the best but at the end of the day, if you don't have a reliable source of water then it makes 'business as usual' a challenging prospect.

Irrigation is the best way forward for most of us. The benefits of a reliable water supply also extend to our local communities, right through to wider New Zealand – farming is part of our country's heritage and our largest export earner.

As HWP shareholders, I encourage you to start thinking about the irrigation system suitable for your farm. There's a lot to consider and no one system is best for every application. Rural irrigation supply companies suggest they offer "no-cost, no-obligation" advice.

There's also list of Agri Advisors up on our website (go to the News and Information page) and there'll be a fair few on the ground at the Hawarden A&P Show – talk to them or just give them a call. They have the experience and expertise to help you make the right decision for your farm and business.

For help with this or anything else, please contact myself or Dave Sloss, our Shareholder Liaison Officer (0274 429 009 or email dauids@hurunuiwater.co.nz).

Make the call today!

Stu Jensen (027 365 4008)

The Farmer Liaison Committee provides an important link between farmer shareholders and your Company



Members are:

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