

**Summary of Licence to Occupy and Use Marine Farming Water Space dated August 2014 (as amended by Deed of Confirm Variation of Agreement and Exercise of Option dated 20 May 2016) (“the Agreement”)**

**Between**

**Eastern Sea Farms Limited (“ESL”) and Whakatohea Mussels (Opotiki) Limited (“WMO”)**

The Agreement gives WMO the right to establish longlines for the purpose of catching and growing mussel spat, growing and harvesting mussels and other permitted shellfish within the area and terms of the resource consents held by ESL. The resource consents cover the 3,800 hectares of water space where the mussel farm is situated 8.5 kilometres off the coast of Opotiki. WMO has the right to extend its number of longlines in the water to a maximum of 80% of the water space.

The resource consents and coastal permits licenced to WMO are set out in the Schedule.

The term of the Agreement is for fourteen (14) years and two (2) months, beginning on 8 August 2014 and expiring on 8 October 2028.

WMO must pay \$1,000 (plus GST) per longline placed in the water space to ESL in quarterly payments in arrears per annum for the right of the licence. On the 5<sup>th</sup> anniversary of date of the Agreement, the payment per longline increases to \$2000 (plus GST) per longline per annum.

On the 10<sup>th</sup> anniversary of date of the Agreement, the amount payable per longline per annum will increase to a fully commercial rental amount.

The longlines in the water space are the property of WMO, including all spat, mussels and other permitted shellfish on the longlines.

WMO has the right to cancel the Agreement at any time by giving not less than twelve (12) months written notice to ESL.

The parties agree not later than three (3) months before the expiry of the Agreement they will correspond or meet to discuss the view of possibly extending the Agreement.

Before all or any of the resource consents expire ESL must use all reasonable endeavours to obtain replacement consents and WMO has the first right of refusal to renew the Agreement within the replacement consents.

ESL will seek replacement consents before expiry of the consents on 15 October 2028.

WMO must not assign or sublet its rights under the Agreement.

On final expiry of the Agreement (or earlier cancellation), WMO must remove all marine farm equipment, including anchors, floats and culture ropes from the water space.

## **Schedule – ESL Resource Consent Licenced to WMO**

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- A. Coastal Permit No. SAR 05 36 08 01 granted 8<sup>th</sup> October 2008  
Expiring twenty years from the date of grant
- B. Bay of Plenty Regional Council  
Consent Number 61599  
To occupy the coastal marine area with marine farm structures
- C. Bay of Plenty Regional Council  
Consent Number 63736  
Spat Catching Permit 915
- D. Bay of Plenty Regional Council  
Consent Number 63737  
Marine Farming Permit 916
- E. Bay of Plenty Regional Council  
Consent Number 61600  
To erect and maintain marine farm structures
- F. Bay of Plenty Regional Council  
Consent Number 61234  
To disturb the seabed as a result of anchoring of marine farm structures; and to disturb material on the seabed as a result of anchoring of marine farm structures and deposition of biological excretions and detritus material.
- G. Bay of Plenty Regional Council  
Consent Number 61235  
To discharge contaminants to the waters of the Pacific Ocean

### **Purpose of each consent**

To provide for the staged development of a 3,800 hectare marine farm for the catching and farming of greenshell mussels, scallops, pacific oysters and flat oysters, and for the farming, on a pilot basis, of other species, including the catching of spat and juvenile stages of these species.