

From: [Chrisna Leafever](#)
Sent: Friday, 13 December 2019 9:24 AM
To: [Anna Sinclair](#); [Overseas Investment Office Monitoring](#)
Cc: ['Richard Thorp'](#)
Subject: Case 201520010 & 201610121 [DC-Documents.FID1611508]
Attachments: 201520010 OIO Annual report 13.12.2019 (_10940215_1).PDF

Hi Anna

The annual report for OIO Case Number 201520010 is attached.

In respect of the further information request regarding OIO case 201610121 our client requests a further meeting extension to next Thursday (19 December) to respond.

Kind regards

Chrisna Leafever
Special Counsel

d +64 3 372 6420 | p +64 3 379 2430 | m +64 21 878 942
duncancoerill.com | [View Duncan Coerill LinkedIn](#)

Duncan Coerill Plaza 148 Victoria Street
PO Box 5 Christchurch 8140 New Zealand

[Click here](#) for office directions



We wish all our clients a happy and safe holiday season.

All of our offices will close at **5:00pm on Monday 23 December 2019** and re-open at **8:30am on Monday 13 January 2020**.

Phone calls for all our offices will be monitored between 8:30am - 5:00pm in the week Monday 6 January to Friday 10 January.

Our partners continue to be available on mobile to assist you on urgent matters. Please [click here](#) for partner contact details.

From: Anna Sinclair <ASinclair@linz.govt.nz>
Sent: Monday, 2 December 2019 12:48 PM
To: Chrisna Leafever <chrisna.leafever@duncancoerill.com>; 'Richard Thorp' <richard@bxfoods.co.nz>
Cc: Overseas Investment Office Monitoring <OIOmonitoring@linz.govt.nz>
Subject: RE: Case: 201610121

Hi Christina

We refer to your email below and your email to OIOmonitoring@linz.govt.nz dated 29 November 2019. Those emails requested an extension until Friday 13 December 2019 for NZ Binxi to respond to the additional information sought in my email dated 15 November 2019 and to provide its annual report.

We're prepared to agree to an extension until Friday 13 December 2019. However, if the response and annual report is not received by this date, we will consider taking further enforcement action.

Kind regards

Anna

Anna Sinclair
Senior Solicitor
Overseas Investment Office

E asinclair@linz.govt.nz | DDI +64 4 474 1010 |

A Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace
PO Box 5501, Wellington 6145, New Zealand | T 04 462 4490
W www.linz.govt.nz | data.linz.govt.nz



From: Christina Lefever <christina.lefever@duncancotterill.com>
Sent: Friday, 29 November 2019 2:19 PM
To: Anna Sinclair <ASinclair@linz.govt.nz>; 'Richard Thorp' <richard@bxfoods.co.nz>
Cc: Overseas Investment Office Monitoring <OIOmonitoring@linz.govt.nz>
Subject: RE: Case: 201610121

Hi Anna

Our client is working to compile the additional information requested – given the time of year and the other demands on our and our client's time, we request an extension of time until Friday 13 December to respond.

Kind regards

Christina Lefever
Special Counsel

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duncancotterill.com | [View Duncan Cotterill LinkedIn](#)

Duncan Cotterill Plaza 148 Victoria Street
PO Box 5 Christchurch 8140 New Zealand

Click [here](#) for office directions



From: Anna Sinclair <ASinclair@linz.govt.nz>
Sent: Friday, 15 November 2019 4:02 PM
To: 'Richard Thorp' <richard@bxfoods.co.nz>
Cc: Chrisna Leafever <chrisna.leafever@duncancoaterill.com>; Overseas Investment Office Monitoring <OIOmonitoring@linz.govt.nz>
Subject: RE: Case: 201610121

Dear Richard

Thank you for your report dated 30 October 2019.

I refer to the **attached** compliance letter dated 14 June 2019. In that letter, we noted our concerns with the lack of progress towards the development to date and that the development has not occurred in accordance with the representations made at the time of NZ Binxi's application for OIO consent.

That letter also required NZ Binxi to provide 6 monthly reporting with an update on the development accompanied by photographic evidence.

On 31 October 2019, we received your report along with an aerial photo and conceptual plans created on 14 September 2009 (**attached**).

Your report dated 30 October 2019 and attachments is, in our view, unsatisfactory. It is difficult to see how NZ Binxi can be "on target" to develop the office premises, as you say in the report, when there is no evidence to suggest that the development of the office premises and staff accommodation has even begun.

Way forward

Can you please urgently, and no later than 30 November 2019, provide us with additional information that includes:

- The steps that NZ Binxi have taken since our compliance letter dated 14 June 2019 to progress the development;
- What steps NZ Binxi intend to take between now and the next report due on 31 May 2020 to progress the development; and
- Photographic evidence of the development.

We expect this level of information to be provided for all future reporting also.

Lastly, we remind NZ Binxi of paragraph 10 of our compliance letter. Paragraph 10 says that should it become clear to us that the development has not started, or has not progressed sufficiently, we will be considering stronger enforcement action, which could include seeking a court order for disposal of the land.

Kind regards

Anna

Anna Sinclair
Senior Solicitor
Overseas Investment Office

E asinclair@linz.govt.nz | DDI +64 4 474 1010 |

A Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace
PO Box 5501, Wellington 6145, New Zealand | T 04 462 4490
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From: Richard Thorp <richard@bxfoods.co.nz>
Sent: Thursday, 31 October 2019 7:40 AM
To: Overseas Investment Office Monitoring <OIOmonitoring@linz.govt.nz>
Cc: Christina Lefever <christina.lefever@duncancotterill.com>
Subject: Case: 201610121

Please find the update and annual report for Case 201610121 being the acquisition of a freehold interest in approximately 5.3806 hectares of land at 10 Shortland Road, Oamaru North

If there are any questions please make contact with myself

Regards

RICHARD THORP | BX FOODS LTD

P +64 274 359 001 | A Oamaru, New Zealand
W www.bxfoods.co.nz | E richard@bxfoods.co.nz



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This message may contain confidential and privileged information. If you have received this e-mail in error, please advise us by return e-mail or telephone and then delete this e-mail together with all attachments. Please visit <https://www.duncancotterill.com/emaildisclaimer> for other important information concerning this message.

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Annual Report to the Overseas Investment Office

This Annual Report template sets out the required structure and content for reporting on your conditions of consent.

We will rely on the information in this document to review and assess your compliance with the conditions of your consent. It is an offence to make a false or misleading statement or material omission in any information or document provided to the Overseas Investment Office (OIO) ([s46](#)).

Instructions:

- **Please do not remove the instruction text from this template.**
- Download this template from our [website](#) before each use to ensure you have the latest version.
- Review the brief guidance in each section of this template to ensure you supply us with the required information.
- Be concise and write in plain English – if after reviewing your report we need more information, we will ask you for it.
- The formatting of this template has been kept as simple as possible so that you can adapt it to suit your own information and document management systems. You can customise the template e.g. with your own logo etc.
- Tables, diagrams, maps, schedules etc should be added as appendices to your Annual Report rather than being inserted within this template.
- Contact the OIO if you have any questions about this template or your consent generally (+64 4 462 4490, oio@linz.govt.nz).

Electronic Filing Requirements

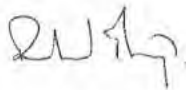
Your Annual Report must be submitted electronically. Documents should be provided in PDF form unless otherwise advised. Documents should be provided by link to a secure download site (preferred) or encrypted USB or CD/DVD (note: electronic media will be securely destroyed after use). If necessary, your Annual Report may be emailed to OIOmonitoring@linz.govt.nz (maximum 10MB per email).

Please ensure your PDF report is:

- 'Printed to PDF', or scanned and OCR'd (i.e. all text in the document can be copied)
- Free from security restrictions
- In colour (if the document contains colour)
- If scanned, at 300 dpi (where possible)

Please do not provide a hard copy version of your report.

Consent Holder's Signature

<Sign here> 	13.12.2019
Richard Thorp Director of NZ Binxi (Oamaru) Foods Limited	Date

Summary of Key Information

Date consent granted	1 December 2015 and varied on 28 June 2019
Case number	201520010
Consent holder	NZ Binxi (Oamaru) Foods Limited
Land/Asset	The acquisition of rights or interests in up to 100% of the issued share capital of Lean Meats Oamaru Limited which owns or controls a freehold interest in the land contained in Records of Title 222052, 440537 and 46609.
Report due date	30 November 2019
Report prepared by	Richard Thorp
Contact details of preparer	Richard Thorp Director of NZ Binxi (Oamaru) Foods Limited 7 Redcastle Road Oamaru North Oamaru 9400 (03) 433 0078 richard@bxfoods.co.nz

Section A: Report on Conditions

Please start a new page for each condition.

Condition 3: Employment

The Consent Holder must increase the number of job opportunities at the Facility by:

- (a) 4 full time equivalent employees by 31 December 2020; and
- (b) by a further 30 full time equivalent employees by 31 December 2025.

First year reporting – November 2016

As per report to OIO dated 20 December 2016 (referencing the original consent conditions)

Second year reporting – November 2017

As per report to OIO dated 8 December 2017 (referencing the original consent conditions)

Third year reporting – November 2018

Not provided as, as at November 2018, the Overseas Investment Office was assessing the Consent Holder's application for a variation of the consent conditions, which was ultimately approved on 28 June 2019.

Fourth year reporting - November 2019

1. Over the year we have continued to have a stable work force, we have experienced limited opportunities of increasing our processing numbers or increasing the products to be saved from a bovine carcase and or a ovine carcase due to the availability of staff.
2. With the construction of the blast freezing and chilled and frozen storage over the 2020 year with a commissioning towards the end of 2020 additional staff of up to an additional 4 full time equivalents will be employed to manage and operate the storage operations. The employment of those staff will be in place before the end of 2020 keeping in line with the employment condition.

Condition 4: Additional Investment

The Consent Holder must introduce additional investment of at least \$7,050,000 into New Zealand for development purposes and use this investment to implement the developments described in section 5 of the Business Plan (and summarised below) substantially in accordance with the Business Plan by the dates set out below:

Date by which Development must occur	Development	Estimated Cost
30 December 2025	Dedicated Beef Processing Room	\$1,200,000
30 December 2020	Cold Storage, Blast Freezing and Load-Out Facilities	\$5,500,000 - \$6,000,000
30 December 2020	Boiler Replacement	\$350,000
Total Expenditure		\$7,050,000 - \$7,550,000

First year reporting – November 2016

As per report to OIO dated 20 December 2016 (referencing the original consent conditions)

Second year reporting - November 2017

As per report to OIO dated 8 December 2017 (referencing the original consent conditions)

Third year reporting - November 2018

Not provided as, as at November 2018, the Overseas Investment Office was assessing the Consent Holder's application for a variation of the consent conditions, which was ultimately approved on 28 June 2019.

Fourth year reporting - November 2019

1. Boiler Replacement was fully commissioned over the month of April 2019
2. The final expenditure for the boiler replacement was \$554,500.00
3. The previous boiler is now completely de-commissioned, with the chimney stack and the boiler itself have been dis-assembled
4. Cold Storage, Blast Freezing and Load-Out Facilities will have the foundation slab consent lodged mid-January 2020 along with tender documents for construction to be circulated to suitable building contractors.
5. Expenditure of a minimum of \$5.5mil will be comfortably spent before the end of 2020 meeting the expenditure consent.

SITE LAYOUT PLAN

[s 9(2)(b)(ii)]

[s 9(2)(b)(ii)]

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Condition 5: Increased Processing

The Consent Holder must increase the number of cattle and sheep processed at the Facility for each of the calendar years 2019 and 2020 substantially as set out below:

Year	Number of Beef Processed	Number of Sheep (including ram, lamb and mutton) Processed
2019	8,000	250,000
2020	10,000	250,000

First year reporting – November 2016

As per report to OIO dated 20 December 2016 (referencing the original consent conditions)

Second year reporting – November 2017

As per report to OIO dated 8 December 2017 (referencing the original consent conditions)

Third year reporting – November 2018

Not provided as, as at November 2018, the Overseas Investment Office was assessing the Consent Holder's application for a variation of the consent conditions, which was ultimately approved on 28 June 2019.

Fourth year reporting – November 2019

1 Summary Table

YEAR	CONDITION - 5	ACTUAL	+/- %
2019	Beef – 8,000	14,000	178%
2019	Ovine – 250,000	283,422	113%

Section B: Measuring benefit to New Zealand

This section is for you to provide the information we requested to enable us to measure the benefits you have brought to New Zealand through your investment (see paragraph 2 of the 'Reporting conditions' section of your consent).

Include a brief summary of the information requested, and attach photographs, spread sheets etc if this will help us to understand your report.

Information required

- A. The number (in full time equivalent units) and type of any new job opportunities created in New Zealand as a result of the Investment including the value of these jobs (being the annual salary or wages paid); and
- B. Any increased export receipts for New Zealand exporters, including the number of sheep and beef exported, the average price per animal exported and the country the animal was exported to.

Information

Include a brief statement of the information requested, and attach photographs, spread sheets etc if this will help us to understand your report.

- 6. A table showing export receipts for the 2019 season is attached at Appendix 1.
- 7. The markets for Beef comprised:

[s 9(2)(b)(ii)]

10. The New Zealand meat industry is firm and is positioned well with the current biggest global protein shortage known to mankind.
11. Currently the protein deficit in China is 20 times the annual red meat product of New Zealand.
12. Although challenges exist in the primary product of red meat the time has never been better to own and invest in this business segment.
13. Current ovine livestock earnings to the farm gate are at record levels exceeding \$9/kg of dressed carcass weight, with lambs returning to the farm gate in the range of \$168.00 to \$207.00.
14. Value of production (return x factory) is exceeding \$10.90 / kg of hot carcass weight per lamb. The differential of farm gate buy price to sell price being \$1.90 is adequate to allow processors and exporters to off cost of sales and create a suitable margin.

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Section C: Other information

This section is for you to update the contact and other details you gave us when you applied for consent, to provide any other information you think will help us monitor your compliance with the conditions, and for you to make any special requests regarding confidentiality.

Updated details

Several of the standard conditions that apply to your consent require you to tell us when particular events occur. For example, to tell us:

- when you have acquired the Land or Asset and provide details including about the price and acquisition structure,
- about changes that affect you, the people who control you, or people you control. For example, when an Individual Who Controls You ceases to be of good character, commits an offence or contravenes the law anywhere in the world, or becomes bankrupt,
- if your [NZ Service Address](#) changes.

We recommend you take this opportunity to double check that you have updated us as required. If not, use this section to tell us about changes.

Other information

Include a brief summary of the other information you wish to provide, and explain its relevance to our monitoring of your compliance with conditions.

Confidentiality

The OIO is subject to the Official Information Act 1982. Any request for confidentiality must make direct reference to the provisions of the Official Information Act 1982 that you consider justify the withholding of the information. Review our [website](#) and the [practice guidelines](#) issued by the Office of the Ombudsman before making a request.

List of Appendices

List all appendices attached to your Annual Report.

Appendix 1	Export Receipts Breakdown - 2019 Season
Appendix 2	
Appendix 3	
Appendix 4	
Appendix 5	

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Appendix 1 – Export Receipts Breakdown - 2019 Season

Speci	2019 Season	Bobby	Ram	Goat	Lamb	Mutton	Totals
[s 9(2)(b)(ii)]							

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From: [Chrisna Leafever](#)
Sent: Tuesday, 20 December 2016 2:09 PM
To: [Olwyn Smith](#)
Subject: FW: Lean Meats Oamaru - 201520010 [DC-Documents.FID1611517]
Attachments: Lean Meats Oamaru Ltd year 1 report OIO.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Olwyn

Please see the Report attached. The Applicant tried to send it direct yesterday, and the file is small enough that it should have arrived.

Kind regards

Chrisna Leafever
Associate

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Duncan Coairill Plaza 148 Victoria Street
PO Box 5 Christchurch 8140 New Zealand

[Click here for office direcons](#)

We wish all our clients a happy and safe holiday season.

All of our offices will close at 5.00pm on Friday 23 December 2016 and re-open at 8.30am on Monday 16 January 2017.

Phone calls for all offices will be monitored between 8.30am – 5.00pm in the week Monday 9 January to Friday 13 January.

Our partners continue to be available on mobile to assist you on urgent matters. Please click [here](#) for partner contact details



From: Richard Thorp [mailto:richard@oml.co.nz]
Sent: Tuesday, 20 December 2016 12:50 p.m.
To: Chrisna Leafever
Subject: FW: Lean Meats Oamaru - 201520010

From: Richard Thorp
Sent: Monday, 19 December 2016 5:59 a.m.
To: Olwyn Smith (osmith@linz.govt.nz) <osmith@linz.govt.nz>
Cc: Arron Hoyle <arron@bda.nz>
Subject: Lean Meats Oamaru - 201520010

Good Morning Olwyn

Please find the 1 year report from Oamaru Meats Ltd.

If you have any questions or require further information please don't hesitate to make contact with myself

Regards



OAMARU MEATS LIMITED
Richard Thorp | Director

.....
M + 64 274 359 001 | E richard@oml.co.nz

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Lean Meats Oamaru Ltd

Overseas Investment Office Annual Report 2016

The Future for Lean Meats Oamaru Ltd



Special Conditions	Summary of Section	Progress Update	Status
3. Employment	The Consent holder must increase the number of job opportunities by 90 full time equivalent employees substantially by 31 December 2018	Extensive planning is currently in place for the expansion over the year of 2017, with the first project to be focused on the dedicated beef processing room. Once the room is complete we anticipate we will meet the target of 90 additional full time positions. Over the year of 2016 the employment numbers have been static and have been at a similar level as the previous years.	Acceptable
4. Investment	Consent Holder must introduce additional investment of at least \$6,450,000 by December 2018.	The Consent Holder has expensed in the range of \$90,000 to \$130,000 in detailed plans with consultants in preparation to execute the building plan over the 2017 year. Stage 1 planning is 90% complete with plans for resource consent to be lodged early in the New Year. Boiler Replacement has been approved at the value of \$350,000, installation of the boiler will take place over the first half of 2017	Acceptable
5. Increased Production	The Consent Holder must increase the number of cattle: 2016 – 30,000 Cattle 2017 – 40,000 Cattle 2018 – 50,000 Cattle	Since taking over the business as a 100% shareholder in December 2015, the beef programme has been a difficult proposition to deliver over the year, our focus has been on the core activity of sheep processing to ensure we could maximise revenue and earnings. Increasing the beef programme 3x more than had ever been produced at the factory proved to be more difficult than expected. Constraints in the factory of chilling carcasses and boning the beef through the lamb boning room verified the limits and issues of stepping the beef kill up to our targeted levels. This has resolved our determination and confirmed our planning for a dedicated boning room and beef processing business. We have received significant interest from purchasers of the Oamaru beef products we now need to execute the construction phase of the plan.	On-going

		<p>Internally we remain focused on the targets over the next 3 weeks, but realistically we need to revise the delivery of the volume: 2017 – 25,000 2018 – 30,000 2019 – 40,000 2020 – 50,000</p>	
<p>6. Increase Exports</p>	<p>The Consent Holder must increase receipts</p>	<p>Exports receipts have not increased over the year as we were unable to harness the plan and drive growth in our beef programme. On sheep volume the South Island numbers decreased considerably over the year as a result of 3 years of dry conditions down the east coast and the central part of Island. The winter period in the South Island experienced a 30% drop in volume from the previous year. As a result livestock become extremely competitive and the risk of losing money on every purchase of lambs and mutton was a considerable risk. As a business we took a very conservative approach and only purchased livestock when the commercial outcome was manageable outcome.</p>	<p>On-going</p>
<p>9. Annual Report</p>	<p>The Consent Holder must report in writing annually detailing progress of the business plan.</p>	<p>Summary – first year of ownership has been one of learnings as we take forward new business structures, development of ideas and having joint venture partners moving to being customers, this has required a change in the way we operate the business. We have improved a number of operational activities and increased productivity across our business. There are number of gains that exist in the business and they must be captured over the coming 12 months. We have a large amount of confidence and what it can achieve, we have the correct senior management team driving the change and a committed owner who only wants success for the Target Land. The owner continues to provide support and providing funds for the new developments over 2017. Over the year the business employed a “Business Improvement Manager” who has developed a number of working groups to seek continuous improvement</p>	<p>Good Progress</p>

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		<p>over the coming year this role will align our business and people to achieve new targets. The business is confident it will reach the targets of the business plan by 2018</p>	
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Summary of Site Development Plans

Boiler CAPEX Project

3.0 Financial Justification

3.1 Summary Bullet Points on Financials

- Eliminating rental payments for diesel boiler - \$54,000
- Savings on not using diesel to produce hot water - \$78,944
- New coal fired boiler will be more efficient at generating hot water by \$1.65/m3
- \$180,000 of the capital project can be paid off in 36 month payment installments to the supplier
- The installation of the 2MW coal fired boiler will meet the current plant demand and along with improved heat recovery from refrigeration expansions it will also future proof the plant for increased production.
- ROI 43%
- Generate a cash monthly surplus of \$5,750

3.2 Financial Justification

Return on Investment for an Additional plant item						
Asset Item - Coal Fired Boiler		Capital Cost	\$315,000		m3	
Hot Water m3 Usage	40,292			\$315,000	\$7.82	
Reduction in Plant Expenses						
		Monthly	Annual		Per m3	
Monthly rental payments for diesel boiler		\$ 4,500	\$ 54,000		\$1.34	
Savings on not using diesel to generate hot water		\$ 6,579	\$ 78,944		\$1.06	
Lost revenue opportunities missed hooks		\$ 3,150	\$ 37,800		\$0.94	
Efficient boiler will reduce costs by \$1.89/m3		\$ 5,551	\$ 66,614		\$1.65	
		\$ 19,780	\$ 237,357		\$5.89	
Increase in Plant expenses						
Labour	\$0.00	0.0	0.0	\$0	\$0.00	
Packaging	units	0	\$0.00	per year	\$0	\$0.00
Plant Utilities			Power \$1,500	Est.	\$1,500	\$0.04
R & M			Per annum \$0	Cost	\$0	\$0.00
Interest overdraft	7.5%	Per annum	\$135,000	Cost	\$10,125	\$0.25
Interest Morrows Engineering	10.0%	Balance Funds	\$180,000	Cost	\$6,000	\$0.15
Depreciation	10%	Per annum	\$315,000	SL	\$31,500	\$0.78
					\$48,125	\$1.22
Asset Item - Coal Fired Boiler					\$188,232	\$4.67 m3
Operating profit increase					\$52,706	\$1.31 m3
Less tax	28%				\$135,527	\$3.36 m3
Increase in Net profit						
Cost of plant					\$315,000	
Return on Investment for the group					43%	1.7 Before Tax Payback yrs 2.3 After Tax Payback yrs
Re-payment Plan - Balance of \$180,000						
Balance 36 monthly payments	\$	5,000				
GGT	\$	750				
Interest	\$	500				
	\$	5,750				
Net Monthly Cash Surplus	\$	5,794				
Est Annual Cash Surplus	\$	69,527.40				

[s 9(2)(b)(ii)]

From: [Chrisna Leafever](#)
Sent: Friday, 17 March 2023 3:10 PM
To: [Overseas Investment Office Monitoring](#)
Subject: FW: Overseas Investment Office Reporting Reminder 201520010 - NZ Binxi (Oamaru) Foods Limited

Follow Up Flag: Follow up
Flag Status: Flagged

Kia ora

As at the date of the last annual report (16 March 2023), Special Conditions 1, 2 and 3(a) had been satisfied and those parts of Special Condition 4 due for completion by 30 December 2020 had been largely completed. Special Condition 5 only related to the 2019 and 2020 calendar years.

In respect of Special Condition 4, for completeness, we note that:

- The boiler replacement was completed in April 2019
- In respect of the cold storage, blast freezing and load out facilities, the final item awaiting completion as per the March 2022 report (installation of the fire door) has been completed, and the new building has been commissioned and product is being frozen/stored.

The remaining aspects of Special Conditions 3 and 4 are not due for completion until 30 December 2025. On that basis can you please confirm whether further annual reports are required until February 2025 (or until the Consent Holder commences the development of the Dedicated Beef Processing Room, if this occurs earlier).

Ngā mihi

Chrisna



Chrisna Leafever
Principal

Phone 021 878 942

Web www.lefeverlaw.co.nz

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From: Overseas Investment Office Monitoring <OIOmonitoring@linz.govt.nz>
Sent: Monday, March 13, 2023 9:57 AM
To: Chrisna Leafever <chrisna@lefeverlaw.co.nz>

Subject: RE: Overseas Investment Office Reporting Reminder 201520010 - NZ Binxi (Oamaru) Foods Limited

Good morning,

According to our records, we have not received a response.

Could you please provide this by 17 March.

Cheers,

Monitoring Team
Monitoring and Intelligence Unit
Overseas Investment Office
oi.monitoring@linz.govt.nz DDI 0800 665 463



Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace
PO Box 5501, Wellington 6145, New Zealand
www.linz.govt.nz | data.linz.govt.nz



From: Overseas Investment Office Monitoring
Sent: Thursday, 12 January 2023 11:14 a.m.
To: chrisna@leafeverlaw.co.nz
Subject: Overseas Investment Office Reporting Reminder 201520010 - NZ Binxi (Oamaru) Foods Limited

Kia ora,

On 1 December 2015, your application to acquire an additional 75.8% interest in shares of Lean Meats Oamaru was approved under the Overseas Investment Act 2005. Your Notice of Decision includes a number of standard and special conditions that overseas investors are required to meet.

Those conditions were varied on 28/06/2019

You are required to report on the following special conditions:

Special Condition	Your Obligation
Annual Report - Special Condition	Provide report by 28 February 2023

You must submit a report on your progress with these conditions no later than **28 February 2023** to OIOMonitoring@linz.govt.nz. A report template is available on our [website](#).

If the report is not received by **28 February 2023**, an administrative penalty of \$500 may be imposed. It is an offence to fail to comply with a condition of consent and you may be liable for criminal and civil penalties under the Overseas Investment Act 2005. It is also an offence to provide us with false or misleading information or to make a material omission in a communication to us.

If you have an urgent enquiry or if you are affected by the impact of the COVID-19 pandemic, please notify us at OIOMonitoring@linz.govt.nz.

Ngā mihi,

Monitoring Team

Monitoring and Intelligence Unit

Overseas Investment Office

oiomonitoring@linz.govt.nz DDI 0800 665 463



Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace

PO Box 5501, Wellington 6145, New Zealand

www.linz.govt.nz | data.linz.govt.nz



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From: [Michael Beck](#)
Sent: Friday, 22 January 2016 4:42 PM
To: [Olwyn Smith](#)
Subject: RE: 201520010: NZ Binxi (Oamaru) Foods Limited - Noce of Decision [DC-Documents.FID1611517]
Attachments: LT OIO re selemen t (_6048258_1).PDF; 2015-12-03 - Public Decision Sheet - 201520010.pdf; Lean Meats Oamaru Ltd - final (_6004551_1).PDF

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Olwyn,

Please find our letter attached.

Regards,

Michael Beck
Senior Solicitor

d +64 3 372 6440 | p +64 3 379 2430
[duncancoerill.com](#) | [View Duncan Coerill LinkedIn](#)

Duncan Coerill Plaza 148 Victoria Street
PO Box 5 Christchurch 8140 New Zealand

[Click here for office directions](#)



From: Anneke Cockerell [mailto:acockerell@linz.govt.nz]
Sent: Thursday, 3 December 2015 4:48 p.m.
To: Michael Beck
Cc: Peter R Hill
Subject: 201520010: NZ Binxi (Oamaru) Foods Limited - Noce of Decision

Hi Michael,

The above application has been decided.

Noce of Decision

We attach a **noce of decision** for your records (please note that the OIO does not send paper copies of decision documents). The noce of decision describes the decision made by the decision-maker and includes the conditions that apply to the consent.

Statutory Declarations

If not already provided, please send us the original versions of any statutory declarations provided in support of the application.

Proposed Decision Summary

We also attach a **proposed decision summary** for the application. The proposed decision summary contains the information the Overseas Investment Office proposes to release to the public.

If you wish to make any changes to the decision summary to withhold information, you must make direct reference to the provisions of the [Official Information Act 1982](#) that you consider justify the withholding of the information and you should write to Peter Hill (prhill@linz.govt.nz) within **10 working days** of today's date detailing the suggested changes.

Please consult the [practise guidelines](#) issued by the Office of the Ombudsmen before writing to us. If we have not heard from you within the timeframe specified above, we will publicly release the decision summary without further reference to you.

Reporting

Please address any reports required under the conditions of this consent for the attention of Olwyn Smith (osmith@linz.govt.nz). Documents should be submitted to the OIO by email where possible.

Feedback

The OIO welcomes feedback from applicants and their lawyers on the assessment process and suggestions for improvement. Please provide feedback by emailing the OIO at OIOfeedback@linz.govt.nz.

Kind regards
Anneke

Anneke Cockerell
Senior Solicitor
Overseas Investment Office

E acockerell@linz.govt.nz | DDI +64 4 830 2513

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110

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The Overseas Investment Office will be closed from 5pm on 24 December 2015, reopening on Monday 11 January 2016.

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RELEASED UNDER THE
OFFICIAL INFORMATION ACT

22 January 2016

Overseas Investment Office
Radio New Zealand House
155 The Terrace, Wellington

By Email: osmith@linz.govt.nz

Attention: Olwyn Smith

Dear Sir

OIO Application number 201520010 – NZ Binxi (Oamaru) Foods Limited

We refer to the consent granted on 01 December 2015 in relation to the above Applicant.

We confirm that the subscription and acquisition of the shares took place on 18 December 2015.

The consideration paid for the subscription to the newly issued shares in Lean Meats Oamaru Limited was \$3,000,000.00 and \$2,000,000 for the purchase of shares from Lean Meats Limited. There was no settlement statement issued for the acquisition and the consideration paid was as per the acquisition agreement submitted to the OIO with the application for consent.

We note that the consideration was withheld from the public Decision Summary in accordance with your email, and attached updated Decision Summary, dated 29 December 2015.

Enclosed is a copy of the Companies office extract recording the Applicant as owner of the shares in Lean Meats Oamaru Limited.

Yours sincerely



Michael Beck
Senior Solicitor

d +64 3 372 6440
michael.beck@duncancotterill.com

Decision	Consent granted Section 12(b) Overseas Investment Act 2005
Decision Date	1 December 2015
Investment	An overseas investment in sensitive land, being the Applicant's acquisition of rights or interests in up to 100% of the issued share capital of Lean Meats Oamaru Limited which owns or controls a freehold interest in approximately 6.9940 hectares of land at 7 Redcastle Road, Oamaru.
Consideration	Withheld under s(9)(2)(b)(ii) of the Official Information Act
Applicant	NZ Binxi (Oamaru) Foods Limited Zhiyun He, China, People's Republic of (57.65%) Qiaogang Zhang, China, People's Republic of (24.7%) Various, China, People's Republic of (17.65%)
Vendor	Lean Meats Limited New Zealand (100%)
Background	<p>The land contains a meat processing plant.</p> <p>The Applicant plans to introduce additional investment to upgrade the plant and install new equipment. This will allow it to significantly increase beef processing at the plant. The Applicant also plans to increase exports to China through its supply networks.</p> <p>The investment is likely to create a large number of new job opportunities on the land.</p> <p>The overseas investment transaction has satisfied the criteria in section 16 of the Overseas Investment Act 2005. The 'substantial and identifiable benefit to New Zealand' criteria were satisfied by particular reference to the following factors:</p> <p>Overseas Investment Act 2005</p> <ul style="list-style-type: none">17(2)(a)(i) – Jobs17(2)(a)(iii) – Increased export receipts17(2)(a)(iv) – Greater productivity and efficiency17(2)(a)(v) – Additional investment for development purposes17(2)(a)(vi) – Increased processing of primary products17(2)(f) – Offer to sell foreshore to the Crown <p>Overseas Investment Regulations 2005</p> <ul style="list-style-type: none">28(f) – Advance significant Government policy or strategy
More information	Michael Beck Duncan Cotterill PO Box 5 CHRISTCHURCH



COMPANIES OFFICE



SCAN TO VIEW
OUR REGISTRATION DETAILS

Company Extract

LEAN MEATS OAMARU LIMITED

1850522

NZBN: 9429033950853

Entity Type:	NZ Limited Company
Incorporated:	10 Aug 2006
Current Status:	Registered
Constitution Filed:	Yes
Annual Return Filing Month:	July
Ultimate holding company:	NZ BINXI (OAMARU) FOODS LIMITED
Type of entity:	NZ Limited Company
Registration number / ID:	5433627
	NZBN: 9429041381748
Country of registration:	New Zealand
Registered office address:	BEKER FINDLAY ALLAN LTD, 109 Tuwharetoa Street, Taupo, Taupo, 3330, NZ

Company Addresses

Registered Office

Ovation NZ Ltd, First Floor, 210 Maraekakaho Road, Camberley, Hastings, 4120, NZ

Address for Service

Ovation NZ Ltd, First Floor, 210 Maraekakaho Road, Camberley, Hastings, 4120, NZ

Directors

BUDDO, Robert David Roy
348 Douglas Road, Rd 11, Hastings, 4178, NZ

GOODALL, David James
14 Gillean Street, Havelock North, Havelock North, 4130, NZ

GUSCOTT, Philip John
Glen Eden, R D 2, Carterton, 5840, NZ

HICKSON, Craig Richard Noel
Clive Grange, Raymond Road, Rd 2, Haumoana, 4172, NZ



COMPANIES OFFICE

Company Extract

LEAN MEATS OAMARU LIMITED

1850522

NZBN: 9429033950853

THORP, Richard
303 Resevior Road, Oamaru, 9400, NZ

Shareholdings

Total Number of Shares: 2,159

Extensive Shareholdings: No

2,159	5433627 NZ BINXI (OAMARU) FOODS LIMITED 109 Tuwharetoa Street, Taupo, Taupo, 3330, NZ
-------	---

For further details relating to this company, check <http://www.companies.govt.nz/co/1850522>
Extract generated 21 December 2015 02:46 PM NZDT

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From: [Richard Thorp](#)
Sent: Friday, 3 March 2017 4:36 PM
To: [Olwyn Smith](#)
Cc: 'Chrisna Leafever (chrisna.leafever@duncancotterill.com)'
Subject: RE: Lean Meats Oamaru - 201520010 [DC-Documents.FID1611517]
Attachments: RE: Lean Meats Oamaru - 201520010 [DC-Documents.FID1611517]

Hi Olwyn

Apologies, but I sent you a response yesterday morning programme.

Thank you for your email.

Regards



OAMARU MEATS LIMITED
Richard Thorp | Director

.....
M + 64 274 359 001 | E richard@oml.co.nz

From: Olwyn Smith [<mailto:osmith@linz.govt.nz>]
Sent: Friday, 3 March 2017 4:31 p.m.
To: Richard Thorp <richard@oml.co.nz>
Cc: 'Chrisna Leafever (chrisna.leafever@duncancotterill.com)' <chrisna.leafever@duncancotterill.com>
Subject: RE: Lean Meats Oamaru - 201520010 [DC-Documents.FID1611517]

Hi Richard

Please ensure that the information is forwarded to me by **Tuesday 7 March** at the latest.

I am unable to grant you another extension beyond that date, and will pass this file on to one of our Enforcement Team Solicitors if the information is not received on that date.

Regards

Olwyn Smith
Legal Support Officer
Overseas Investment Office

E osmith@linz.govt.nz | DDI +64 4 460 2781

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110
W www.linz.govt.nz | data.linz.govt.nz



From: Richard Thorp [<mailto:richard@oml.co.nz>]
Sent: Monday, 27 February 2017 10:14 a.m.
To: Olwyn Smith
Cc: 'Chrisna Leafever (chrisna.leafever@duncancotterill.com)'
Subject: RE: Lean Meats Oamaru - 201520010 [DC-Documents.FID1611517]

Hi Olwyn

I will have something to you before close of business tomorrow – Tuesday 28th Feb

Regards



OAMARU MEATS LIMITED
Richard Thorp | Director

.....
M + 64 274 359 001 | E richard@oml.co.nz

From: Richard Thorp
Sent: Monday, 20 February 2017 7:30 a.m.
To: 'Olwyn Smith' <osmith@linz.govt.nz>
Cc: 'Chrisna Leafever (chrisna.leafever@duncancotterill.com)' <chrisna.leafever@duncancotterill.com>
Subject: RE: Lean Meats Oamaru - 201520010 [DC-Documents.FID1611517]

Hi Olwyn

You will certainly have something this week

Regards

Richard

OAMARU MEATS LIMITED
Richard Thorp | Director

.....



M + 64 274 359 001 | E richard@oml.co.nz

From: Olwyn Smith [<mailto:osmith@linz.govt.nz>]
Sent: Friday, 17 February 2017 10:22 a.m.
To: Richard Thorp <richard@oml.co.nz>
Cc: 'Chrisna Leafever (chrisna.leafever@duncancotterill.com)' <chrisna.leafever@duncancotterill.com>
Subject: RE: Lean Meats Oamaru - 201520010 [DC-Documents.FID1611517]

Hi Richard

I refer to my email as below.

Can you please ensure that I receive the requested information by **Friday 24 February 2017**. A further extension beyond that date cannot be granted.

Regards

Olwyn Smith
Legal Support Officer
Overseas Investment Office

E osmith@linz.govt.nz | DDI +64 4 460 2781

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110
W www.linz.govt.nz | data.linz.govt.nz



From: Richard Thorp [<mailto:richard@oml.co.nz>]
Sent: Wednesday, 21 December 2016 3:42 p.m.
To: Olwyn Smith
Cc: 'Chrisna Leafever (chrisna.leafever@duncancotterill.com)'
Subject: RE: Lean Meats Oamaru - 201520010 [DC-Documents.FID1611517]

Hi Olwyn

Sorry for the delay, in the end I had trouble getting through to your email.

I will get the below to you inside the below date.

Regards

Richard

From: Olwyn Smith [<mailto:osmith@linz.govt.nz>]
Sent: Wednesday, 21 December 2016 3:39 p.m.
To: Richard Thorp <richard@oml.co.nz>
Cc: 'Chrisna Leafever (chrisna.leafever@duncancotterill.com)' <chrisna.leafever@duncancotterill.com>
Subject: RE: Lean Meats Oamaru - 201520010 [DC-Documents.FID1611517]

Hi Richard

Thank you for the compliance report received yesterday via Chrisna Leafever.

I have a couple of queries, as follows:

In relation to condition 5 of the consent, would you please provide us with a figure relating to how many cattle and sheep were processed at the site for the 2016 year, if any?

As per conditions 6 and 9(c) please provide the actual amount of export receipts for 2016, including the number of sheep and beef exported, the average price per animal exported and the country the animal was exported to.

I would appreciate receipt of the above information by **Friday 20 January 2017** at the latest.

Regards

Olwyn Smith
Legal Support Officer
Overseas Investment Office

E osmith@linz.govt.nz | DDI +64 4 460 2781

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace
PO Box 5501, Wellington 6145, New Zealand | T 04 460 0110
W www.linz.govt.nz | data.linz.govt.nz



From: Chrisna Leafever [<mailto:chrisna.leafever@duncancotterill.com>]
Sent: Tuesday, 20 December 2016 2:09 p.m.
To: Olwyn Smith
Subject: FW: Lean Meats Oamaru - 201520010 [DC-Documents.FID1611517]

Dear Olwyn

Please see the Report attached. The Applicant tried to send it direct yesterday, and the file is small enough that it should have arrived.

Kind regards

Chrisna Le fever
Associate

d +64 3 372 6420 | p +64 3 379 2430 | m +64 21 878 942
duncancoairill.com | [View Duncan Coairill LinkedIn](#)

Duncan Coairill Plaza 148 Victoria Street
PO Box 5 Christchurch 8140 New Zealand

[Click here for office direcons](#)

We wish all our clients a happy and safe holiday season.

All of our offices will close at 5.00pm on Friday 23 December 2016 and re-open at 8.30am on Monday 16 January 2017.

Phone calls for all offices will be monitored between 8.30am – 5.00pm in the week Monday 9 January to Friday 13 January.

Our partners continue to be available on mobile to assist you on urgent matters. Please click [here](#) for partner contact details



From: Richard Thorp [<mailto:richard@oml.co.nz>]
Sent: Tuesday, 20 December 2016 12:50 p.m.
To: Chrisna Le fever
Subject: FW: Lean Meats Oamaru - 201520010

From: Richard Thorp
Sent: Monday, 19 December 2016 5:59 a.m.
To: Olwyn Smith (osmith@linz.govt.nz) <osmith@linz.govt.nz>
Cc: Arron Hoyle <arron@bda.nz>
Subject: Lean Meats Oamaru - 201520010

Good Morning Olwyn

Please find the 1 year report from Oamaru Meats Ltd.

If you have any questions or require further information please don't hesitate to make contact with myself

Regards



OAMARU MEATS LIMITED
Richard Thorp | Director

M + 64 274 359 001 | E richard@oml.co.nz

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From: [Chrisna Leafever](#)
Sent: Wednesday, 16 March 2022 4:28 PM
To: [Overseas Investment Office Monitoring](#)
Subject: RE: Overseas Investment Office Reporting Reminder - 201520010 - NZ Binxi (Oamaru) Foods Limited
Attachments: 2022 03 16 OIO Annual Report (LMO year 7 report).pdf; Appendix 1 - 2021 07 31 Emailed OIO report - 201520010.pdf

Good afternoon

The annual report in respect of the above application is now attached

Ngā mihi

Chrisna



Chrisna Leafever
Principal

Phone 021 878 942

Web www.lefeverlaw.co.nz

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From: Overseas Investment Office Monitoring <OIOmonitoring@linz.govt.nz>
Sent: Thursday, 10 February 2022 10:34 am
To: Chrisna Leafever <chrisna@lefeverlaw.co.nz>
Subject: Overseas Investment Office Reporting Reminder - 201520010 - NZ Binxi (Oamaru) Foods Limited

Kia ora,

On 1 December 2015, your application to acquire an additional 75.8% interest in shares of Lean Meats Oamaru was approved under the Overseas Investment Act 2005. Your Notice of Decision includes a number of standard and special conditions that overseas investors are required to meet.

Those conditions were varied on 28/06/2019

You are required to report on the following special conditions:

Special Condition	Your Obligation
-------------------	-----------------

You must submit a report on your progress with these conditions no later than **28 February 2022** to OIOMonitoring@linz.govt.nz. A report template is available on our [website](#).

If the report is not received by **28 February 2022**, an administrative penalty of \$500 may be imposed. It is an offence to fail to comply with a condition of consent and you may be liable for criminal and civil penalties under the Overseas Investment Act 2005. It is also an offence to provide us with false or misleading information or to make a material omission in a communication to us.

If you have an urgent enquiry or if you are affected by the impact of the COVID-19 pandemic, please notify us at OIOMonitoring@linz.govt.nz.

Ngā mihi,

Monitoring Team

Monitoring and Intelligence Unit

Overseas Investment Office

oiomonitoring@linz.govt.nz DDI 0800 665 463



Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace

PO Box 5501, Wellington 6145, New Zealand

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Annual Report to the Overseas Investment Office

This Annual Report template sets out the required structure and content for reporting on your conditions of consent.

We will rely on the information in this document to review and assess your compliance with the conditions of your consent. It is an offence to make a false or misleading statement or material omission in any information or document provided to the Overseas Investment Office (OIO) ([s46](#)).

Instructions:

- **Please do not remove the instruction text from this template.**
- Download this template from our [website](#) before each use to ensure you have the latest version.
- Review the brief guidance in each section of this template to ensure you supply us with the required information.
- Be concise and write in plain English – if after reviewing your report we need more information, we will ask you for it.
- The formatting of this template has been kept as simple as possible so that you can adapt it to suit your own information and document management systems. You can customise the template e.g. with your own logo etc.
- Tables, diagrams, maps, schedules etc should be added as appendices to your Annual Report rather than being inserted within this template.
- Contact the OIO if you have any questions about this template or your consent generally (+64 4 462 4490, oio@linz.govt.nz).

Electronic Filing Requirements

Your Annual Report must be submitted electronically. Documents should be provided in PDF form unless otherwise advised. Documents should be provided by link to a secure download site (preferred) or encrypted USB or CD/DVD (note: electronic media will be securely destroyed after use). If necessary, your Annual Report may be emailed to OIOmonitoring@linz.govt.nz (maximum 10MB per email).

Please ensure your PDF report is:

- 'Printed to PDF', or scanned and OCR'd (i.e. all text in the document can be copied)
- Free from security restrictions
- In colour (if the document contains colour)
- If scanned, at 300 dpi (where possible)

Please do not provide a hard copy version of your report.

Consent Holder's Signature

	16.03.2022
Richard Thorp Director of NZ Binxi (Oamaru) Foods Limited	Date

Summary of Key Information

Date consent granted	1 December 2015 and varied on 28 June 2019
Case number	201520010
Consent holder	NZ Binxi (Oamaru) Foods Limited
Land/Asset	The acquisition of rights or interests in up to 100% of the issued share capital of Lean Meats Oamaru Limited which owns or controls a freehold interest in the land contained in Records of Title 222052, 440537 and 46609.
Report due date	28 February 2022
Report prepared by	Richard Thorp
Contact details of preparer	Richard Thorp Director of NZ Binxi (Oamaru) Foods Limited 7 Redcastle Road Oamaru North Oamaru 9400 (03) 433 0078 richard@bxfoods.co.nz

Section A: Report on Conditions

Please start a new page for each condition.

Condition 3: Employment

The Consent Holder must increase the number of job opportunities at the Facility by:

- (a) 4 full time equivalent employees by 31 December 2020; and
- (b) by a further 30 full time equivalent employees by 31 December 2025.

First year reporting – November 2016

As per report to OIO dated 20 December 2016 (referencing the original consent conditions)

Second year reporting – November 2017

As per report to OIO dated 8 December 2017 (referencing the original consent conditions)

Third year reporting – November 2018

Not provided as, as at November 2018, the Overseas Investment Office was assessing the Consent Holder's application for a variation of the consent conditions, which was ultimately approved on 28 June 2019.

Fourth year reporting - November 2019

As per report to the OIO dated 13 December 2019

Fifth year reporting - February 2020

1. Over the past year the Consent Holder has continued to have a stable work force, and has experienced limited opportunities of increasing its processing numbers or increasing the products to be saved from a bovine carcase and or a ovine carcase due to the availability of staff.
2. Production at the factory was suspended from mid-September 2019 to early January 2020, as the result of Lean Meats Oamaru being suspended from exporting to China. As a result of the suspension and the cessation of production, all employees on seasonal contracts (being a total of approximately 160 staff) were given notice and laid off. The suspension was lifted on 29 November 2019, with the factory returned to full production on 06 January 2020. More than 140 employees returned to work during the week ending 10 January 2020, and as at the end of February that number had increased to 150. Given that the industry is seasonal, a break in production is not unusual, so the impact of the suspension is not as detrimental as it would be in other industries.
3. Please see the letter from Duncan Cotterill to the OIO dated 21 January 2020 (a copy of which is attached at Appendix 2) for more information.
4. With the construction of the blast freezing and chilled and frozen storage over the 2020 year with a commissioning towards the end of 2020 additional staff of up to an additional 4 full time equivalents will be employed to manage and operate the storage operations. The employment of those staff will be in place before the end of 2020 keeping in line with the employment condition.

Sixth year reporting - March 2021

5. As noted in 2020, an additional 4 full time equivalents will be employed to manage and operate the storage operations following the commissioning of the blast freezing and chilled and frozen storage. As the construction of those facilities has been delayed due to the impacts of Covid-19, the employment of those staff will align with the delayed commissioning of August/September 2021 (see comment on Condition 4 below).
6. It is acknowledged that this is not in accordance with the timeframe required in Condition 3. However, as the OIO has acknowledged the impact of Covid-19 on the construction of the new facilities, and the new employment positions has been directly linked to those facilities, we hope that the OIO will be understanding of the fact that a delay in those facilities directly results in a delay in the new employment positions.

Seventh year reporting - March 2022

7. As noted in 2020, an additional 4 full time equivalents were to be employed to manage and operate the storage operations following the commissioning of the blast freezing and chilled and frozen storage (**Main Factory Development**).
8. As such, the creation of these employment positions was also affected by the delays in completion of the Main Factory Development (per below). However they have now been created and filled with the following positions, which are all a result of the Main Factory Development:

Position	FTE	Salary (p/a)	Created	Filled
Company Veterinary Officer	1	Section 9(2)(a)	March 2021	August 2021
Slaughter Senior Supervisor	1	Section 9(2)(a)	November 2021	February 2022
Boning Senior Supervisor	1	Section 9(2)(a)	August 2021	January 2022
Design, engineering & Improvement Manager	1	Section 9(2)(a)	January 2021	December 2021
Blast Freezer and Chilled Store Manager	1	Section 9(2)(a)	November 2021	January 2022

Condition 4: Additional Investment

The Consent Holder must introduce additional investment of at least \$7,050,000 into New Zealand for development purposes and use this investment to implement the developments described in section 5 of the Business Plan (and summarised below) substantially in accordance with the Business Plan by the dates set out below:

Date by which Development must occur	Development	Estimated Cost
30 December 2025	Dedicated Beef Processing Room	\$1,200,000
30 December 2020	Cold Storage, Blast Freezing and Load-Out Facilities	\$5,500,000 - \$6,000,000
30 December 2020	Boiler Replacement	\$350,000
Total Expenditure		\$7,050,000 - \$7,550,000

First year reporting – November 2016

As per report to OIO dated 20 December 2016 (referencing the original consent conditions)

Second year reporting - November 2017

As per report to OIO dated 8 December 2017 (referencing the original consent conditions)

Third year reporting - November 2018

Not provided as, as at November 2018, the Overseas Investment Office was assessing the Consent Holder's application for a variation of the consent conditions, which was ultimately approved on 28 June 2019.

Fourth year reporting - November 2019

As per report to OIO dated 13 December 2019

Fifth year reporting – February 2020

9. The Boiler Replacement was fully commissioned in April 2019 per the 13 December 2019 report.
10. The Consent Holder's parent company is based in China and as a result there have been some minor delays in progressing works on the Cold Storage, Blast Freezing and Load-Out Facilities as the parent company monitors and addresses issues relating to the coronavirus outbreak and associated implications on its business. The Consent Holder continues to work towards the completion Cold Storage, Blast Freezing and Load-Out Facilities by December 2020. The Consent Holder expects that the foundation consent for the Cold Storage, Blast Freezing and Load-Out Facilities will be lodged around mid-March 2020, with tender documents for construction then also being circulated to suitable building contractors.

11. If the global situation is likely to effect the timing of this development, the Consent Holder will liaise with the OIO on the appropriate steps.

Sixth year reporting – March 2021

12. The Boiler Replacement was fully commissioned in April 2019 per the 13 December 2019 report.
13. On 17 April 2020, Duncan Cotterill, on behalf of the Consent Holder, wrote to the OIO regarding the impact of the Covid-19 situation on the Consent Holder's ability to satisfy the timeframes in Consent Condition 4. A copy of that letter is attached at Appendix 3. The letter advised that given various factors, the Consent Holder was anticipating that the completion of the freezing and load-out facilities could potentially be delayed until July 2021, and requested confirmation that the OIO would not be taking enforcement action in relation to any such delays. By email of 18 June 2020, a copy of which is attached at Appendix 3, the OIO provided that confirmation.
14. Work has commenced on the cold-storage, blast freezing and load out facilities.
15. There have been some unexpected issues, including soft ground at the building site being more extensive than originally advised by the Geotech Reports. This required digging to levels of up to 1.8m instead of the anticipated 0.6m in some places.
16. From this point it is expected that:
 - (a) The floors will be completed by the beginning of April 2021;
 - (b) The steel structures will be erected by April 2021; and
 - (c) Construction of the facilities will be completed by 1 July 2021.
17. There is a freezer panel being imported from Australia, and a refrigeration compressor coming from Japan. While building construction is expected to be completed by 1 July 2021, shipping delays for these components may push out commissioning until August or September.
18. It is also confirmed that the total expected expenditure on these facilities is \$5.65m. Total costs incurred to date are \$677,782. Those costs are primarily associated with design, civil excavation and concrete.
19. Updated consented plans for the new facilities are attached at Appendix 5 and some photos of the works carried out to date are attached at Appendix 6.

Seventh year reporting – March 2022

20. The Boiler Replacement was fully commissioned in April 2019 per the 13 December 2019 report.

21. The Main Factory Development has been significantly impacted by the Covid-19 pandemic and associated issues, including restricted movement of people, and product supply and delivery issues (both internationally and domestically) which have impacted construction programmes and the availability of contractors and materials. Some of these issues and the associated impacts on the Main Factory Development were detailed in the Report that was emailed to the OIO in respect of OIO consent 201520010 dated 30 July 2021 (a copy of which is attached at Appendix 1).
22. As at 30 July 2021, it was expected that the Main Factory Development would be completed in the week commencing 11 October 2021. Lefever Law, on behalf of the Consent Holder, contacted the OIO on 18 October 2021 to advise of further delays associated with the most recent New Zealand-wide Level 4 lockdown, which had further pushed out the expected completion date for the Main Factory Development to early-December 2021. The OIO was asked to confirm whether a formal variation application was now required, given that the total delays in completion were now close to a full 12 months from the original condition date in the OIO Consent. The OIO confirmed on 27 October 2021 that a formal Variation Application was required.
23. The Consent Holder is in the process of completing that Variation Application but continued delays and uncertainties as to final completion have made it difficult to commit to a revised completion date, and have required resources to be directed at managing the Main Factory Development to bring it to completion.
24. The Main Factory Development was further delayed after October 2021 by the New Zealand-wide Level 4 lockdown, the ongoing Level 4 restrictions in Auckland (which affected the delivery of equipment) and the Level 2 and Level 3 restrictions in the South Island (impacting the availability of contractors). In particular, there were delays in getting some of the refrigeration parts out of Auckland.
25. Refrigeration engineers moved on site during the week of 11 October 2021, beginning the 8 week refrigeration install period. As a result, the expected completion date for the Main Factory Development was pushed out to early December 2021, causing significant frustration for the Consent Holder, as it missed the main pre-Christmas trade opportunities.
26. As at the date of this report:
 - (a) The building is watertight;
 - (b) The corridor is open to the environment as the Consent Holder is still waiting for an electric Fire Door to be installed – as noted previously, this door is late from Germany due to freighting issues. It has now cleared customs in Christchurch and is expected to arrive on site this week, with installation to be immediate.
 - (c) It is expected that all the refrigeration plant will be set into action during the week commencing 21st March 2022, with testing of the plant and the cleaning of the store to continue through the duration of the week;
 - (d) Assuming all the commissioning faults have been rectified, the store will be commissioned for the freezing of product during the week commencing 28th March 2022.
27. Some photos of the completed development are attached at Appendix 3

28. Condition 4 requires the Consent Holder to introduce additional investment of \$5.5m - \$6m for the purposes of the Main Factory Development. The total amount spent on the Main Factory Development to date is \$6,800,000 with a final expected spend of \$6,850,000.

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Condition 5: Increased Processing

The Consent Holder must increase the number of cattle and sheep processed at the Facility for each of the calendar years 2019 and 2020 substantially as set out below:

Year	Number of Beef Processed	Number of Sheep (including ram, lamb and mutton) Processed
2019	8,000	250,000
2020	10,000	250,000

First year reporting – November 2016

As per report to OIO dated 20 December 2016 (referencing the original consent conditions)

Second year reporting – November 2017

As per report to OIO dated 8 December 2017 (referencing the original consent conditions)

Third year reporting – November 2018

Not provided as, as at November 2018, the Overseas Investment Office was assessing the Consent Holder's application for a variation of the consent conditions, which was ultimately approved on 28 June 2019.

Fourth year reporting – November 2019

As per report to OIO dated 13 December 2019

Fifth year reporting – February 2020

1 Summary Table

YEAR	CONDITION - 5	ACTUAL	+/- %
2019	Beef – 8,000	14,000	+75%
2019	Ovine – 250,000	283,422	+13.4%

Sixth year reporting – March 2021

2 Summary Table

YEAR	CONDITION - 5	ACTUAL	+/- %
2020	Beef – 10,000	Due to the difficult processing environment due to Covid restrictions in New Zealand and off-shore and difficulties engaging with staff on attendance and	-100%

		sourcing suitable staff during the pandemic, Lean Meats did not process beef for export over the 2020 year.	
2020	Ovine – 250,000	Lamb – 217,934 Mutton – 48,824 Ram – 1,048 <i>Total – 267,806</i>	+ 7.1%

Seventh year reporting – March 2022

- 3 The OIO Consent does not include target processing figures for the 2021 year. However, the Consent Holder confirms that the processing figures were as follows:

YEAR	CONDITION - 5	ACTUAL
2021	Beef – NA	10,500
2021	Ovine –NA	Lamb – 356,000 Mutton – 32,000 Ram –3,200 <i>Total – 391,200</i>

Section B: Measuring benefit to New Zealand

This section is for you to provide the information we requested to enable us to measure the benefits you have brought to New Zealand through your investment (see paragraph 2 of the 'Reporting conditions' section of your consent.

Include a brief summary of the information requested, and attach photographs, spread sheets etc if this will help us to understand your report.

Information required

- A. The number (in full time equivalent units) and type of any new job opportunities created in New Zealand as a result of the Investment including the value of these jobs (being the annual salary or wages paid); and
- B. Any increased export receipts for New Zealand exporters, including the number of sheep and beef exported, the average price per animal exported and the country the animal was exported to.

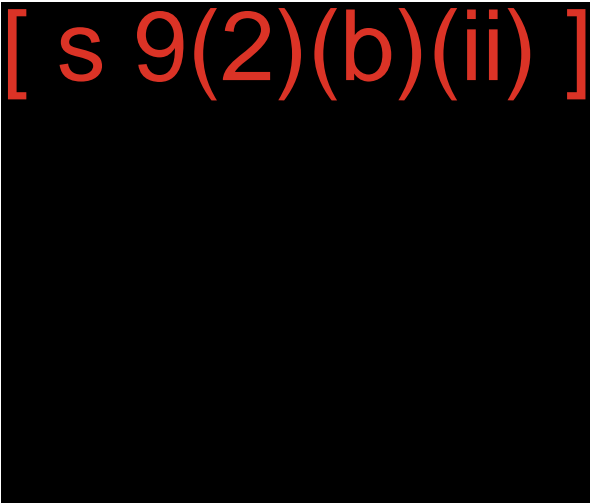
Information

Include a brief statement of the information requested, and attach photographs, spread sheets etc if this will help us to understand your report.

29. A table showing export receipts for the 2021 season is attached at Appendix 2.

30. The markets for Lamb comprised:

[s 9(2)(b)(ii)]



33. All markets are currently performing at good returns along with good interest. China remains to be a strong market with increasing volume and value.

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Section C: Other information

This section is for you to update the contact and other details you gave us when you applied for consent, to provide any other information you think will help us monitor your compliance with the conditions, and for you to make any special requests regarding confidentiality.

Updated details

Several of the standard conditions that apply to your consent require you to tell us when particular events occur. For example, to tell us:

- when you have acquired the Land or Asset and provide details including about the price and acquisition structure,
- about changes that affect you, the people who control you, or people you control. For example, when an Individual Who Controls You ceases to be of good character, commits an offence or contravenes the law anywhere in the world, or becomes bankrupt,
- if your [NZ Service Address](#) changes.

We recommend you take this opportunity to double check that you have updated us as required. If not, use this section to tell us about changes.

Other information

Include a brief summary of the other information you wish to provide, and explain its relevance to our monitoring of your compliance with conditions.

Confidentiality

The OIO is subject to the Official Information Act 1982. Any request for confidentiality must make direct reference to the provisions of the Official Information Act 1982 that you consider justify the withholding of the information. Review our [website](#) and the [practice guidelines](#) issued by the Office of the Ombudsman before making a request.

List of Appendices

List all appendices attached to your Annual Report.

Appendix 1	Report that was emailed to the OIO in respect of OIO consent 201520010 dated 30 July 2021
Appendix 2	Export Receipts Breakdown - 2021 Season
Appendix 3	Photos of construction works

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Appendix 2 – Export Receipts Breakdown - 2021 Season

	2021						
Speci	Beef	Bobby	Ram	Goat	Lamb	Mutton	Totals

[s 9(2)(b)(ii)]

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Appendix 3 – Works Photos





Christina Lefever

From: Christina Lefever
Sent: Friday, 30 July 2021 12:30 pm
To: oimonitoring@linz.govt.nz
Cc: Richard Thorp
Subject: Reminder Letter - 201520010

Good afternoon

On behalf of the Consent Holder, we report as follows in relation to progress with Special Condition 4 of the above consent.

Special Condition 4 of the Consent (as varied) required the Consent Holder to complete Development of Cold Storage, Blast Freezing and Load Out Facilities (**Development**) by 30 December 2020, at an estimated cost of \$5.5m to \$6m (the other parts of Special Condition 4 having already been satisfied, or not due for completion until 2025). On 17 April 2020 Duncan Cotterill write to the OIO advising that issues associated with the COVID-19 pandemic would likely result in delays to the development works and the OIO confirmed that it would not take any enforcement action provided the development works were completed by 1 July 2021.

The Consent Holder has taken all reasonable steps to carry out the development, with the constructions works being largely completed. However, completion and commissioning of the new facilities has been effected by worldwide supply and shipping delays. As such, the current status of the Development is as follows:

- All the steel structures for the building are completed and the building itself will be completed by the end of September 2021
- An insulation panel was not picked up by the shipped line from Sydney – this is now expected to arrive week commencing 16th August
- Blast freezers - the insulated floors have been laid, walls and roof cover on the blast freezers are complete, and heated door sills are in place. The concrete floor is scheduled to be poured in the blast freezers and sorting area on Thursday 5th August
- Two thirds of the roof has been installed on the sorting area and cold store, the roof will be fully installed end of next week – Friday 6th August
- Evaporators have arrived into Christchurch from Japan – arrival for this equipment was late by over a month.
- The refrigeration equipment is on route from Japan - this has experienced some shipping delays. The Consent Holder expects the ship to dock in the week commencing 9th August, followed by up to a week before clearing customs and arrival into Oamaru. This equipment is now 7- 8 weeks late on initial estimated arrival
- All drainage and external excavation with panel erection will be completed for the refrigeration equipment to commence install in the week commencing 16th August 2021.
- With an expected 8-9 week install and commissioning, the consent holder is forecasting the store to be completed in the week commencing 11th October 2021
- All of the fire doors from Germany have been delayed until December 2021 – although this is late it won't delay the commissioning of the store, and the Consent Holder has local body consent and insurance to operate without the fire door in place

Some recent pictures of the Development are attached below

The cost of the Development to date is \$4.5 million

Please let us know if you require any further information.

Taken at 8m height



Taken at ground level – shows the size of the store

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Roof panels being craned into place



Blast freezer cabinets, capacity 60mt – insulation laid on the floor concrete to poured next week



Kind regards

Christina



Christina Lefever
Principal
Phone 021 878 942
Web www.lefeverlaw.co.nz

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From: Overseas Investment Office Monitoring <OIOmonitoring@linz.govt.nz>
Sent: Friday, 9 July 2021 1:36 pm
To: Christina Lefever <christina@lefeverlaw.co.nz>
Subject: Reminder Letter - 201520010

Hi Christina

Please find documents attached relating to the 2021 reporting requirements for NZ Binxi (Oamaru) Foods Limited, specifically condition 4.

All compliance reporting should be forwarded to OIOmonitoring@linz.govt.nz no later than **31 July 2021**.

If there are any urgent matters you would like addressed by the Monitoring Team please include this information separately in your reply as well as the annual report.

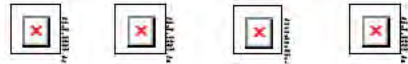
Kind regards,

Melanie Swiney
Operations Advisor
Overseas Investment Office

OIOmonitoring@linz.govt.nz | DDI +64 4 460 0182



Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace
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From: [Overseas Investment Office Monitoring](#)
Sent: Tuesday, 4 April 2023 9:55 AM
To: [Chrisna Leafever](#)
Subject: RE: Overseas Investment Office Reporting Reminder 201520010 - NZ Binxi (Oamaru) Foods Limited

Good morning Chrisna,

Sorry for the delayed response to the below. We have considered this and are happy for reporting to be provided next in February 2025. Please ignore the reminder email sent 12/1/23

Kind regards,

Monitoring Team
Monitoring and Intelligence Unit
Overseas Investment Office
oiomonitoring@linz.govt.nz DDI 0800 665 463



Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace
PO Box 5501, Wellington 6145, New Zealand
www.linz.govt.nz | data.linz.govt.nz



From: Chrisna Leafever <chrisna@leafeverlaw.co.nz>
Sent: Friday, March 17, 2023 3:10 PM
To: Overseas Investment Office Monitoring <OIOMonitoring@linz.govt.nz>
Subject: FW: Overseas Investment Office Reporting Reminder 201520010 - NZ Binxi (Oamaru) Foods Limited

Kia ora

As at the date of the last annual report (16 March 2023), Special Conditions 1, 2 and 3(a) had been satisfied and those parts of Special Condition 4 due for completion by 30 December 2020 had been largely completed. Special Condition 5 only related to the 2019 and 2020 calendar years.

In respect of Special Condition 4, for completeness, we note that:

- The boiler replacement was completed in April 2019

- In respect of the cold storage, blast freezing and load out facilities, the final item awaiting completion as per the March 2022 report (installation of the fire door) has been completed, and the new building has been commissioned and product is being frozen/stored.

The remaining aspects of Special Conditions 3 and 4 are not due for completion until 30 December 2025. On that basis can you please confirm whether further annual reports are required until February 2025 (or until the Consent Holder commences the development of the Dedicated Beef Processing Room, if this occurs earlier).

Ngā mihi

Chrisna



Chrisna Lefever
Principal

Phone 021 878 942

Web www.lefeverlaw.co.nz

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From: Overseas Investment Office Monitoring <OIOMonitoring@linz.govt.nz>

Sent: Monday, March 13, 2023 9:57 AM

To: Chrisna Lefever <chrisna@lefeverlaw.co.nz>

Subject: RE: Overseas Investment Office Reporting Reminder 201520010 - NZ Binxi (Oamaru) Foods Limited

Good morning,

According to our records, we have not received a response.

Could you please provide this by 17 March.

Cheers,

Monitoring Team

Monitoring and Intelligence Unit

Overseas Investment Office

oiomonitoring@linz.govt.nz DDI 0800 665 463

Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace



From: Overseas Investment Office Monitoring

Sent: Thursday, 12 January 2023 11:14 a.m.

To: chrisna@leafeverlaw.co.nz

Subject: Overseas Investment Office Reporting Reminder 201520010 - NZ Binxi (Oamaru) Foods Limited

Kia ora,

On 1 December 2015, your application to acquire an additional 75.8% interest in shares of Lean Meats Oamaru was approved under the Overseas Investment Act 2005. Your Notice of Decision includes a number of standard and special conditions that overseas investors are required to meet.

Those conditions were varied on 28/06/2019

You are required to report on the following special conditions:

Special Condition	Your Obligation
Annual Report - Special Condition	Provide report by 28 February 2023

You must submit a report on your progress with these conditions no later than **28 February 2023** to OIOmonitoring@linz.govt.nz. A report template is available on our [website](#).

If the report is not received by **28 February 2023**, an administrative penalty of \$500 may be imposed. It is an offence to fail to comply with a condition of consent and you may be liable for criminal and civil penalties under the Overseas Investment Act 2005. It is also an offence to provide us with false or misleading information or to make a material omission in a communication to us.

If you have an urgent enquiry or if you are affected by the impact of the COVID-19 pandemic, please notify us at OIOmonitoring@linz.govt.nz.

Ngā mihi,

Monitoring Team
Monitoring and Intelligence Unit
Overseas Investment Office
oiomonitoring@linz.govt.nz DDI 0800 665 463



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From: [Chrisna Lefever](#)
Sent: Tuesday, 30 March 2021 5:01 PM
To: [Overseas Investment Office Monitoring](#)
Cc: [Richard Thorp](#)
Subject: RE: Reminder Letter - 201520010
Attachments: 2021 03 30 FINAL OIO Annual Report (LMO year 6 report) - signed.pdf; Appendix 03(a) - 2020 04 17 Letter to OIO - 201520010 and 201610121.pdf; Appendix 03(b) - 2020 06 18 EMF OIO re Covid-19 delays.pdf

Good afternoon

Please find attached the Annual Report for OIO consent 201520010

Kind regards

Chrisna



Chrisna Lefever
Principal

Phone 021 878 942
Web www.lefeverlaw.co.nz

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From: Overseas Investment Office Monitoring <OIOmonitoring@linz.govt.nz>
Sent: Tuesday, 9 March 2021 3:58 pm
To: Chrisna Lefever <chrisna@lefeverlaw.co.nz>
Subject: RE: Reminder Letter - 201520010

Good afternoon Chrisna,

Thank you for your email.

Having considered your client's situation, we now expect to receive the Annual Report for 201520010 by Wednesday 31st of March.

Please let me know if you have any further questions.

Kind regards,
Nicola Palmer

From: Chrisna Lefever <chrisna@lefeverlaw.co.nz>
Sent: Monday, 8 March 2021 12:35 p.m.
To: Overseas Investment Office Monitoring <OIOmonitoring@linz.govt.nz>
Subject: FW: Reminder Letter - 201520010

Good afternoon

We refer to the email below. Richard Thorp from NZ Binxi (Oamaru) Foods Ltd has asked me to assist with a review of the current consent conditions and reporting to ensure the reporting meets all of the OIO's requirements.

I previously worked with NZ Binxi in my role with Duncan CoAerill, and have recently started up my own legal practice. This has meant that all previous records and documents have had to be located and transferred across to me in my new role.

We acknowledge that the 2021 annual reporting was due by 28 February 2021, but on behalf of NZ Binxi we request an extension of me to the end of March to provide the report.

Kind regards

Chrisna



Chrisna Lefever
Principal

Phone 021 878 942
Web www.lefeverlaw.co.nz

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From: Overseas Investment Office Monitoring <OIOmonitoring@linz.govt.nz>
Sent: Wednesday, 10 February 2021 3:01 pm
To: Richard Thorp <richard@bxfoods.co.nz>
Subject: Reminder Letter - 201520010

Hi Richard

Please find documents attached relating to the 2021 Annual reporting requirements for NZ Binxi (Oamaru) Foods Limited.

All compliance reporting should be forwarded to OIOMonitoring@linz.govt.nz no later than **28 February 2021**.

We are adjusting the way we work to support the Government's response to COVID-19 by keeping our people safe and continuing to deliver core services to our customers. We will continue to send reminder letters to those consent holders who are required to submit reports or provide reporting on any special conditions stipulated in their Notice of Decision. If the present situation adversely affects your ability to submit an annual report or comply with a special condition by the required date, we ask you to contact us via OIOMonitoring@linz.govt.nz before the due date.

Kind regards,

Melanie Swiney ([she/her](#))

Coordinator

Policy and Overseas Investment

meswiney@linz.govt.nz | DDI 04 460 0182



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Annual Report to the Overseas Investment Office

This Annual Report template sets out the required structure and content for reporting on your conditions of consent.

We will rely on the information in this document to review and assess your compliance with the conditions of your consent. It is an offence to make a false or misleading statement or material omission in any information or document provided to the Overseas Investment Office (OIO) ([s46](#)).

Instructions:

- **Please do not remove the instruction text from this template.**
- Download this template from our [website](#) before each use to ensure you have the latest version.
- Review the brief guidance in each section of this template to ensure you supply us with the required information.
- Be concise and write in plain English – if after reviewing your report we need more information, we will ask you for it.
- The formatting of this template has been kept as simple as possible so that you can adapt it to suit your own information and document management systems. You can customise the template e.g. with your own logo etc.
- Tables, diagrams, maps, schedules etc should be added as appendices to your Annual Report rather than being inserted within this template.
- Contact the OIO if you have any questions about this template or your consent generally (+64 4 462 4490, oio@linz.govt.nz).

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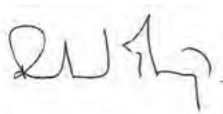
Your Annual Report must be submitted electronically. Documents should be provided in PDF form unless otherwise advised. Documents should be provided by link to a secure download site (preferred) or encrypted USB or CD/DVD (note: electronic media will be securely destroyed after use). If necessary, your Annual Report may be emailed to OIOmonitoring@linz.govt.nz (maximum 10MB per email).

Please ensure your PDF report is:

- 'Printed to PDF', or scanned and OCR'd (i.e. all text in the document can be copied)
- Free from security restrictions
- In colour (if the document contains colour)
- If scanned, at 300 dpi (where possible)

Please do not provide a hard copy version of your report.

Consent Holder's Signature

	30.03.2021
Richard Thorp Director of NZ Binxi (Oamaru) Foods Limited	Date

Summary of Key Information

Date consent granted	1 December 2015 and varied on 28 June 2019
Case number	201520010
Consent holder	NZ Binxi (Oamaru) Foods Limited
Land/Asset	The acquisition of rights or interests in up to 100% of the issued share capital of Lean Meats Oamaru Limited which owns or controls a freehold interest in the land contained in Records of Title 222052, 440537 and 46609.
Report due date	28 February 2021 (extension granted to 31 March 2021)
Report prepared by	Richard Thorp
Contact details of preparer	Richard Thorp Director of NZ Binxi (Oamaru) Foods Limited 7 Redcastle Road Oamaru North Oamaru 9400 (03) 433 0078 richard@bxfoods.co.nz

Section A: Report on Conditions

Please start a new page for each condition.

Condition 3: Employment

The Consent Holder must increase the number of job opportunities at the Facility by:

- (a) 4 full time equivalent employees by 31 December 2020; and
- (b) by a further 30 full time equivalent employees by 31 December 2025.

First year reporting – November 2016

As per report to OIO dated 20 December 2016 (referencing the original consent conditions)

Second year reporting – November 2017

As per report to OIO dated 8 December 2017 (referencing the original consent conditions)

Third year reporting – November 2018

Not provided as, as at November 2018, the Overseas Investment Office was assessing the Consent Holder's application for a variation of the consent conditions, which was ultimately approved on 28 June 2019.

Fourth year reporting - November 2019

As per report to the OIO dated 13 December 2019

Fifth year reporting - February 2020

1. Over the past year the Consent Holder has continued to have a stable work force, and has experienced limited opportunities of increasing its processing numbers or increasing the products to be saved from a bovine carcase and or a ovine carcase due to the availability of staff.
2. Production at the factory was suspended from mid-September 2019 to early January 2020, as the result of Lean Meats Oamaru being suspended from exporting to China. As a result of the suspension and the cessation of production, all employees on seasonal contracts (being a total of approximately 160 staff) were given notice and laid off. The suspension was lifted on 29 November 2019, with the factory returned to full production on 06 January 2020. More than 140 employees returned to work during the week ending 10 January 2020, and as at the end of February that number had increased to 150. Given that the industry is seasonal, a break in production is not unusual, so the impact of the suspension is not as detrimental as it would be in other industries.
3. Please see the letter from Duncan Cotterill to the OIO dated 21 January 2020 (a copy of which is attached at Appendix 2) for more information.
4. With the construction of the blast freezing and chilled and frozen storage over the 2020 year with a commissioning towards the end of 2020 additional staff of up to an additional 4 full time equivalents will be employed to manage and operate the storage operations. The employment of those staff will be in place before the end of 2020 keeping in line with the employment condition.

Sixth year reporting - March 2021

5. As noted in 2020, an additional 4 full time equivalents will be employed to manage and operate the storage operations following the commissioning of the blast freezing and chilled and frozen storage. As the construction of those facilities has been delayed due to the impacts of Covid-19, the employment of those staff will align with the delayed commissioning of August/September 2021 (see comment on Condition 4 below).
6. It is acknowledged that this is not in accordance with the timeframe required in Condition 3. However, as the OIO has acknowledged the impact of Covid-19 on the construction of the new facilities, and the new employment positions has been directly linked to those facilities, we hope that the OIO will be understanding of the fact that a delay in those facilities directly results in a delay in the new employment positions.

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Condition 4: Additional Investment

The Consent Holder must introduce additional investment of at least \$7,050,000 into New Zealand for development purposes and use this investment to implement the developments described in section 5 of the Business Plan (and summarised below) substantially in accordance with the Business Plan by the dates set out below:

Date by which Development must occur	Development	Estimated Cost
30 December 2025	Dedicated Beef Processing Room	\$1,200,000
30 December 2020	Cold Storage, Blast Freezing and Load-Out Facilities	\$5,500,000 - \$6,000,000
30 December 2020	Boiler Replacement	\$350,000
Total Expenditure		\$7,050,000 - \$7,550,000

First year reporting – November 2016

As per report to OIO dated 20 December 2016 (referencing the original consent conditions)

Second year reporting - November 2017

As per report to OIO dated 8 December 2017 (referencing the original consent conditions)

Third year reporting - November 2018

Not provided as, as at November 2018, the Overseas Investment Office was assessing the Consent Holder's application for a variation of the consent conditions, which was ultimately approved on 28 June 2019.

Fourth year reporting - November 2019

As per report to OIO dated 13 December 2019

Fifth year reporting – February 2020

7. The Boiler Replacement was fully commissioned in April 2019 per the 13 December 2019 report.
8. The Consent Holder's parent company is based in China and as a result there have been some minor delays in progressing works on the Cold Storage, Blast Freezing and Load-Out Facilities as the parent company monitors and addresses issues relating to the coronavirus outbreak and associated implications on its business. The Consent Holder continues to work towards the completion Cold Storage, Blast Freezing and Load-Out Facilities by December 2020. The Consent Holder expects that the foundation consent for the Cold Storage, Blast Freezing and Load-Out Facilities will be lodged around mid-March 2020, with tender documents for construction then also being circulated to suitable building contractors.

9. If the global situation is likely to effect the timing of this development, the Consent Holder will liaise with the OIO on the appropriate steps.

Sixth year reporting – March 2021

10. The Boiler Replacement was fully commissioned in April 2019 per the 13 December 2019 report.
11. On 17 April 2020, Duncan Cotterill, on behalf of the Consent Holder, wrote to the OIO regarding the impact of the Covid-19 situation on the Consent Holder's ability to satisfy the timeframes in Consent Condition 4. A copy of that letter is attached at Appendix 3. The letter advised that given various factors, the Consent Holder was anticipating that the completion of the freezing and load-out facilities could potentially be delayed until July 2021, and requested confirmation that the OIO would not be taking enforcement action in relation to any such delays. By email of 18 June 2020, a copy of which is attached at Appendix 3, the OIO provided that confirmation.
12. Work has commenced on the cold-storage, blast freezing and load out facilities.
13. There have been some unexpected issues, including soft ground at the building site being more extensive than originally advised by the Geotech Reports. This required digging to levels of up to 1.8m instead of the anticipated 0.6m in some places.
14. From this point it is expected that:
 - (a) The floors will be completed by the beginning of April 2021;
 - (b) The steel structures will be erected by April 2021; and
 - (c) Construction of the facilities will be completed by 1 July 2021.
15. There is a freezer panel being imported from Australia, and a refrigeration compressor coming from Japan. While building construction is expected to be completed by 1 July 2021, shipping delays for these components may push out commissioning until August or September.
16. It is also confirmed that the total expected expenditure on these facilities is \$5.65m. Total costs incurred to date are \$677,782. Those costs are primarily associated with design, civil excavation and concrete.
17. Updated consented plans for the new facilities are attached at Appendix 5 and some photos of the works carried out to date are attached at Appendix 6.

Condition 5: Increased Processing

The Consent Holder must increase the number of cattle and sheep processed at the Facility for each of the calendar years 2019 and 2020 substantially as set out below:

Year	Number of Beef Processed	Number of Sheep (including ram, lamb and mutton) Processed
2019	8,000	250,000
2020	10,000	250,000

First year reporting – November 2016

As per report to OIO dated 20 December 2016 (referencing the original consent conditions)

Second year reporting – November 2017

As per report to OIO dated 8 December 2017 (referencing the original consent conditions)

Third year reporting – November 2018

Not provided as, as at November 2018, the Overseas Investment Office was assessing the Consent Holder's application for a variation of the consent conditions, which was ultimately approved on 28 June 2019.

Fourth year reporting – November 2019

As per report to OIO dated 13 December 2019

Fifth year reporting – February 2020

1 Summary Table

YEAR	CONDITION - 5	ACTUAL	+/- %
2019	Beef – 8,000	14,000	+75%
2019	Ovine – 250,000	283,422	+13.4%

Sixth year reporting – March 2021

2 Summary Table

YEAR	CONDITION - 5	ACTUAL	+/- %
2020	Beef – 10,000	Due to the difficult processing environment due to Covid restrictions in New Zealand and off-shore and difficulties engaging with staff on attendance and	-100%

		sourcing suitable staff during the pandemic, Lean Meats did not process beef for export over the 2020 year.	
2020	Ovine – 250,000	Lamb – 217,934 Mutton – 48,824 Ram – 1,048 <i>Total – 267,806</i>	+ 7.1%

Section B: Measuring benefit to New Zealand

This section is for you to provide the information we requested to enable us to measure the benefits you have brought to New Zealand through your investment (see paragraph 2 of the 'Reporting conditions' section of your consent).

Include a brief summary of the information requested, and attach photographs, spread sheets etc if this will help us to understand your report.

Information required

- A. The number (in full time equivalent units) and type of any new job opportunities created in New Zealand as a result of the Investment including the value of these jobs (being the annual salary or wages paid); and
- B. Any increased export receipts for New Zealand exporters, including the number of sheep and beef exported, the average price per animal exported and the country the animal was exported to.

Information

Include a brief statement of the information requested, and attach photographs, spread sheets etc if this will help us to understand your report.

18. A table showing export receipts for the 2020 season is attached at Appendix 4.
19. The markets for Lamb comprised:

[s 9(2)(b)(ii)]

(s 9(2)(b)(i)) [REDACTED]

20. The markets for Mutton comprised:

(s 9(2)(b)(i)) [REDACTED]

21. Lean Meats had a slower start to the 2020 processing year. It commenced the year with issues in the China market in later January that then started to cause significant disruption in February and March due to the Corona virus.
22. With New Zealand going into lockdown in March 2020, Lean Meats were awarded the privilege of being an essential service and continued to operate.
23. In order to meet the guidelines of the Ministry of Health and MPI, production was slowed by 30% to ensure adequate distancing between workers. With the health messaging on wellness and being cautious if not feeling well, Lean Meats experienced unprecedented levels of employee non-attendance at work. On a number of days Lean Meats was only able to operate at 50% capacity due to staffing issues.
24. Labour shortages of staff also caused issues in manning departments and Lean Meats were unable to commence the processing of beef.
25. The markets were in turmoil through the winter period with shipping delays as ports were closing or on restricted services, this led us to make the decision to not process bobby calves over this period.

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Section C: Other information

This section is for you to update the contact and other details you gave us when you applied for consent, to provide any other information you think will help us monitor your compliance with the conditions, and for you to make any special requests regarding confidentiality.

Updated details

Several of the standard conditions that apply to your consent require you to tell us when particular events occur. For example, to tell us:

- when you have acquired the Land or Asset and provide details including about the price and acquisition structure,
- about changes that affect you, the people who control you, or people you control. For example, when an Individual Who Controls You ceases to be of good character, commits an offence or contravenes the law anywhere in the world, or becomes bankrupt,
- if your [NZ Service Address](#) changes.

We recommend you take this opportunity to double check that you have updated us as required. If not, use this section to tell us about changes.

Other information

Include a brief summary of the other information you wish to provide, and explain its relevance to our monitoring of your compliance with conditions.

Confidentiality

The OIO is subject to the Official Information Act 1982. Any request for confidentiality must make direct reference to the provisions of the Official Information Act 1982 that you consider justify the withholding of the information. Review our [website](#) and the [practice guidelines](#) issued by the Office of the Ombudsman before making a request.

List of Appendices

List all appendices attached to your Annual Report.

Appendix 1	Letter to the OIO dated 21 January 2020 [Provided with previous Report]
Appendix 2	Export Receipts Breakdown - 2019 Season
Appendix 3	Letter to the OIO dated 17 April 2020 and copy of OIO response dated 18 June 2020
Appendix 4	Export Receipts Breakdown - 2020 Season
Appendix 5	Updated consented plans for the new facilities
Appendix 6	Photos of construction works

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Appendix 2 – Export Receipts Breakdown - 2019 Season

[s 9(2)(b)(ii)]



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Appendix 3 – OIO Correspondence

[Included as separate email attachments]

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Appendix 4 – Export Receipts Breakdown - 2020 Season

[s 9(2)(b)(ii)]

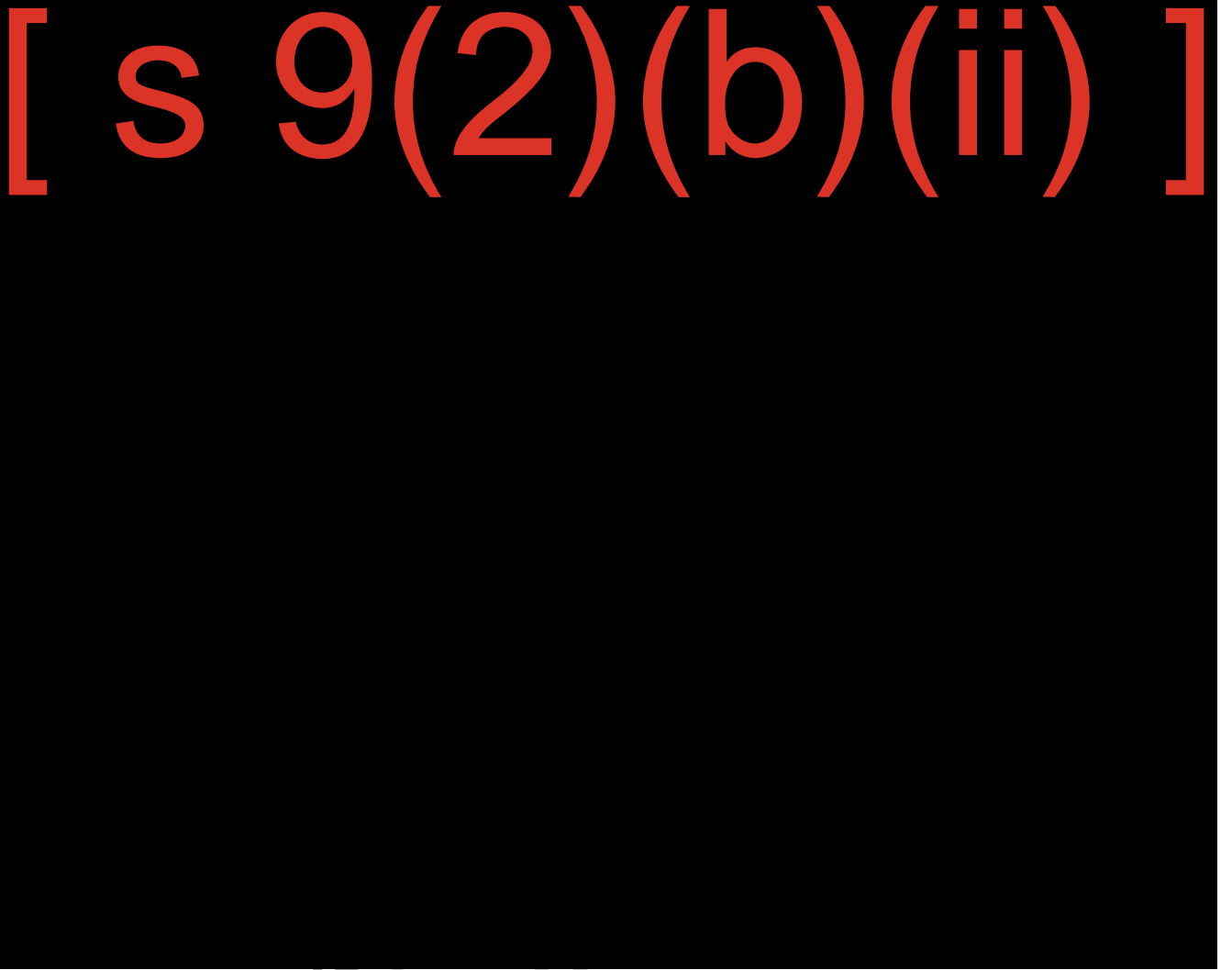


The table content is almost entirely obscured by a large black redaction box. Only a few faint, illegible characters are visible at the bottom right corner of the table area.

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Appendix 5 – Updated Plans for New Facilities

[s 9(2)(b)(ii)]



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[s 9(2)(b)(ii)]

[s 9(2)(b)(ii)]

[s 9(2)(b)(ii)]

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17 April 2020

Overseas Investment Office
PO Box 5501
Wellington 6145

By email: oiomonitoring@linz.govt.nz

NZ Binxi (Oamaru) Foods Limited (“Consent Holder”) – OIO Consents 201520010 & 201610121

1 We refer to the above OIO consents, and the associated consent conditions (which, for consent 201520010 were varied with effect from 28 June 2019).

2 Condition 4 of OIO consent 201520010 requires the Consent Holder to:

...introduce additional investment of at least \$7,050,000 into New Zealand for development purposes and use this investment to implement the developments described in section 5 of the Business Plan (and summarised below) substantially in accordance with the Business Plan by the dates in the table below:

Scheduled Year Date by which Development must occur	Development	Estimated Cost
30 December 2025	Dedicated Beef Processing Room	\$1,200,000
30 December 2020	Freezing and Load- Out Facilities	\$5,500,000 - \$6,000,000
30 December 2020	Boiler Replacement	\$350,000
Total Expenditure		\$7,050,000 - \$7,550,000

3 The Consent Holder has advised that the Boiler Replacement has been completed and fully commissioned in April 2019, per the Consent Holder’s 13 December 2019 report to the OIO.

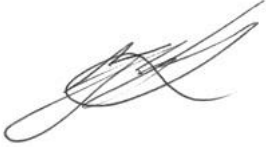
4 Conditions 6, 8 & 9 of OIO consent 201610121 require the Consent Holder to (a) complete the development of staff accommodation and office premises and (b) create 1 FTE position by May 2021. As noted in the Consent Holder’s recent reporting to the OIO (dated 19 December 2019), the Consent Holder’s expectations at that time in respect of progress towards meeting these conditions was:

Action	Timing
Lodge building consent for office	February 2020
Commence garage conversion for staff accommodation	October 2020
Commence office foundation works	October 2020
Complete staff accommodation – garage conversion (creating 1 FTE)	May 2021
Complete office development	May 2021

- 5 In relation to the Freezing and Load-Out Facilities in Condition 4 of OIO consent 20520010, and Conditions 6, 8 & 9 of OIO consent 201610121 the Consent Holder advises as follows:
- 5.1 Completion of the Freezing and Load-Out Facilities by 30 December 2020 requires initial steps to be taken (with associated capital expenditure) in the first half of the calendar year (including lodgement and assessment of the required consents, requesting and assessing tenders from building contractors);
 - 5.2 The Consent Holder's parent company is based in China and as a result there have already been some delays in progressing works on the Freezing and Load-Out Facilities, staff accommodation and office development as the parent company was monitoring and addressing issues relating to the coronavirus outbreak and associated implications on its business and cash-flows and the future capital requirements for each aspect of its business, both in China and New Zealand;
 - 5.3 The lodging of consents for the Freezing and Load-Out Facilities (originally anticipated for mid-March 2020) and office development (originally anticipated for February 2020) were delayed due to the China shareholder having difficulties in the transfer of funds. New Zealand management were reluctant to move to the next stage until there was confidence to make the bank transfer. This now is happening, but the Alert Level 4 in New Zealand creates additional issues;
 - 5.4 The Consent Holder operates an Essential Service under the current Covid-19 Alert Level 4. While the Consent Holder is continuing to operate its business, its current priority is the management of its business and the health and safety of its staff in the current circumstances;
 - 5.5 Many of the third parties that the Consent Holder would be required to engage with to complete the Freezing and Load-Out Facilities and the development of the staff accommodation and office premises are not Essential Services and may not be operating at all or at full capacity during Alert Level 4 (and possibly any subsequent Alert Level 3). In particular site visits are unlikely to be possible;
 - 5.6 On-site construction relating to the Freezing and Load-Out Facilities, staff accommodation and office may not be considered an Essential Service, and following Alert Level 4 being lifted, there could be continued restrictions and/or a backlog of construction projects, creating further delays.
- 6 Given all of the above factors, the Consent Holder is anticipating that (subject to the Level 4 Alert being raised within the next 6 weeks):
- 6.1 the completion of the Freezing and Load-Out Facilities could potentially be delayed until July 2021;
 - 6.2 the completion of the staff accommodation and office premises (and associated stages of those developments), and creation of the associated FTE position, could potentially be delayed by six months, i.e. with completion in November 2021.
- 7 On behalf of the Consent Holder, we request confirmation from the OIO that given current circumstances, the OIO will not be taking enforcement action in relation to any such delays.
- 8 We understand that the OIO acknowledges that current Covid-19 measures may create difficulties for consent holders complying with conditions due for satisfaction in the coming months and is looking at adopting a pragmatic approach to dealing with any associated delays.
- 9 However, if the OIO's view (in line with the approach being taken on equivalent scenarios for other consent holders) is that a formal Application for Variation of Consent Conditions is

required for one of both of the above OIO consents, we request that the OIO advises us of this as soon as possible.

Yours sincerely



Christina Lefever
Special Counsel

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christina.lefever@duncancotterill.com

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Christina Lefever

From: Richard Thorp <richard@bxfoods.co.nz>
Sent: Thursday, 25 March 2021 12:06 pm
To: Christina Lefever
Subject: FW: NZ Binxi email

From: Svetlana Malivuk <SMalivuk@linz.govt.nz>
Sent: Thursday, 18 June 2020 8:35 am
To: 'Christina Lefever' <christina.lefever@duncancotterill.com>
Cc: Richard Thorp <richard@bxfoods.co.nz>; Overseas Investment Office Monitoring <OIOmonitoring@linz.govt.nz>
Subject: FW: NZ Binxi email

Dear Christina

Thank you for your email of 17 April 2020 advising us that your client, NZ Binxi (Oamaru) Foods Limited (**NZ Binxi**), is anticipating that due to Covid-19 issues:

1. the completion of the Freezing and Load-Out Facilities could potentially be delayed until July 2021 (consent 201520010); and
2. the completion of the staff accommodation and office premises (and associated stages of those developments), and creation of the associated FTE position, could potentially be delayed by 6 months, i.e. with completion in November 2021 (consent 201610121).

We have now reviewed and considered the information provided in your letter in light of our Interim Enforcement Policy (see <https://www.linz.govt.nz/overseas-investment/enforcement/oio-enforcement-function-and-strategic-priorities/interim-enforcement-policy>). We advise that we are prepared to defer taking any enforcement action until those time periods have elapsed. That is, we will not take any enforcement action in respect of those conditions unless:

1. the Freezing and Load-Out Facilities are not completed by **1 July 2021** (consent 201520010); and
2. the staff accommodation and office premises (and associated stages of those developments), and creation of the associated FTE position are not completed by **1 November 2021** (201610121).

Please note that if NZ Binxi considers that it will not be able to comply with the above conditions by 1 July 2021 and 1 November 2021 respectively, NZ Binxi will need to formally apply for variation of the consent conditions before those dates.

If you have any further questions/queries regarding the above, please do not hesitate to contact me.

Please also acknowledge the receipt of this email.

Kind regards
Svetlana

Svetlana Malivuk

Senior Investigator

Overseas Investment Office

smalivuk@linz.govt.nz | DDI 04 582 6657



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From: [Chrisna Leafever](#)
Sent: Friday, 13 March 2020 9:46 AM
To: [Overseas Investment Office Monitoring](#)
Cc: [Richard Thorp](#)
Subject: RE: Reminder Letter - 201520010 [DC-Documents.FID1611517]
Attachments: Appendix 1 - Letter to OIO 21.01.2020 (_11229301_1).PDF; OIO Annual Report (LMO year 5 report) - 03.2020 (_11198756_3) (_11229081_1).PDF

Good morning

Further to the below, we now attach the 2020 Annual Report for consent 201520010.

Please acknowledge receipt by return email.

Kind regards

Chrisna Leafever
Special Counsel

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duncancoerill.com | [View Duncan Coerill LinkedIn](#)

Duncan Coerill Plaza 148 Victoria Street
PO Box 5 Christchurch 8140 New Zealand

Click [here](#) for office directions



From: Overseas Investment Office Monitoring <OIOmonitoring@linz.govt.nz>
Sent: Friday, 6 March 2020 3:40 PM
To: Chrisna Leafever <chrisna.leafever@duncancoerill.com>
Subject: FW: Reminder Letter - 201520010

Good afternoon Chrisna

I refer to the reminder letter sent on 5 February 2020

Our records show that the 2020 Annual Report for consent 201520010 has not been submitted to this office.

We remind you that failure to submit the annual report may attract a penalty fee in accordance with s.52(1) of the Overseas Investment Act 2005. To avoid this, please ensure the Annual Report is received by Friday 13 March 2020.

Kind regards

Dina Tuduc
Operations Advisor
Overseas Investment Office

E dtuduc@linz.govt.nz | DDI +64 4 830 3558 |

A Wellington Office, Level 7, Radio New Zealand House, 155 The Terrace
PO Box 5501, Wellington 6145, New Zealand | T 04 462 4490
W www.linz.govt.nz | data.linz.govt.nz



From: Overseas Investment Office Monitoring
Sent: Wednesday, 5 February 2020 11:07 AM
To: 'michael.beck@duncancotterill.com' <michael.beck@duncancotterill.com>;
'richard@bxfoods.co.nz' <richard@bxfoods.co.nz>
Subject: Reminder Letter - 201520010

Hi Michael

Please find documents attached relating to the 2020 Annual reporting requirements for NZ Binxi (Oamaru) Foods Limited, specifically conditions 5 & 9.

All compliance reporting should be forwarded to OIOMonitoring@linz.govt.nz no later than 28 February 2020.

Kind regards

Melanie Swiney
Coordinator
Overseas Investment Office

E mswiney@linz.govt.nz | DDI +64 4 460 0182

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21 January 2020

Overseas Investment Office
PO Box 5501
Wellington 6145

By email: oiomonitoring@linz.govt.nz; smalivuk@linz.govt.nz

Attention: Svetlana Malivuk

NZ Binxi (Oamaru) Foods Limited ("NZ Binxi")

- 1 We refer to your letter dated 18 December 2019. You have asked NZ Binxi to provide further information to the OIO in relation to the recent media reports regarding the suspension of NZ Binxi exporting meat products to China and allegations that Oamaru Meats was forced to shut down in September.
- 2 In particular, you have asked that NZ Binxi provide to the OIO:
 - 2.1 Detailed information regarding the "ban";
 - 2.2 Detailed information on how the ban has affected:
 - 2.2.1 NZ Binxi's staff who were employed before the ban was imposed;
 - 2.2.2 Processing at the plant.
 - 2.3 Confirmation as to when NZ Binxi expects the ban to be lifted, along with detailed information of the steps taken to date in order to lift the ban.

Response - Summary

- 3 The NZ Binxi premises approved for export to China are identified as Lean Meats Oamaru Limited (being NZ Binxi's 100% subsidiary), identifier ME 137.
- 4 We confirm that in September 2019 Lean Meats Oamaru was suspended from exporting to China. The suspension resulted from the packaging on 17 cartons of product not meeting the required standards. The suspension was not related to food safety issues.
- 5 As a result of the suspension, all production at the Lean Meats plant ceased during the week commencing 16 September 2019.
- 6 The suspension was lifted on 29 November 2019, and the factory was returned to full production on 6 January 2020.

Detailed Information relating to the Suspension

- 7 A summary of the events relating to the suspension is below:
 - 7.1 The relevant container arrived at Tianjin Xingang Port in China 06 July 2019 on Export Health Certificate number NZL2019/PNP2017/10008. The container contained 730 cartons (13944.84kg) of bone-in and boneless beef. The slaughter dates involved are 14-16 May 2019 and production dates are 16-17 May 2019.

- 7.2 On Sunday 08 September 2019 at approximately 2am, NZ Binxi was informed that there was information circulating in the China market that ME137 had its China certification suspended as of 26 August 2019.
- 7.3 Further to information received on the 17 cartons, NZ Binxi received a destruction notice for the 17 cartons that was sent through to MPI at 6pm on 9 September 2019 along with the Health Certificate and country approved listings for each individual plant with ME137 highlighted in red.
- 7.4 At approximately 6pm on 9 September 2019 MPI confirmed contact from China authorities and that ME137's China certification was officially suspended.
- 8 After an investigation NZ Binxi has identified that the root cause of the issue was product not being packed to the required specification due to some individual staff members not following the company's standard operating procedures. The relevant staff members have been dismissed.

Impact on Staff and Plant

- 9 On the morning of Monday 9 September 2019 (prior to the official notification from MPI) ME137 immediately stopped cutting product to China eligible specifications across all species, and all China eligible containers both on the water (with ETD 26 September 2019 and after) and at New Zealand ports were directed to be returned to Polarcold Timaru.
- 10 Further corrective actions taken included the cessation of all bobby calf production on 11 September 2019, the immediate cessation of all export beef production and the cessation of all ovine production on 13 September 2019.
- 11 Production of all species was stopped effective from week commencing 16 September 2019.
- 12 As a result of the suspension and the cessation of production, all employees on seasonal contracts (being a total of approximately 160 staff) were given notice and laid off.
- 13 Throughout the period of suspension the company was in communication with New Zealand MPI and Chinese authorities.

Lifting of the Suspension

- 14 The suspension was lifted on 29 November 2019, with the factory returned to full production on 06 January 2020.¹ More than 140 employees returned to work during the week ending 10 January 2019, and NZ Binxi expects that number to increase further by the end of January. Given that the industry is seasonal, a break in production is not unusual, so the impact of the suspension is not as detrimental as it would be in other industries.
- 15 We attach a copy of an MPI webpage listing Cancelled Overseas Market Access Requirements notifications. The initial suspension notice for ME 137 issued on 23 September 2019 is recorded as having been cancelled by OMAR 19/039 (being the top line entry), which confirmed the reinstatement of ME 137's listing for China on 4 December 2019.²

¹ <https://www.odt.co.nz/rural-life/red-meat/chinese-ban-oamaru-meats-lifted>
<https://www.stuff.co.nz/timaru-herald/news/118622540/140-oamaru-meats-employees-set-to-return-this-week>

<https://www.odt.co.nz/rural-life/red-meat/oamaru-meats-resume-operations-next-week>

² <https://www.foodsafety.govt.nz/industry/exporting/market-access/omar-notifications/cancelled.htm>

16 We also attach a copy of the list of New Zealand Approved Premises for Export to China as at 1 January 2020 published on the MPI website,³ confirming that ME137 has been reinstated as a premises approved for export to China.

Yours sincerely



Christina Lefever
Special Counsel

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christina.lefever@duncancotterill.com

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³ <https://www.mpi.govt.nz/dmsdocument/21065/direct>



Cancelled Overseas Market Access Requirements (OMARs) notifications – animal products
Listed here are cancelled OMAR notifications for animal products.

Why notifications are cancelled

A notification is cancelled in the following circumstances:

- when the information is incorporated into the relevant OMAR
- if the information no longer applies.

If you have been applying requirements in a notification that has now been cancelled, you need to ensure you are meeting up-to-date requirements by checking:

- the OMAR for the destination country or market
- current notifications.

Click on pages for OMARs and OMAR notifications in the left-hand menu to find the relevant information.

ID	Subject Title	Date of Issue	Cancelled By
19/039	ME137, Lean Meats Oamaru Limited Listing for China reinstated	4/12/2019	Self expiring
19/036	Japan Petfood	26/11/2019	19/038
19/032	Singapore Poultry Meat Requirements	22/10/2019	Singapore OMAR Amendment 4
19/031	Philippines Certification: Meat and Poultry Products	14/10/2019	Philippines OMAR Amendment 4
19/030	Australia Cooked Poultry Meat Requirements and Certification	27/09/2019	Australian OMAR Amendment 18
19/029	Australia: Petfood Containing Poultry Meat and Eggs - New Heat Treatment Requirement	26/09/2019	Australian OMAR Amendment 18
19/028	China: ME 137, Lean Meats Oamaru Limited Listing Suspension for China	23/09/2019	19/039
19/025	Australia Certification: Suspension of AU105 and AU501	3/09/2019	Australian OMAR Amendment 18
19/024	OMAR Notification Revocations	28/08/2019	Self expiring
19/022	Philippines Processed Food (Including Most Dairy Products) Certification	12/08/2019	Philippines OMAR Amendment 4

New Zealand Approved Premises for Export to China as at 1 January 2020

Identifier	Premises Name	Premises Physical Address	
DSP12	Progressive Meats Limited Slaughter, processing, coldstore Deer, Sheep Slaughter, processing, coldstore Beef	118 Kelfield Place	HASTINGS
FOODPRO1	Polarcold Stores Limited Coldstore Beef, bobby calf, deer, sheep	8 Foundry Drive, Woolston	CHRISTCHURCH
ICE1	Kuehne+Nagel Limited Coldstore Beef, bobby calves, deer, sheep	32 Amelia Earhart Avenue, Airport Oaks	AUCKLAND
KNN01	Kuehne + Nagel Limited Coldstore Beef, bobby calves, deer, sheep	30 Aintree Avenue, Airport Oaks, Mangere	AUCKLAND
MCL01	Maleme Coldstorage Limited Coldstore Beef, bobby calves, deer, sheep	10B Maleme Street, Greerton	TAURANGA
ME9	Silver Fern Farms Limited - Hawera Slaughtering, processing, coldstore Beef Coldstore Deer, Sheep	Tawhiti Road	HAWERA
ME16	Silver Fern Farms Limited - Fairton Slaughter, processing, coldstore Beef (bobby calf), Sheep	Office Road, Fairton	ASHBURTON
ME17	Alliance Group Limited Slaughter, processing, coldstore Sheep Slaughter, processing, coldstore Deer	Bridge Road	TIMARU
ME18	Alliance Group Limited Slaughter, processing, coldstore Beef, bobby calf, sheep Edible tripe products Sheep Chilled meat (Beef, sheep) Edible tripe products Beef	Works Road, Pukeuri Junction	OAMARU
ME21	Alliance Group Limited Slaughter, processing, coldstore Beef, bobby calf Edible tripe products Beef Coldstore Sheep	1 McQueen Avenue	MATAURA
ME22	Alliance Group Limited Slaughter, processing, coldstore Deer	226 Branzholme/Makarewa Road, Makarewa	INVERCARGILL

New Zealand Approved Premises for Export to China as at 1 January 2020

Identifier	Premises Name	Premises Physical Address	
ME23	AFFCO New Zealand Limited Slaughtering, processing, coldstore Beef (including bobby calf) Chilled meat (Beef)	State Highway 1	HOROTIU
ME26	Silver Fern Farms Limited - Finegand Slaughter, processing, coldstore Beef, sheep	Yorston Road	BALCLUTHA
ME32	AFFCO New Zealand Limited Slaughtering, processing, coldstore Beef Edible tripe products Beef	Campbell Road	FEILDING
ME34	Silver Fern Farms Limited - Pareora Slaughtering, processing, coldstore Beef, bobby calf, sheep	The Avenue	PARBORA
ME39	AFFCO New Zealand Limited Slaughter, processing, coldstore Bobby calves, Sheep Edible tripe products Sheep Edible tripe products Bobby calves Chilled meat (Sheep)	Imlay Place	WANGANUI
ME40	Alliance Group Limited Slaughtering, processing, coldstore Bobby calves, Sheep	Main Road, Stoke	NELSON
ME42	AFFCO New Zealand Limited Slaughtering, processing, coldstore Sheep Slaughter, processing, coldstore Beef, bobby calf Edible tripe products Sheep Edible tripe products Beef Edible tripe products Goat	86 Hunter Brown Street	WAIROA
ME43	Riverlands Eltham Limited Slaughter, process, coldstore Beef, bobby calf	London Street	ELTHAM
ME47	AFFCO New Zealand Limited Slaughter, process, coldstore Beef Slaughter, process, coldstore Bobby calves, Sheep Edible tripe products Beef, Sheep Edible tripe products Bobby calves	Main Road	MOEREWA
ME50	Alliance Group Limited Slaughter, process, coldstore Sheep Chilled meat (Sheep)	Rapid No 205, State Highway 99	UNDERWOOD

New Zealand Approved Premises for Export to China as at 1 January 2020

Identifier	Premises Name	Premises Physical Address	
ME52	Silver Fern Farms Limited - Pacific Slaughter, process, coldstore Beef Chilled meat (Beef)	Rangitane Road, Whakatu	HASTINGS
ME56	AFFCO New Zealand Limited Slaughter, processing, coldstore Beef, bobby calf, sheep Edible tripe products Beef, bobby calves, sheep	State Highway 2, Rangiuru	TE PUKE
ME58	Silver Fern Farms Limited - Takapau Slaughtering, processing, coldstore Bobby calves, Sheep Edible tripe products Sheep Process, store Beef Chilled meat (Beef, sheep) Edible tripe products Goat	Fraser Road	TAKAPAU
ME60	Oringi Cold Stores Coldstore Beef, bobby calf, deer, sheep	Oringi Road	DANNEVIRKE
ME66	CMP Kokiri Limited Slaughter, processing, coldstore Beef, bobby calf Chilled meat (Beef)	Main Road	KOKIRI
ME70	CMP Marlborough Limited Slaughter, processing, coldstore Beef Edible tripe products Beef	Alabama Road	BLENHEIM
ME77	Fresh Meats NZ Limited Slaughter, process, coldstore Sheep	11-15 Mersey Street	NAPIER
ME78	CMP Canterbury Limited Slaughter, process, coldstore Beef, bobby calf, sheep Chilled meat (Beef, sheep)	RD 7, Seafield Road	ASHBURTON
ME80	Blue Sky Meats (N.Z.) Limited Slaughter, processing, coldstore Bobby calves, Sheep	Waituna School Road, RD 1, Morton Mains	INVERCARGILL
ME82	Greenlea Premier Meats Limited Slaughter, processing, coldstore Beef, bobby calf Edible tripe products Beef, bobby calves	Studholme Street	MORRINSVILLE
ME86	Taylor Preston Limited Slaughter, processing, coldstore Sheep Edible tripe products Sheep Edible tripe products Goat	Kiwi Point Centennial Drive, Ngauranga Gorge, Johnsonville	WELLINGTON

New Zealand Approved Premises for Export to China as at 1 January 2020

Identifier	Premises Name	Premises Physical Address	
	Slaughter, processing, coldstore Beef Edible tripe products Bovine		
ME87	Progressive Meats Limited	118 Kelfield Place	HASTINGS
	Slaughter, process, coldstore Sheep		
ME100	Silver Fern Farms Limited - Waitoa	Wood Road	WAITOA
	Slaughter, processing, coldstore Beef, bobby calf		
ME102	Silver Fern Farms Limited - Waitotara	Waiinu Beach Road	WAITOTARA
	Slaughter, processing, coldstore Beef, bobby calf, sheep		
ME103	Auckland Meat Processors Limited	851 Great South Road, Otahuhu	AUCKLAND
	Process, Slaughter, Store Beef (including bobby calf), Sheep		
ME104	Te Kuiti Meat Processors Limited	85 Ahuroa Road, RD 2	TE KUITI
	Slaughter, process, coldstore Beef, bobby calf, sheep		
ME112	Silver Fern Farms Limited - Waitane	Saleyards Road	GORE
	Slaughter, process, coldstore Beef, bobby calf, sheep		
ME118	Crusader Meats New Zealand Limited	979 State Highway 30	BENNEYDALE
	Process, Slaughter, Store Bobby calves, Sheep		
ME119	Riverlands Manawatu Limited	Ferry Road	BULLS
	Slaughter, processing, coldstore Beef		
ME124	Greenlea Premier Meats Limited	Greenlea Lane	HAMILTON
	Slaughter, processing, coldstore Beef Edible tripe products Beef Chilled meat (Beef)		
ME125	Silver Fern Farms Limited - Dargaville	Tuna Street	DARGAVILLE
	Slaughter, processing, coldstore Beef Edible tripe products Beef		
ME127	UBP Limited	Waitete Road	TE KUITI
	Slaughter, processing, coldstore Beef Edible tripe products Beef		
ME128	Ovation New Zealand Limited	63 Kawakawa Road	FEILDING
	Slaughter, processing, coldstore Sheep		

New Zealand Approved Premises for Export to China as at 1 January 2020

Identifier	Premises Name	Premises Physical Address	
	Slaughter, processing, coldstore Bobby calves Chilled meat (Sheep)		
ME130	Ovation New Zealand Limited Slaughter, processing, coldstore Sheep	113 Dunstan Road, RD 1	GISBORNE
ME132	Prime Range Meats Limited Slaughter, processing, coldstore Bobby calves, Sheep Slaughter, processing, coldstore Beef	Sussex Street, Waikiwi	INVERCARGILL
ME134	Alliance Group Limited Slaughter, processing, coldstore Sheep	Carlson Street	DANNEVIRKE
ME136	Alliance Group Limited Slaughter, processing, coldstore Beef, bobby calf, sheep	Corner Hokio Beach Road & Hamaria Road	LEVIN
ME137	Lean Meats Oamaru Limited Edible tripe products Beef, Sheep Slaughter, processing, coldstore Beef, bobby calf, sheep Edible tripe products Bobby calves	7 Redcastle Road	OAMARU
ME168	Ample Group Limited Slaughter process, store Beef	3396 Mountain Road	STRATFORD
ME188	CMP Rangitikei Limited Slaughter, processing, coldstore Sheep	State Highway 1, Greatford, RD 1	BULLS
ME500	CMP Rakaia Limited Slaughter, Packing only, coldstore Bobby calves, Sheep	Knyvetts Road, RD 13	RAKAIA
PH21	Silver Fern Farms Limited - Kennington Slaughter, processing, coldstore Deer	49 District Road, Kennington	INVERCARGILL
PH23	Silver Fern Farms Limited - Rotorua Slaughter, processing, coldstore Deer	7 Pururu Street	ROTORUA
PH30	Progressive Meats Limited Cutting, coldstore Sheep Cutting, coldstore Beef, bobby calf Coldstore Deer	118 Kelfield Place	HASTINGS
PH31	Ovation New Zealand Limited Cutting, coldstore Beef, bobby calf, sheep	10 Cook Street	WAIPUKURAU

New Zealand Approved Premises for Export to China as at 1 January 2020

Identifier	Premises Name	Premises Physical Address	
	Cutting, coldstore Deer		
PH71	Progressive Meats Limited Cutting, coldstore Sheep	118 Kelfield Place	HASTINGS
PH134	McCallum Industries Limited Cutting Beef, bobby calves, sheep (high pressure vacuum)	21-27 Mihini Road, Henderson	WAITAKERE
PH149	Waikiwi Casings Limited Process, coldstore Casings	Sussex Street	INVERCARGILL
PH423	Mountain River Processors Limited Slaughter, processing, coldstore Deer	Knyvetts Road, RD 13	RAKAIA
PH515	Wanganui Coldstorage Limited Coldstore Beef, bobby calf, deer, sheep	1-11 Gilberd Street	WANGANUI
PH516	Pacific Casings Limited Processing, coldstore Casings	18 Aerovista Place, Wiri	AUCKLAND
PH635	ANZCO Foods Waitara Limited Coldstore Beef, bobby calf, deer, sheep	Stafford Street	WAITARA
PSL8	Polarcold Stores Limited Coldstore Beef, bobby calves, deer, sheep	180 Dukes Road	MOSGIEL
S9	South Port New Zealand Limited Coldstore Beef, bobby calves, deer, sheep	Foreshore Road	BLUFF
S11	Polarcold Stores Limited Coldstore Beef, bobby calf, deer, sheep	10 Dawson Street	TIMARU
S28	Americold NZ Limited Coldstore Beef, bobby calf, deer, sheep	4 Paisley Place, Mt Wellington	AUCKLAND
S39	Cold Storage Nelson Limited Coldstore Beef, bobby calf, deer, sheep	22 Watts Road, Sockburn	CHRISTCHURCH
S40	South Port New Zealand Limited Coldstore Beef, bobby calf, deer, sheep	Island Harbour	BLUFF
S41	Manawatu Cold Storage Limited Coldstore Beef, bobby calf, deer, sheep	Kawa Kawa Road	FEILDING
S56	Dandy Food Distributors Limited Coldstore Beef, bobby calf, deer, sheep	592 Swanson Road, Henderson	AUCKLAND

New Zealand Approved Premises for Export to China as at 1 January 2020

Identifier	Premises Name	Premises Physical Address	
S60	Sanford Limited Coldstore Beef, bobby calf, deer, sheep	Te Maire Street, Mt Maunganui	TAURANGA
S64	GVI Logistics Limited Coldstore Beef, bobby calf, deer, sheep	Ivan Jamieson Place	CHRISTCHURCH
S66	Mainfreight Air & Ocean Limited Coldstore Beef, bobby calf, deer, sheep	107 Westney Road, Mangere	AUCKLAND
S71	Cold Storage Nelson Limited Coldstore Beef, bobby calf, deer, sheep	83 Beach Road, Richmond	NELSON
S88	Whakatu Coldstores Limited trading as Napier Port Store Coldstore Beef, bobby calf, deer, sheep	Breakwater Road	NAPIER
S105	Americold NZ Limited Coldstore Beef, bobby calves, deer, sheep	1 Smarts Road, Hornby	CHRISTCHURCH
S107	CMP Canterbury Limited Coldstore Beef, bobby calves, deer, sheep	Ashcold Site, Northpark Road	ASHBURTON
S145	Whakatu Coldstores Limited Coldstore Beef, bobby calves, deer, sheep	Anderson Road	WHAKATU
S156	Hellmann Worldwide Logistics Limited Coldstore Beef, bobby calves, deer, sheep	4 Richard Pearse Road	CHRISTCHURCH
S158	Provincial Coldstores Limited Coldstore Beef, bobby calf, deer, sheep	239 Old Renwick Road	BLenheim
S162	Americold NZ Limited Coldstore Beef, bobby calves, deer, sheep	16 Braeburn Drive	CHRISTCHURCH
S164	Schenker (NZ) Limited Coldstore Beef, bobby calves, deer, sheep	33-39 Richard Pearse Drive, Mangere	AUCKLAND
S167	Polarcold Stores Limited Coldstore Beef, bobby calves, deer, sheep	10 French Street	DUNEDIN
S183	Blue Sky Meats (Gore) Limited Coldstore Beef, bobby calves, deer, sheep	20 Oreti Street	GORE

New Zealand Approved Premises for Export to China as at 1 January 2020

Identifier	Premises Name	Premises Physical Address	
S190	GVI Logistics Limited	Laurence Stevens Drive, Auckland International Airport	AUCKLAND
	Coldstore Beef, bobby calves, deer, sheep		
S216	Cold Storage Nelson Limited	Mirrielees Road, Sulphur Point	TAURANGA
	Coldstore Beef, bobby calves, deer, sheep		
S226	Polarcold Stores Limited	8 Canada Crescent, Hornby	CHRISTCHURCH
	Coldstore Beef, bobby calves, deer, sheep		
S238	Pelco NZ Limited	34 Portside Drive	MOUNT MAUNGANUI
	Coldstore Beef, bobby calves, deer, sheep		
S250	Cold Storage Tauranga Limited	Cnr Triton Avenue and Mark Road	MOUNT MAUNGANUI
	Coldstore Beef, bobby calves, deer, sheep		
S323	Icepak Logistics Limited	85 Kawakawa Road	FEILDING
	Coldstore Beef, bobby calf, deer, sheep		
S354	Icepak Logistics Limited	Works Road	LONGBURN
	Coldstore Beef, bobby calves, deer, sheep		
S2219	Everest Kool Solutionz Limited	1478 Omaha Road, Twyford	HASTINGS
	Store Beef, bobby calf, deer, sheep		
S9697	Icepak Waharoa Limited	23 Dunlop Road	WAHAROA
	Coldstore Beef, bobby calf, deer, sheep		
SPM51	South Pacific Meats Limited	86 Kekeno Place, Awarua	INVERCARGILL
	Slaughter, processing, coldstore Bobby calves, Sheep Edible tripe products Sheep Edible tripe products Bobby calves		
SPM135	South Pacific Meats Limited	1044 Two Chain Road, Burnham, RD7	CHRISTCHURCH
	Slaughter, processing, coldstore Beef, Bobby Calf Meat, Sheep Meat Edible tripe products Beef, Sheep Edible tripe products Bobby calves		

Annual Report to the Overseas Investment Office

This Annual Report template sets out the required structure and content for reporting on your conditions of consent.

We will rely on the information in this document to review and assess your compliance with the conditions of your consent. It is an offence to make a false or misleading statement or material omission in any information or document provided to the Overseas Investment Office (OIO) ([s46](#)).

Instructions:

- **Please do not remove the instruction text from this template.**
- Download this template from our [website](#) before each use to ensure you have the latest version.
- Review the brief guidance in each section of this template to ensure you supply us with the required information.
- Be concise and write in plain English – if after reviewing your report we need more information, we will ask you for it.
- The formatting of this template has been kept as simple as possible so that you can adapt it to suit your own information and document management systems. You can customise the template e.g. with your own logo etc.
- Tables, diagrams, maps, schedules etc should be added as appendices to your Annual Report rather than being inserted within this template
- Contact the OIO if you have any questions about this template or your consent generally (+64 4 462 4490, oio@linz.govt.nz).

Electronic Filing Requirements

Your Annual Report must be submitted electronically. Documents should be provided in PDF form unless otherwise advised. Documents should be provided by link to a secure download site (preferred) or encrypted USB or CD/DVD (note: electronic media will be securely destroyed after use). If necessary, your Annual Report may be emailed to OIOmonitoring@linz.govt.nz (maximum 10MB per email).

Please ensure your PDF report is:

- 'Printed to PDF', or scanned and OCR'd (i.e. all text in the document can be copied)
- Free from security restrictions
- In colour (if the document contains colour)
- If scanned, at 300 dpi (where possible)

Please do not provide a hard copy version of your report.

Consent Holder's Signature

	12.03.2020
Richard Thorp Director of NZ Binxi (Oamaru) Foods Limited	Date

Summary of Key Information

Date consent granted	1 December 2015 and varied on 28 June 2019
Case number	201520010
Consent holder	NZ Binxi (Oamaru) Foods Limited
Land/Asset	The acquisition of rights or interests in up to 100% of the issued share capital of Lean Meats Oamaru Limited which owns or controls a freehold interest in the land contained in Records of Title 222052, 440537 and 46609.
Report due date	28 February 2020
Report prepared by	Richard Thorp
Contact details of preparer	Richard Thorp Director of NZ Binxi (Oamaru) Foods Limited 7 Redcastle Road Oamaru North Oamaru 9400 (03) 433 0078 richard@bxfoods.co.nz

Section A: Report on Conditions

Please start a new page for each condition.

Condition 3: Employment

The Consent Holder must increase the number of job opportunities at the Facility by:

- (a) 4 full time equivalent employees by 31 December 2020; and
- (b) by a further 30 full time equivalent employees by 31 December 2025.

First year reporting – November 2016

As per report to OIO dated 20 December 2016 (referencing the original consent conditions)

Second year reporting – November 2017

As per report to OIO dated 8 December 2017 (referencing the original consent conditions)

Third year reporting – November 2018

Not provided as, as at November 2018, the Overseas Investment Office was assessing the Consent Holder's application for a variation of the consent conditions, which was ultimately approved on 28 June 2019.

Fourth year reporting - November 2019

As per report to the OIO dated 13 December 2019

Fifth year reporting - February 2020

1. Over the past year the Consent Holder has continued to have a stable work force, and has experienced limited opportunities of increasing its processing numbers or increasing the products to be saved from a bovine carcase and or a ovine carcase due to the availability of staff.
2. Production at the factory was suspended from mid-September 2019 to early January 2020, as the result of Lean Meats Oamaru being suspended from exporting to China. As a result of the suspension and the cessation of production, all employees on seasonal contracts (being a total of approximately 160 staff) were given notice and laid off. The suspension was lifted on 29 November 2019, with the factory returned to full production on 06 January 2020. More than 140 employees returned to work during the week ending 10 January 2020, and as at the end of February that number had increased to 150. Given that the industry is seasonal, a break in production is not unusual, so the impact of the suspension is not as detrimental as it would be in other industries.
3. Please see the letter from Duncan Cotterill to the OIO dated 21 January 2020 (a copy of which is attached at Appendix 2) for more information.
4. With the construction of the blast freezing and chilled and frozen storage over the 2020 year with a commissioning towards the end of 2020 additional staff of up to an additional 4 full time equivalents will be employed to manage and operate the storage operations. The employment of those staff will be in place before the end of 2020 keeping in line with the employment condition.

Condition 4: Additional Investment

The Consent Holder must introduce additional investment of at least \$7,050,000 into New Zealand for development purposes and use this investment to implement the developments described in section 5 of the Business Plan (and summarised below) substantially in accordance with the Business Plan by the dates set out below:

Date by which Development must occur	Development	Estimated Cost
30 December 2025	Dedicated Beef Processing Room	\$1,200,000
30 December 2020	Cold Storage, Blast Freezing and Load-Out Facilities	\$5,500,000 - \$6,000,000
30 December 2020	Boiler Replacement	\$350,000
Total Expenditure		\$7,050,000 - \$7,550,000

First year reporting – November 2016

As per report to OIO dated 20 December 2016 (referring to the original consent conditions)

Second year reporting - November 2017

As per report to OIO dated 8 December 2017 (referring to the original consent conditions)

Third year reporting - November 2018

Not provided as, as at November 2018, the Overseas Investment Office was assessing the Consent Holder's application for a variation of the consent conditions, which was ultimately approved on 28 June 2019.

Fourth year reporting - November 2019

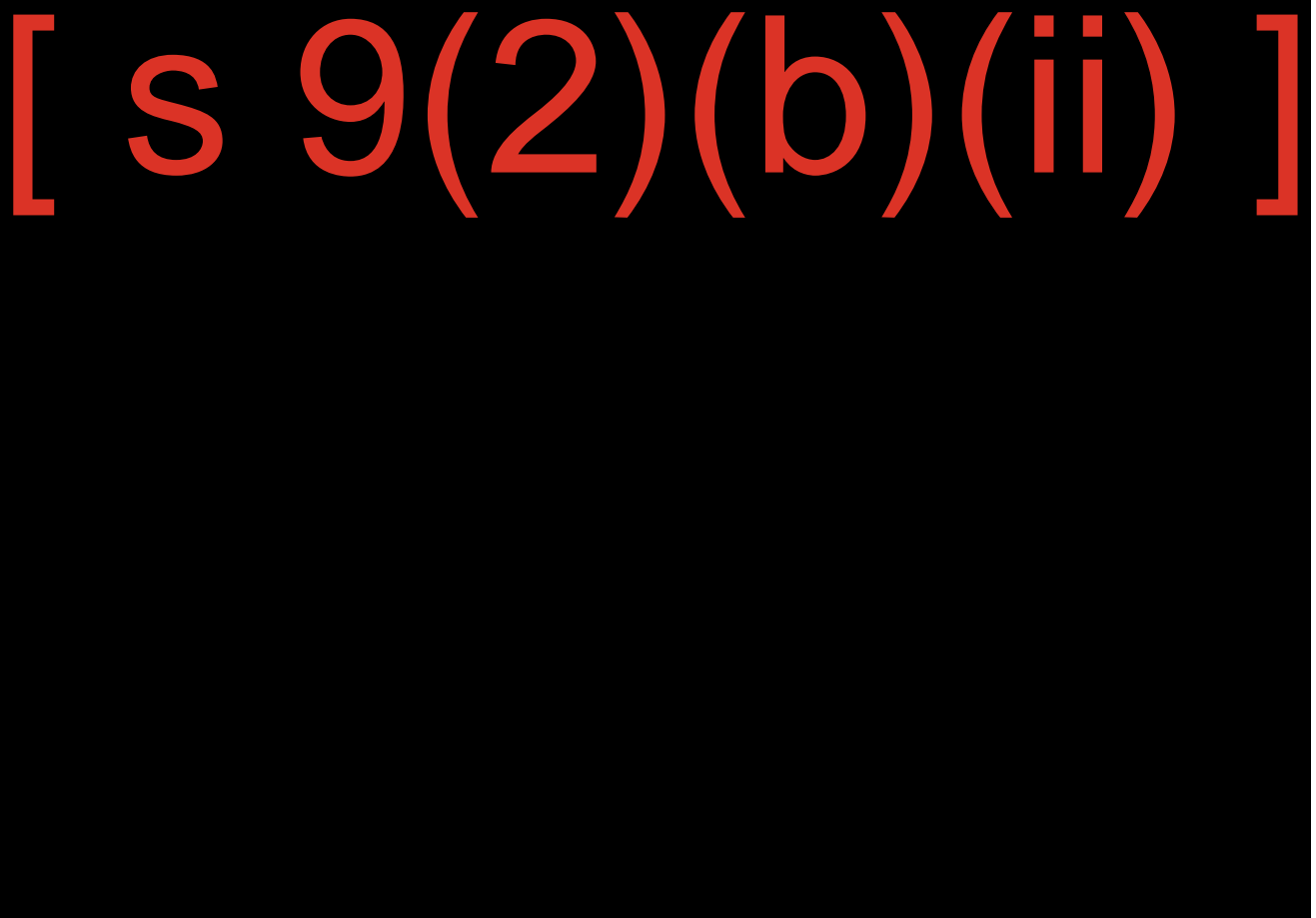
As per report to OIO dated 13 December 2019

Fifth year reporting – February 2020

5. The Boiler Replacement was fully commissioned in April 2019 per the 13 December 2019 report
6. The Consent Holder's parent company is based in China and as a result there have been some minor delays in progressing works on the Cold Storage, Blast Freezing and Load-Out Facilities as the parent company monitors and addresses issues relating to the coronavirus outbreak and associated implications on its business. The Consent Holder continues to work towards the completion Cold Storage, Blast Freezing and Load-Out Facilities by December 2020. The Consent Holder expects that the foundation consent for the Cold Storage, Blast Freezing and Load-Out Facilities will be lodged around mid-March 2020, with tender documents for construction then also being circulated to suitable building contractors.

7. If the global situation is likely to effect the timing of this development, the Consent Holder will liaise with the OIO on the appropriate steps.

SITE LAYOUT PLAN



RELEASED
OFFICIAL INFORMATION

FLOOR PLAN

[s 9(2)(b)(ii)]

Condition 5: Increased Processing

The Consent Holder must increase the number of cattle and sheep processed at the Facility for each of the calendar years 2019 and 2020 substantially as set out below:

Year	Number of Beef Processed	Number of Sheep (including ram, lamb and mutton) Processed
2019	8,000	250,000
2020	10,000	250,000

First year reporting – November 2016

As per report to OIO dated 20 December 2016 (referencing the original consent conditions)

Second year reporting – November 2017

As per report to OIO dated 8 December 2017 (referencing the original consent conditions)

Third year reporting – November 2018

Not provided as, as at November 2018, the Overseas Investment Office was assessing the Consent Holder's application for a variation of the consent conditions, which was ultimately approved on 28 June 2019.

Fourth year reporting – November 2019

As per report to OIO dated 13 December 2019

Fifth year reporting – February 2020

1 Summary Table

YEAR	CONDITION - 5	ACTUAL	+/- %
2019	Beef – 8,000	14,000	+75%
2019	Ovine – 250,000	283,422	+13.4%

Section B: Measuring benefit to New Zealand

This section is for you to provide the information we requested to enable us to measure the benefits you have brought to New Zealand through your investment (see paragraph 2 of the 'Reporting conditions' section of your consent).

Include a brief summary of the information requested, and attach photographs, spread sheets etc if this will help us to understand your report.

Information required

- A. The number (in full time equivalent units) and type of any new job opportunities created in New Zealand as a result of the Investment including the value of these jobs (being the annual salary or wages paid); and
- B. Any increased export receipts for New Zealand exporters, including the number of sheep and beef exported, the average price per animal exported and the country the animal was exported to.

Information

Include a brief statement of the information requested, and attach photographs, spread sheets etc if this will help us to understand your report.

8. A table showing export receipts for the 2019 season is attached at Appendix 1.

9. The markets for Beef comprised:

(s 9(2)(b)(ii)) [REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

10. The markets for Lamb comprised:

(s 9(2)(b)(ii)) [REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

11. The markets for Mutton comprised:

(s 9(2)(b)(ii)) [REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

12. The New Zealand meat industry is firm and is positioned well with the current biggest global protein shortage known to mankind.

13. Currently the protein deficit in China is 20 times the annual red meat product of New Zealand.
14. Although challenges exist in the primary product of red meat the time has never been better to own and invest in this business segment.
15. Current ovine livestock earnings to the farm gate are at record levels exceeding \$9/kg of dressed carcass weight, with lambs returning to the farm gate in the range of \$168.00 to \$207.00.
16. Value of production (return x factory) is exceeding \$10.90 / kg of hot carcass weight per lamb. The differential of farm gate buy price to sell price being \$1.90 is adequate to allow processors and exporters to off cost of sales and create a suitable margin

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OFFICIAL INFORMATION ACT

Section C: Other information

This section is for you to update the contact and other details you gave us when you applied for consent, to provide any other information you think will help us monitor your compliance with the conditions, and for you to make any special requests regarding confidentiality.

Updated details

Several of the standard conditions that apply to your consent require you to tell us when particular events occur. For example, to tell us:

- when you have acquired the Land or Asset and provide details including about the price and acquisition structure,
- about changes that affect you, the people who control you, or people you control. For example, when an Individual Who Controls You ceases to be of good character, commits an offence or contravenes the law anywhere in the world, or becomes bankrupt,
- if your [NZ Service Address](#) changes.

We recommend you take this opportunity to double check that you have updated us as required. If not, use this section to tell us about changes.

Other information

Include a brief summary of the other information you wish to provide, and explain its relevance to our monitoring of your compliance with conditions.

Confidentiality

The OIO is subject to the Official Information Act 1982. Any request for confidentiality must make direct reference to the provisions of the Official Information Act 1982 that you consider justify the withholding of the information. Review our [website](#) and the [practice guidelines](#) issued by the Office of the Ombudsman before making a request.

List of Appendices

List all appendices attached to your Annual Report.

Appendix 1	Letter to the OIO dated 21 January 2020
Appendix 2	Export Receipts Breakdown - 2019 Season
Appendix 3	
Appendix 4	
Appendix 5	

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Appendix 2 – Export Receipts Breakdown - 2019 Season

	2019 Season							
Speci	Beef	Bobby	Ram	Goat	Lamb	Mutton	Totals	
[s 9(2)(b)(ii)]								

RELEASED UNDER THE INFORMATION ACT

From: [Richard Thorp](#)
Sent: Friday, 8 December 2017 2:02 PM
To: [Olwyn Smith](#)
Cc: [Arron Hoyle](#); [Oliver Roberts \(oliver.roberts@duncancoerill.com\)](mailto:oliver.roberts@duncancoerill.com); [Phoebe Maheaws](#)
Subject: Year2 - Summary report and business plan
Attachments: Lean Meats Oamaru Ltd year 2 report 08 Dec 2017 OIO.pdf; Bus plan Dec 2017 v 4.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Hi Olwyn

Please find the summary report for year 2 and also our current business plan.

If you have any questions please get in touch

Regards

RICHARD THORP | BX FOODS LTD

P +64 274 359 001 | A Oamaru, New Zealand

W www.bxfoods.co.nz | E richard@bxfoods.co.nz



This e-mail message has been scanned for Viruses and Content and cleared by **MailMarshal**

Lean Meats Oamaru Ltd

Overseas Investment Office Annual Report 2017

The Future for Lean Meats Oamaru Ltd



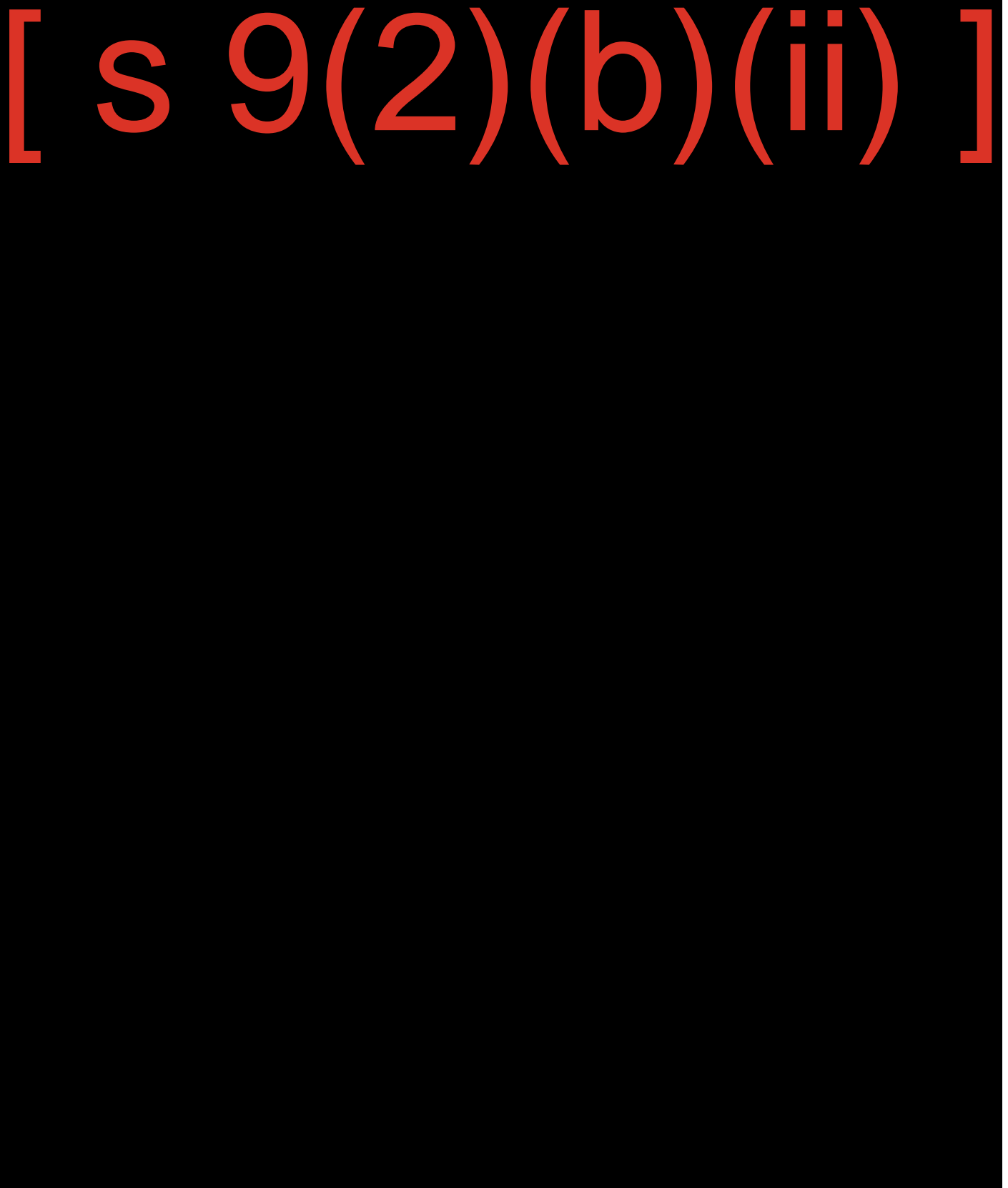
Special Conditions	Summary of Section	Progress Update	Status
3. Employment	The Consent holder must increase the number of job opportunities by 90 full time equivalent employees substantially by 31 December 2018	<p>At the corresponding time from last year we have held the same staff numbers but we have increased earnings for our staff considerably.</p> <p>Over the 12 month period of 2016 we paid \$8.8m in salary and wages over the same period in 2017 we paid \$9.1m. Available labour remains very tight and our local region has an extremely tight labour market. As we move into the 2018 year we will be increasing employee numbers further as we establish the new boning room and blast freezing on site.</p>	Acceptable
4. Investment	Consent Holder must introduce additional investment of at least \$6,450,000 by December 2018.	<p>Since the OIO year 1 update of the 19th December 2016 the Consent Holder has spent \$128,431.00 on a number of capital items for capital replacement and infrastructure improvement. This has enabled the factory to increase productivity and throughput with boosted capacity over weekly periods and keeping costs in the ideal range. Furthermore our downtime on the factory has been reduced 2.7 times, as a result all factory breakdowns have reduced going from 4.5% downtime to 1.65% for the 2017 year.</p> <p>Boiler Replacement has been approved and the value of \$350,000.00 has been increased to \$450,000.00 the consent for the boiler has taken longer than expected and we have now decided to move the boiler to another location in the factory foot print, this has created delays over the year. The boiler is now commencing fabrication and construction early January 2018, installation and commissioning of the boiler will take place over the months of March and April 2018.</p>	Acceptable

<p>5. Increased Production</p>	<p>The Consent Holder must increase the number of cattle: 2016 – 30,000 Cattle 2017 – 40,000 Cattle 2018 – 50,000 Cattle</p>	<p>Since taking over the business as a 100% shareholder in December 2015, the beef programme is still developing, during the beef development phase, lamb processing has been maximised to increase revenue and earnings and provide work through increasing throughput, beef over this same period has been slower, but we have developed country to country opportunities with China on beef and these will be advanced over the coming 12 months.</p> <p>We have made a modest profit for 2017 and we have increased the earnings of our staff over the 12 month period.</p> <p>Internally the Senior Executive team remains focused on the targets we set ourselves and that were agreed in the OIO approval, but also we need to be practical in our delivery and ensure we don't slow the business down, realistically we need to continue to revise the delivery of the beef volume for the approaching years: 2018 – 15,000 2019 – 25,000 2020 – 35,000 2021 – 45,000 2022 – 50,000</p>	<p>On-going</p>
<p>6. Increase Exports</p>	<p>The Consent Holder must increase receipts</p>	<p>Exports receipts have increased 54% over the year (\$26m 2016 - \$40m 2017) from 2016, this has mainly been the result of a 100% dedicated marketing business BXFOODS which is the sister company to Lean Meats Oamaru. Our clear selection of export markets along with the upmarket push we get from owning the distribution chain in China is unmatched for any NZL exporter. This has taken the percentage of meat and non-meat items from the carcass, from 23% to now 40% now going to China at a higher return than any other market can provide for the same products.</p>	<p>Acceptable</p>

<p>9. Annual Report</p>	<p>The Consent Holder must report in writing annually detailing progress of the business plan.</p>	<p>Summary – Our procurement position on livestock has been stronger this year, this is due to having an integrated business on livestock purchasing, processing and manufacturing and the real strength being the marketing of all our lamb and beef items being sold 100% by our own business. Second year of ownership has seen the business leap forward, development of ideas from the core senior management team are being executed and having previous joint venture partners moving to being customers has driven our business forward at speed.</p> <p>We have improved a number of operational activities and increased productivity across our business.</p> <p>We continue to have a large amount of confidence in what can be achieved, we have the correct senior management team driving the change and a committed owner who only wants success.</p> <p>Our “Business Improvement Manager” has been moved into a management role and now takes responsibility for the factory and the daily operations, this has proven to be a successful move, and coupled up with her business improvement skills and operational experience she is pushing the manufacturing site forward.</p> <p>The business is very confident it will reach the targets of the business plan by 2018 Please find business plan slides attached</p>	<p>Good Progress</p>
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New Zealand Group Structure

1. Why invest in NZ & industry structure
2. BX NZ business & 2020 goals
3. Where are we going & business alignment



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Foot-and-mouth
 Bovine Spongiform encephalopathy (BSE) Bovine
 Brucellosis
 Scrapie Foot-and-
 mouth
 Blue tongue
 Foot-and-mouth Chronic
 Wasting Disease
 Potomac horse fever African
 Horse Sickness West Nile virus
 Equine encephalomyelitis
 Highly Pathogenic Avian Influenza (Bird flu)
 Infectious Bursal Disease
 Newcastle's Disease (Fowl pest) Porcine
 Reproductive & Respiratory Syndrome
 Porcine Brucellosis Classical
 Swine fever
 Infectious Salmon Anemia (ISA)



LOW MEDICINE
& CHEMICAL USAGE



FASTER GROWTH &
HIGHER YIELDS



ENABLED SPECIALTY
PRODUCTS



PRIVILEGED
MARKET ACCESS



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Our structure

Set up for growth & flexibility while managing risk

Binxi Cattle Company CN

NZ Binxi Oamaru

100% Oamaru Meats

100% BX Foods

50 %South Island Skins
JV

Blue Sky
Meats



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2020 plan

Entering the market to Top 50 NZ food company in 5 years

2016-2017- market entry

- Purchase LOM & enter market (buy, process, sell competitively)
- Implement 3 year Oamaru change plan
- Building leadership team
- Build team capability
- Deliver procurement and operational performance improvements

2018 - 2019- Build or buy capability

- Establish our BX brand
- Segment our key markets & customers
- Control sales & marketing
- Develop financial structure of business
- Growth pipeline 3 years

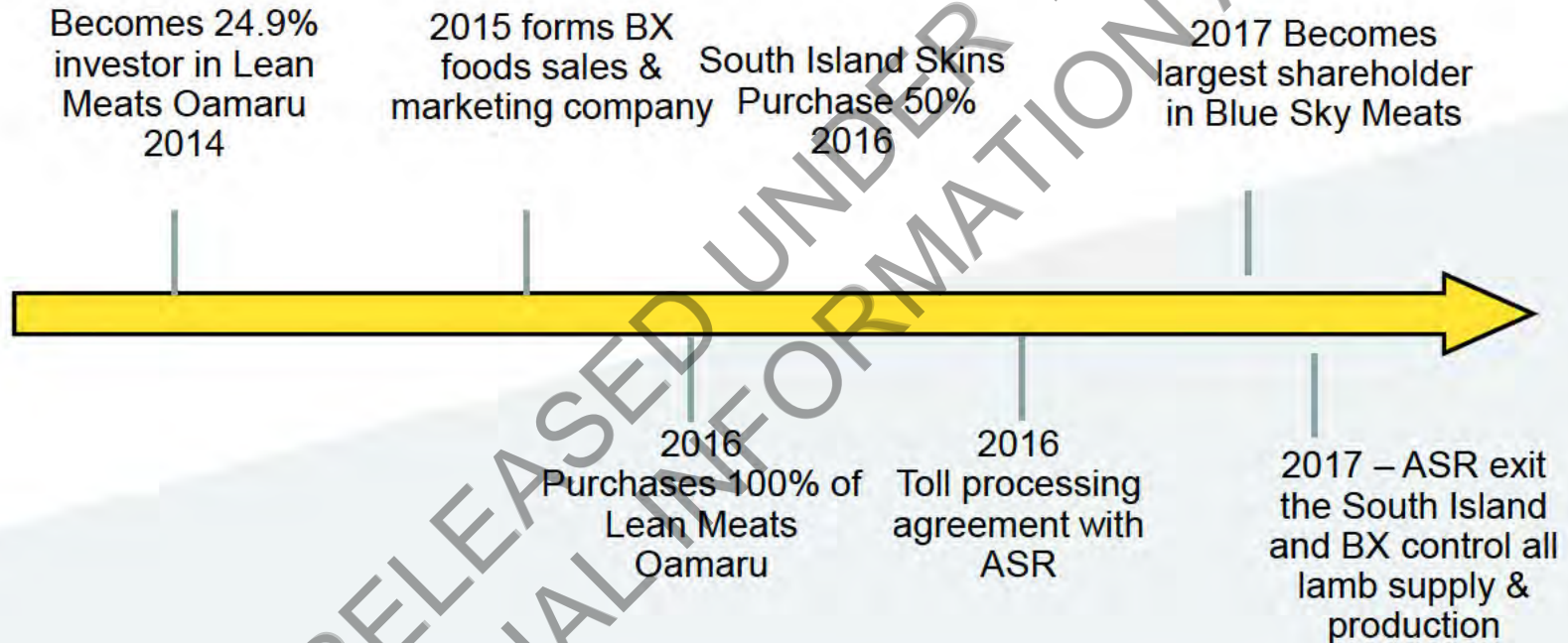
2020- Differentiated

- Deliver differentiated offer from farmer to customer
- Achieve sales premium
- ROA = 13% (\$3.0m on \$23.0m investment)

Story so far - fast growing & successful

Growing by integrating existing businesses

Companies that have joined the Binxi NZ Group

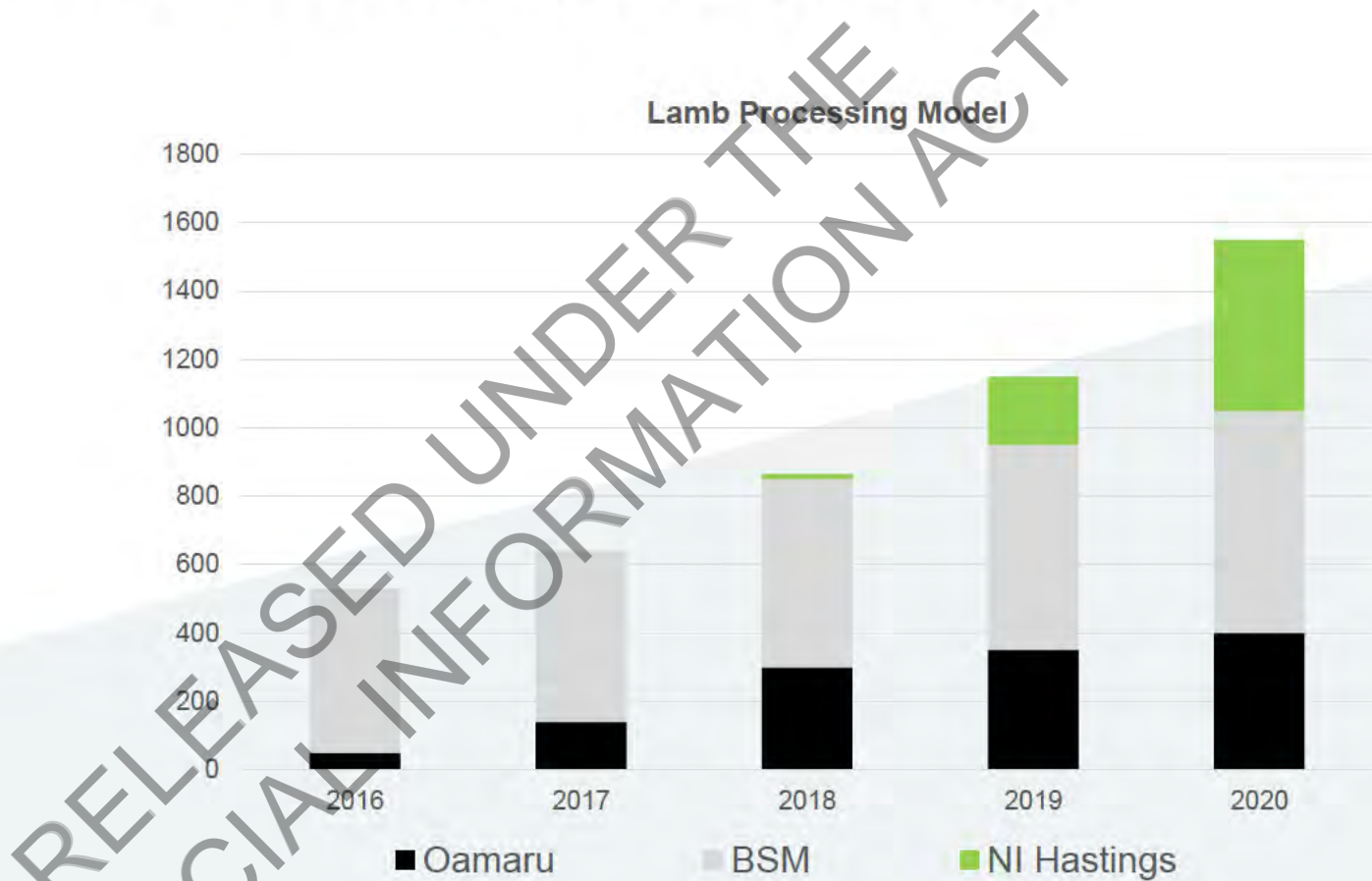


On track for Top 50 NZ Food & Beverage company by 2020



NZ Business 2020 vision 1.5 million lambs

A differentiated agri business with 3 lamb sites..



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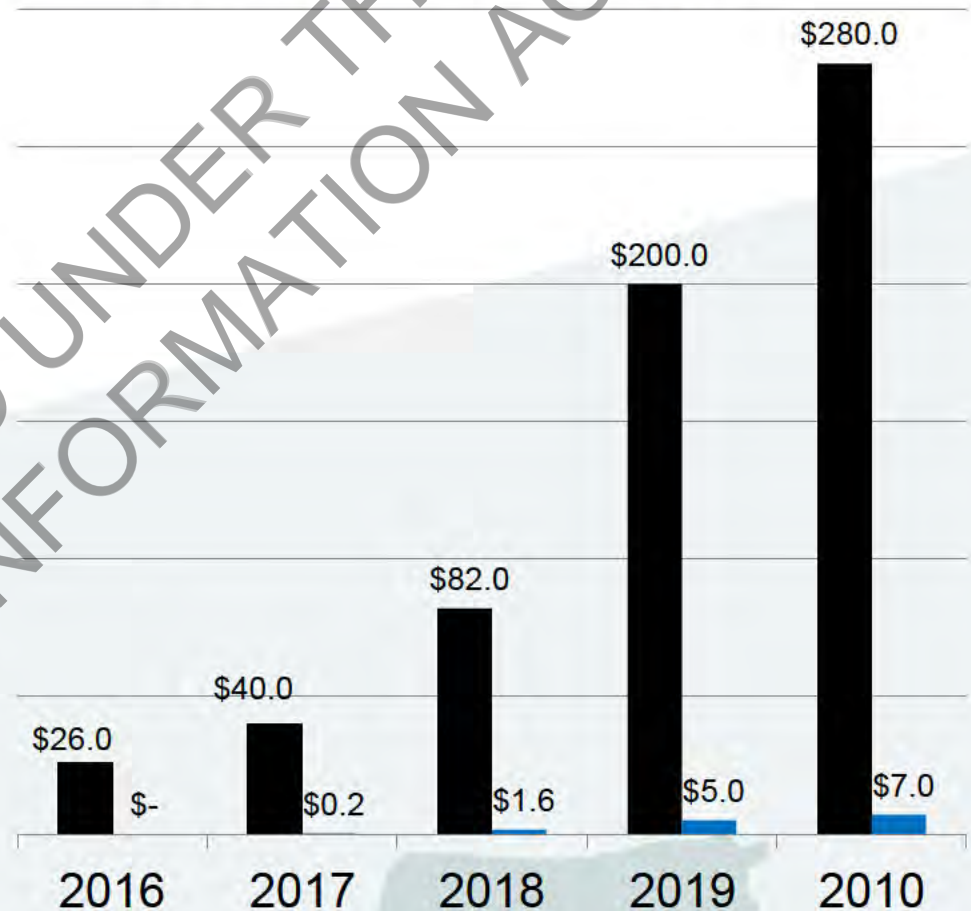


NZ Business 2020 vision

\$280m sales & \$7.0m net profit (EBITA \$10.0m)

- Oamaru increase lamb from 220 to 400,000 lambs 2020 & beef increased 10 – 35,000 head
 - With new beef boning room, carcass chillers & blast freezing Oamaru will be capable of significant lift in production
- Majority control of Blue sky processing 650,000 lambs & 150,000 mutton
- Start processing in the North Island & processing 15,000 lambs 2018 increasing to 500,000 lambs 2020

Sales & Net Profit (\$mil)



NZ Business 2020 vision

BSM & Oamaru site combination

	LEAN MEATS OAMARU LIMITED	BLUE SKY MEATS (N.Z.)
Salary staff	13	45
Factory staff (peak)	190	340
Ownership	100% owned Binxi Cattle	Unlisted code company
Number of Shareholders	1	340 circa
Turnover \$NZD/¥Yuan	\$58m/¥280m (includes BXFOODS)	\$100m/¥483m (includes Horizon)



	LEAN MEATS OAMARU LIMITED	BLUE SKY MEATS (N.Z.)
Incorporation Date	10 Aug 2006	10 Oct 1986
Land Size	7 Ha (17.3 acres)	130 Ha (321 acres)
Ovine Production	X	X
Beef Production	X (40,000)	
Bobby Calves	X (35,000)	X (90,000)
Goats	X	
Further Processing %	100%	100%
Export Licence	EU/USDA/China	EU/USDA/China
Ovine Capacity / shift	2100	2500
Ovine Capacity / day	2100	5000
Ovine Weekly Peak	11,550	30,000
Annual Ovine Capacity	420,000	850,000
Ovine Mkt Share Range	3% to 5%	7% to 9%
Operational Days (Union Agreement)	7 days	7 days
LMO Upgrade	Building to 50,000 beef after upgrade	

Priorities for cash

Aligning the business

- Growing our business organically through operational efficiency and capital expansion projects, along with investing in innovation & brand building
 - Beef boning room, carcass chillers & blast freezing
- Acquiring business that support our strategic objectives
 - Blue Sky Meats
 - Mergers & Acquisition pipeline (new capabilities, new geographies, new brands)
- Financial structure of businesses
 - Access to trade finance / working capital
 - Capital for expansion or business improvements

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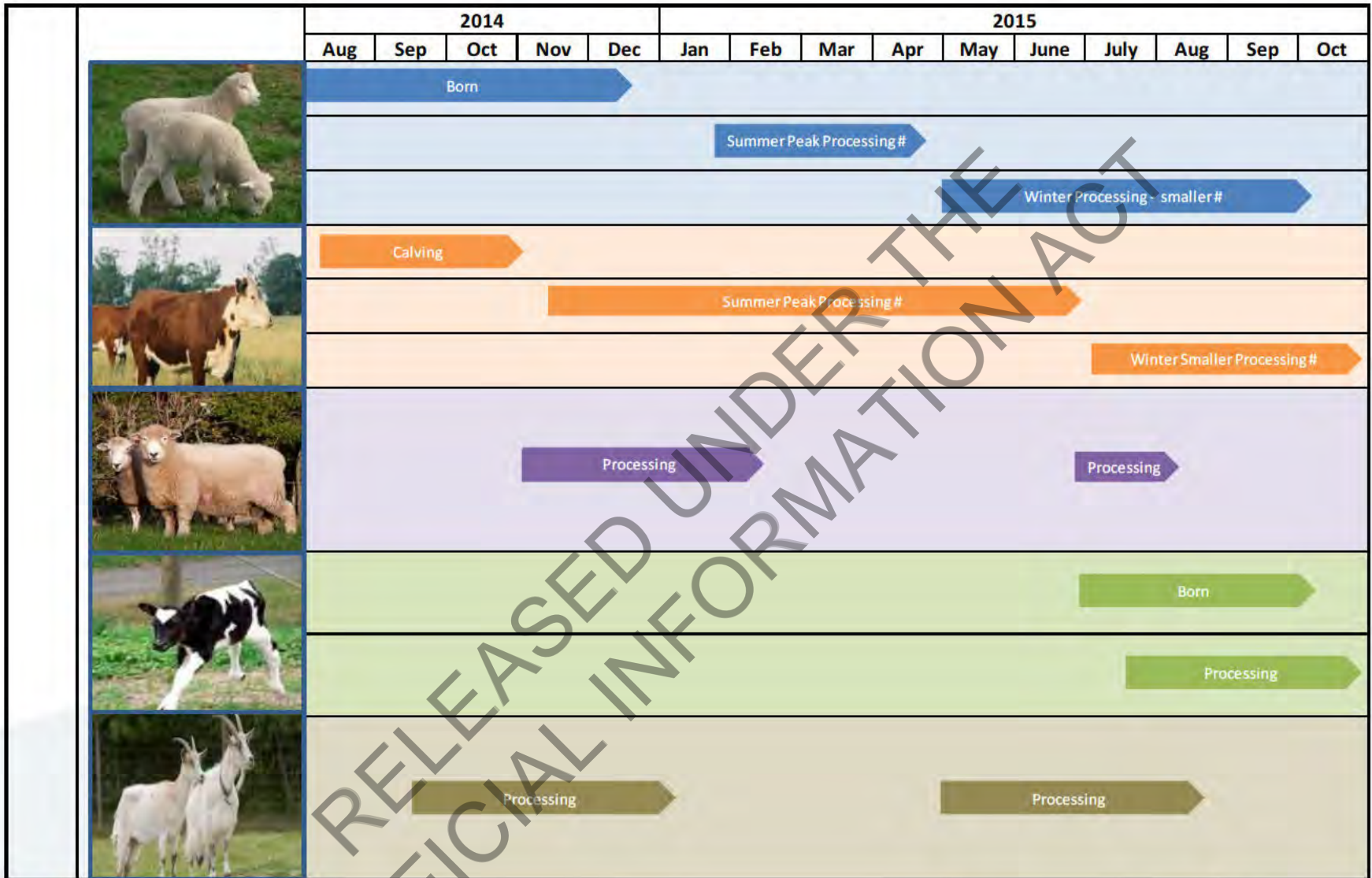


Operating overview

1. Seasonal influences on livestock
2. Oamaru change management plan
3. Global sales channel & market development
4. 2018 profit initiatives

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2016 – 2017

We have confidence in the changes we have implemented

OUR STRATEGIC PRIORITIES

Q4 - 2015 Highlights

Critical Success Factors – 2016	Organisational Structure	<ul style="list-style-type: none"> • Grow and identify key competencies • Simplify our business to drive down cost 	<ul style="list-style-type: none"> ✓ Restructure people and positions ✓ Run the business like we own it
	Livestock procurement	<ul style="list-style-type: none"> • Develop a plan for sourcing 50,000 cattle & 353,000 lamb • Provide a plan on what is our procurement plan 	<ul style="list-style-type: none"> ➢ Working this up through the accelerated plan. ➢ 3 year procurement plan in place
	Operational Excellence	<ul style="list-style-type: none"> • Operational KPI and benchmarked to best in class performance 	<ul style="list-style-type: none"> ✓ Appoint "Business Improvement Manager" ✓ Daily KPI reports
	People	<ul style="list-style-type: none"> • Grow high performance culture and capability with people who care about outcomes 	<ul style="list-style-type: none"> ➢ JD & KPI's in place for all senior and middle management
	Financial Management	<ul style="list-style-type: none"> • Accurate financial management 	<ul style="list-style-type: none"> ➢ Role out of new financial system (Finbuild)



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With focus now streamlined to 3 key areas

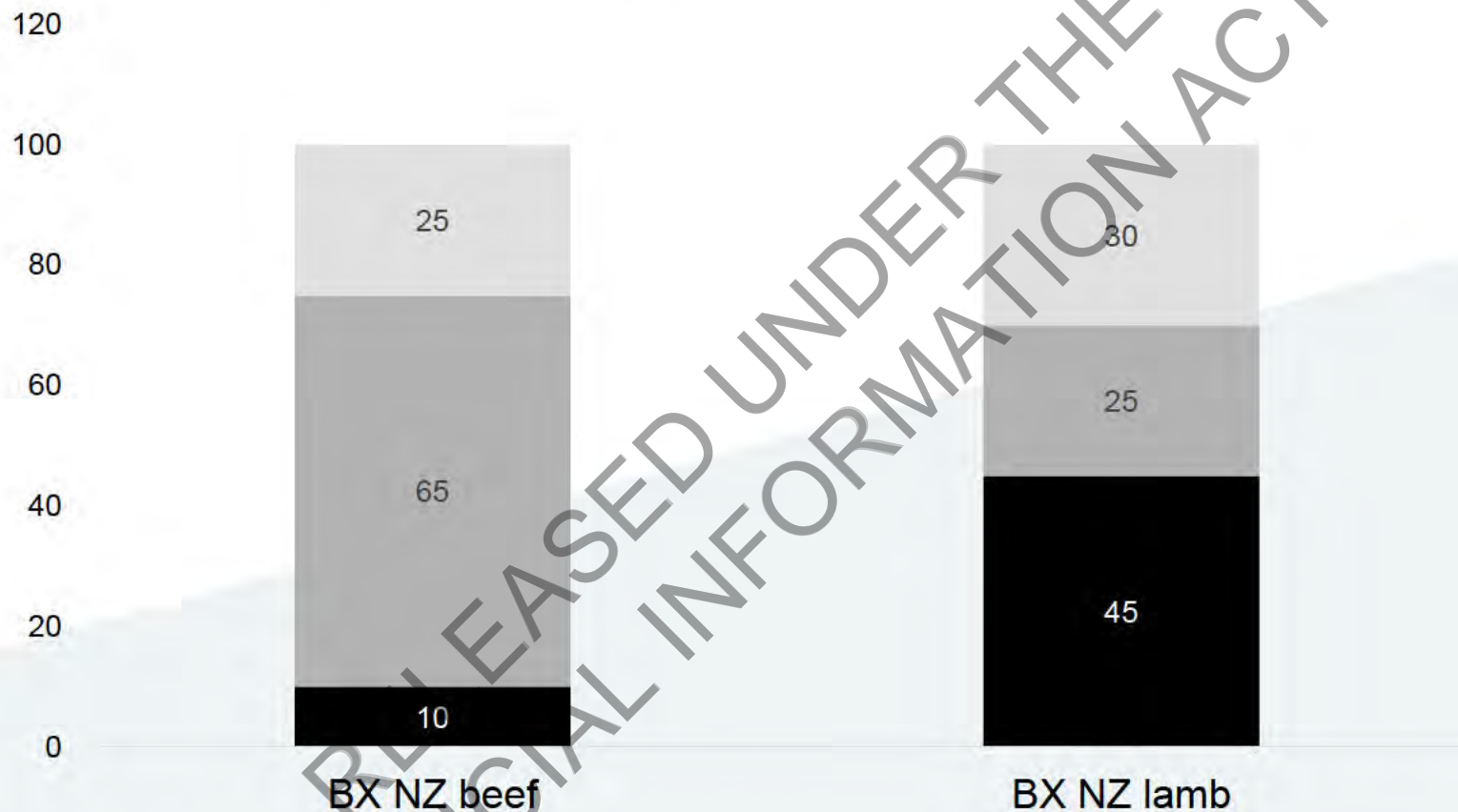
Priority	How
Increase lamb supply from 220 – 300,000 & beef from 10-50,000	<ul style="list-style-type: none">• Clear quarterly targets for lamb• Stronger procurement partnerships• Competitive livestock price all year round
Ensure our production cost is no higher than \$33 per lamb & \$220 for beef	<ul style="list-style-type: none">• Collective agreement• B/even from 9000-6900 lambs per week• Fixed cost reduction
People skill set	<ul style="list-style-type: none">• New org structures implemented• Grow current skills

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Global sales

BX NZ is also diversified across sales channels



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■ Retail ■ Manufacturing ■ Hotel / Restaurant



Sales

We will build product & brand position in key markets

Key lamb countries :

- China
- Netherlands
- USA
- France
- Germany
- Canada
- Russia

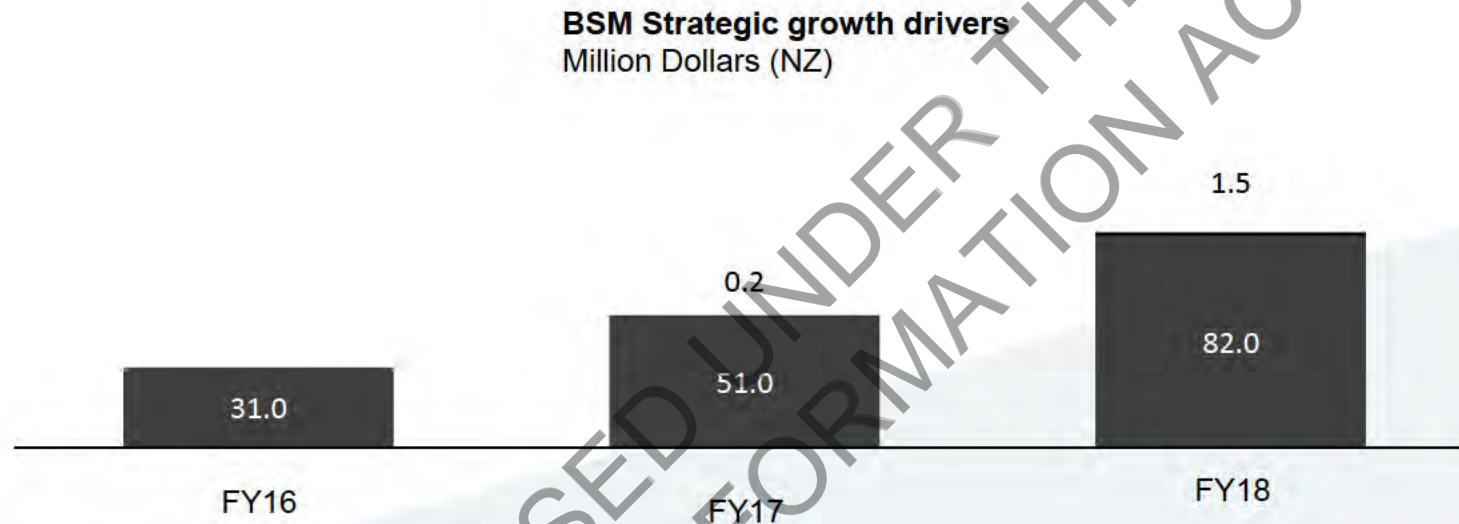
Key beef countries :

- China
- USA
- Korea
- Indonesia
- Canada
- Russia



2018

BX NZ business will build on last 2 years changes



Initiatives	2018 Impact
Base profit 2017	\$ 200,000
New boiler	\$ 350,000
Production cost efficiencies (collective & productivity)	\$ 300,000
Winter livestock & single shift strategy (Jul – Nov)	\$350,000
Carcass revenue	\$200,000
Logistics and non-livestock procurement savings	\$100,000
Total	\$ 1,500,000