



Invest in Tai Tokerau Northland New Zealand

Tai Tokerau Northland Regional Investment Prospectus



NorthlandInc

Growing Northland's Economy
Kia tupu ai te ōhanga o Te Tai Tokerau

Te Tai Tokerau: the northern tide

Te Tai Tokerau - the Māori name for Northland, meaning 'the northern tide' - is the heartland of the Ngāpuhi tribe, the largest tribe in New Zealand.

The Tai Tokerau region was the first area in New Zealand settled by Māori, and subsequently Europeans, because of its location at the northern-most tip of New Zealand and the advantages presented by its natural resources and temperate climate.



Invest in Tai Tokerau Northland

Tai Tokerau Northland is a region primed for investment - a place that encourages new ideas and inspires growth.

Tai Tokerau Northland is quickly developing a global reputation as a highly desirable place in which to invest. With unique competitive advantages across a variety of industries, and significant untapped productive potential, Tai Tokerau Northland has much to offer investors.

Regarded as the 'birthplace of the nation', Tai Tokerau Northland is New Zealand's only sub-tropical region. Its climate and long coastline offer natural advantages for high quality forestry and aquaculture production.

Tai Tokerau Northland offers a diverse range of investible opportunities derived from its primary and manufacturing sectors, with potential to build on existing strengths and create new value from the region's resources.

Timing has never been better to invest in Tai Tokerau Northland, with an absolute dedication from regional government to harness the potential of this beautiful region, and deliver prosperity to all who live and invest here.



Tai Tokerau Northland – a region with a bright future

Tai Tokerau Northland is a region with a rich history, and a very bright future. At the northernmost tip of New Zealand, the region boasts some of New Zealand's most valuable natural assets, with a subtropical climate, fertile land, and some of the world's most beautiful coastline.

Tai Tokerau Northland features a diverse and buoyant economy, offering a wide range of opportunities for investment.

Traditionally, the leading economic industries in Tai Tokerau Northland have been based around agriculture, horticulture, forestry and tourism. There is huge untapped potential to further strengthen these areas, in addition to other industries such as aquaculture, construction, manufacturing, digital and marine industries.

Sights are firmly set on maximising the economic potential of all productive industries in the region, and Tai Tokerau Northland has a great deal to offer to both individual and company investors.

Support for investors

Northland Inc is the region's economic development agency, and aims to provide vision, aspiration, leadership and unity of purpose in sustainable economic development for Tai Tokerau Northland.

Northland Inc aids investors and businesses by sharing regional knowledge, conducting investment analyses, helping to identify opportunities, developing funding applications, promoting sector development, providing enterprise support to increase the capability and resilience of businesses in Tai Tokerau Northland, and assisting innovation at a business level.

Fast Facts

- Land area of 1.25 million hectares (approximately 3 million acres).
- Regional population of over 175,400, with an average annual growth rate of 2.3%.

Buoyant regional economy worth \$6.046 billion in the year to March 2017.

- Strong economic growth of 3.3% in 2017.
- Robust economic profile with strengths in a variety of sectors.
- More than 20,000 businesses creating employment for over 69,000 locals.
- A skilled workforce, with nearly 20,000 employees in highly skilled jobs.
- Estimated export value of \$2.57 billion in the year to March 2017.
- New Zealand's only oil refinery is located in Tai Tokerau Northland.
- Tai Tokerau Northland is home to New Zealand's newest, deepest and closest port to international markets.

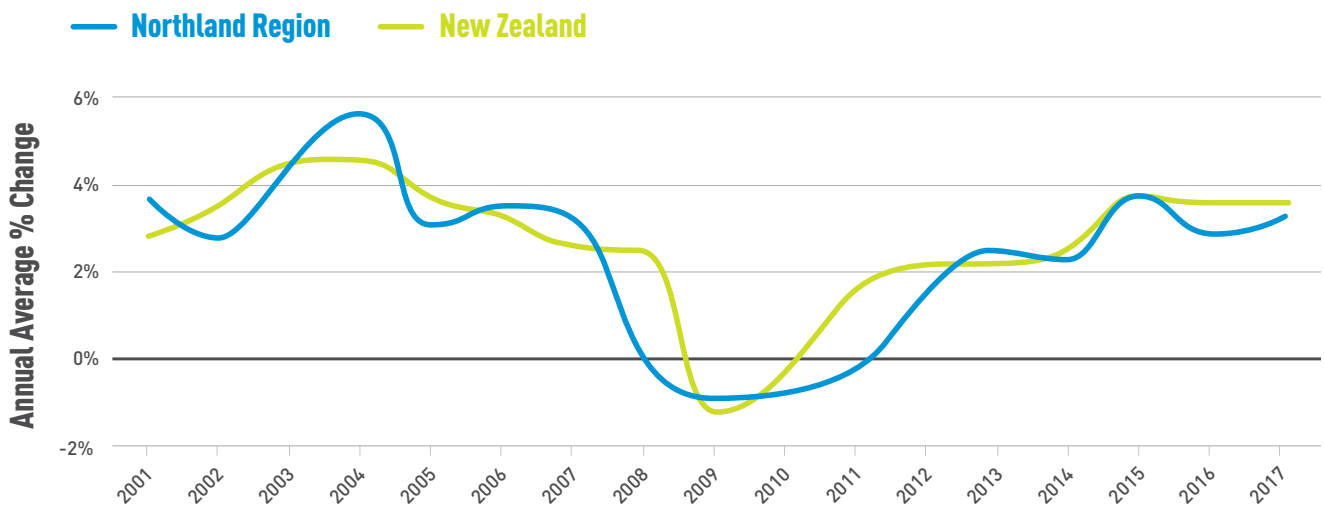
1.951 million guest nights recorded in the year to December 2017.

- Annual visitor expenditure of \$1.106 billion in the year to December 2017.
- Affordable housing, high standard of living and unrivalled lifestyle.

GDP 2017



GDP Growth



New Zealand consistently ranks highly in the world for ease of doing business, and is currently first in the world for protecting minority investors, and lack of corruption. New Zealand provides a safe, stable and secure environment in which to do business, with comparatively low developed-country business costs, and a straightforward, business-friendly taxation system. Its labour costs are extremely competitive for a first-world country with a highly skilled and educated workforce.

Tai Tokerau Northland combines New Zealand's support for capital development and investment, with a naturally more laid back lifestyle that encourages a great work-life balance.

Geographic profile

The Tai Tokerau Northland region covers 13,789 square kilometres, extending from the Kaipara and Mangawhai harbours in the south to Cape Reinga in the north. There are 10 harbours, 3,200 kilometres of coastline and the region is less than 100 kilometres wide at its widest point.

Tai Tokerau Northland is the only sub-tropical region in New Zealand, and has a low population density, providing both space and favourable growing conditions for pastoral farming. Over 50% of the land is in pasture, 10% in forests and close to 0.5% in orchards and crops.

With an extensive coastline, Tai Tokerau Northland has long-standing strengths in boatbuilding and marine engineering, as well as fisheries and aquaculture.

The region is comprised of three local authorities, together with the Northland Regional Council.

Far North

The Far North is a world class tourist destination, whose population is estimated to double over the summer months with the influx of visitors. A vibrant tourism industry is complemented by strengths in agriculture and horticulture - particularly orchards and vineyards.



Whangarei

Whangarei is the largest of Tai Tokerau Northland's three districts in terms of population, and home to New Zealand's northernmost city. The economic hub of the north, Whangarei boasts New Zealand's only oil refinery, and Northport - the country's closest port to international markets.

Kaipara

Kaipara falls predominantly on Tai Tokerau Northland's west coast, and is a land of rolling farmlands, fringed with spectacular bays and beaches. Farming is the main industry here, with dairy, meat production and kumara (sweet potato) all featuring heavily.



Flight times:

Auckland Airport - Whangarei Airport 35 min

Auckland Airport - Kerikeri Airport 45 min

Auckland Airport - Kaitiaki Airport 1.05 hrs

Drive times:

Auckland Airport - Whangarei (177km) 2.5 hrs

Auckland Airport - Paihia (246km) 3.5 hrs

Auckland Airport - Kaitiaki (329km) 4.5 hrs

Times are approximate

Key

 CITY

 TOWN

 STATE HIGHWAY

 ROAD

 AIRPORT





Tai Tokerau Northland's investment advantages



Tai Tokerau Northland's growing economy is founded on the region's abundant natural resources, with primary industries and tourism being the major contributors to revenue.

Tai Tokerau Northland has several key assets that drive economic success. These include:

- Fertile soils across the region, combined with warm summers, mild winters and reliable rainfall, create ideal conditions for agriculture, horticulture and forestry.
- Stunning bays and beaches, unique flora and fauna, and an abundance of attractions make Tai Tokerau Northland a world-class tourist destination.
- Bordered with Auckland, Tai Tokerau Northland is well placed to access all that New Zealand's largest city has to offer.
- Effective transport and distribution networks ensure fast, reliable transport around the region, and to and from international airports and shipping ports.
- Three domestic airports in Whangarei, Kerikeri and Kaitiaki, serviced with frequent daily flights, connect Tai Tokerau Northland with Auckland and the rest of the country.
- \$33.8m roll-out of Ultra-Fast Broadband to 19,000 premises in Whangarei, and continuing across Tai Tokerau Northland, allows businesses in the region to connect with domestic and international markets like never before.
- The Rural Broadband Initiative (RBI) will give 53.5% of Northlanders access to ultra-fast broadband by the end of 2023.
- The US\$350 million Hawaiki Cable landed in Mangawhai, Northland in 2018. The new submarine fibre optic cable vastly improves connectivity between New Zealand, Australia and the United States.
- Improved digital connectivity throughout the region provides the basis for developing Tai Tokerau Northland's digital and emerging technology economies further.
- Northport in Whangarei is New Zealand's deepest port, and offers unrivalled access to international markets.
- Whangarei is home to New Zealand's only oil refinery, and the country's leading supplier of oil products.
- An abundance of zoned, consented and serviced land is available for development, including 185 hectares of industrial land at Marsden Point, close to New Zealand's only oil refinery and northernmost multi-purpose port facility.
- Renewable energy from the Ngawha geothermal power plant in the Far North delivers a reliable power supply that currently meets around 70% of the region's electricity demands, and a major expansion project is already underway to more than double the current capacity of the plant.
- Whangarei - New Zealand's northernmost city - is a valuable service and support centre to a range of industry sectors in Tai Tokerau Northland.
- The National Institute of Water and Atmospheric Research (NIWA) Bream Bay Aquaculture Park is home to the largest team of aquaculture specialists in New Zealand.
- The Plant & Food research facility at Kerikeri is known worldwide for its innovative kiwifruit breeding programme.
- NorthTec, the region's tertiary education institute, provides training in a range of industry sectors, at several centres throughout Tai Tokerau Northland.
- A skilled workforce, with highly competitive labour costs, plus an active drive by local government to encourage more people to move to the region to fill skill gaps.
- Dedicated government financial and logistic support for the recruitment and training of staff, and in-region skills based training for a range of key sectors.

Planning for growth

The Tai Tokerau Northland Economic Action Plan, launched in February 2016, focuses on a group of projects that will have a significant positive impact on Tai Tokerau Northland's economic growth and social wellbeing. The projects in the Action Plan are aimed at supporting and leveraging private sector investment, with the top priorities being transport, digital infrastructure, skills and capabilities and water resources.

Support for growth and development from regional and territorial government will continue to build even more competitive advantages into the Northland economy in years to come.

Tai Tokerau Northland's infrastructure & capabilities

Workforce

Tai Tokerau Northland's local labour market offers access to a highly skilled and stable workforce, widely regarded for their creativity and innovation. Skill gaps in the workforce are being actively addressed by local government, with drives to encourage more skilled workers to move to the region.

Education

Tai Tokerau Northland is predominantly made up of rural areas with small, high-achieving schools. Larger schools in the more populated areas of Whangarei and Kerikeri provide extensive modern facilities, and private education options are also available.

NorthTec is the region's largest tertiary education provider, covering a multitude of subjects and offering over 100 courses. NorthTec is government owned and works closely with local and national employers providing quality vocational training at six campuses across the region.

Health

The Tai Tokerau Northland region has an excellent health system in place. Services are well distributed with the main hospital in Whangarei and peripheral hospitals in Kaitaia, Kawakawa, Hokianga and Dargaville. The region is also serviced by 41 general practices and eight Māori health providers.

Lifestyle

Tai Tokerau Northland offers its residents a less stressed working environment, with time to enjoy this incredible region, and many skilled workers relocate to the region to enjoy the lifestyle Tai Tokerau Northland offers. Short commutes, low population density, affordable land and housing, and close proximity to world class beaches make Tai Tokerau Northland an enviable place to live.



Refining NZ have recently completed a **\$365m** upgrade



Land availability

There are significant areas of undeveloped or under-utilised land throughout Tai Tokerau Northland. These provide enormous potential for primary production, through a combination of establishment, intensification or diversification of activities.

Marsden Maritime Holdings has 185 hectares of industrial land available for development at Marsden Point, with ready access to Northport - New Zealand's northernmost multi-purpose port, and in close proximity to New Zealand's only oil refinery.

A further 101 hectares at Port Nikau - site of the former Port Whangarei - is available for both harbourside commercial and waterfront residential development. The site boasts over four kilometres of coastline, access to deep water, close proximity to arterial routes, amenities and facilities including industrial buildings and large commercial wharves.

Energy

With the advantage of a locally based power station in the Far North, Tai Tokerau Northland enjoys a reliable source of renewable energy. Currently around 70% of the region's power is generated by the geothermal field at Ngawha, and a major expansion is underway to increase output from 25 MW to 81 MW to meet the growing future demands of the region.

Water

Tai Tokerau Northland benefits from reliable rainfall, and local government works with the community to protect the region's fresh water resources, ensuring clean water is available for agriculture and horticulture operations. Plans and policies are set in place to manage water resources with the aim of improving water quality for future generations.



Connectivity

There is a collective desire to increase digital capability across Tai Tokerau Northland. With support from local and central government, the region's businesses and communities are working together to take advantage of new Broadband infrastructure. The Northland Digital Strategy sets out a vision of Tai Tokerau Northland in 2025 being digitally connected, using globally competitive technologies by a digitally literate workforce.

Whangarei was the first city in New Zealand to be fully-fibred under the Government's Ultra-Fast Broadband initiative. The project, carried out by Northpower, has delivered Ultra-Fast Broadband to thousands of people in the Whangarei community, including 1,700 businesses, 200 healthcare providers, 26 schools and two hospitals.

A \$33.8 million second phase roll-out of Ultra-Fast Broadband to 29,000 premises in Whangarei, and 20 other Tai Tokerau Northland towns over the next six years, is currently underway.

Additionally, the Hawaiki Cable, which landed in Tai Tokerau Northland in 2018, creates an attractive investment opportunity to develop international data processing centres for Australia, Asia and the United States, and develop the region's digital economy.

Transport

Tai Tokerau Northland is served by a good road connection to the country's State Highway network. Whangarei is just two hours' drive from Auckland, and frequent daily flights from the region's three domestic airports connect travellers quickly and conveniently with the rest of the country, and New Zealand's gateway to the world.

The Bay of Islands Airport at Kerikeri is currently undergoing a substantial upgrade, boosted by a \$1.7 million investment from the New Zealand Government's provincial growth fund.

With expectations that both heavy freight and tourism activity in Tai Tokerau Northland will increase in coming years, plans to upgrade the region's State Highway network will ensure safe and resilient transport connections for all road users.



Whangarei was the first city in New Zealand to be fully-fibred under the Government's Ultra-Fast Broadband initiative

Māori in the Tai Tokerau economy

Māori are a significant part of the Tai Tokerau economy. Tai Tokerau Northland has a large and youthful Māori population who comprise almost 30% of the region's population (relative to 14% for New Zealand) and are projected to increase to 33% by 2021.

Māori are significant participants in farming and forestry in the region, with almost 140,000 hectares of land held under Te Ture Whenua Māori 1993 (The Māori Land Act). Māori in the region are also entrepreneurial and have a higher rate of self-employment than Māori in other parts of the country.

Current and forthcoming Treaty of Waitangi settlements will provide Māori with further opportunities to realise their aspirations for sustainable prosperity and wellbeing for generations to come, as well as for the broader economy. Tai Tokerau Northland's Māori asset base was estimated at \$2.4 billion in 2012 and will continue to grow as Treaty settlements are finalised. Settlements include future co-management of natural resources.

Funding, investment & support

Northland Inc works with key industry sectors in Tai Tokerau Northland to facilitate value-added activities and value chain improvements, increase exports and provide business, job and investment opportunities.

Administered by Northland Inc, The Landing Pad is an initiative designed to bring private enterprise and investors together in Tai Tokerau Northland. The Landing Pad works with a portfolio of investable opportunities and actively promotes them to potential investors from New Zealand and overseas.

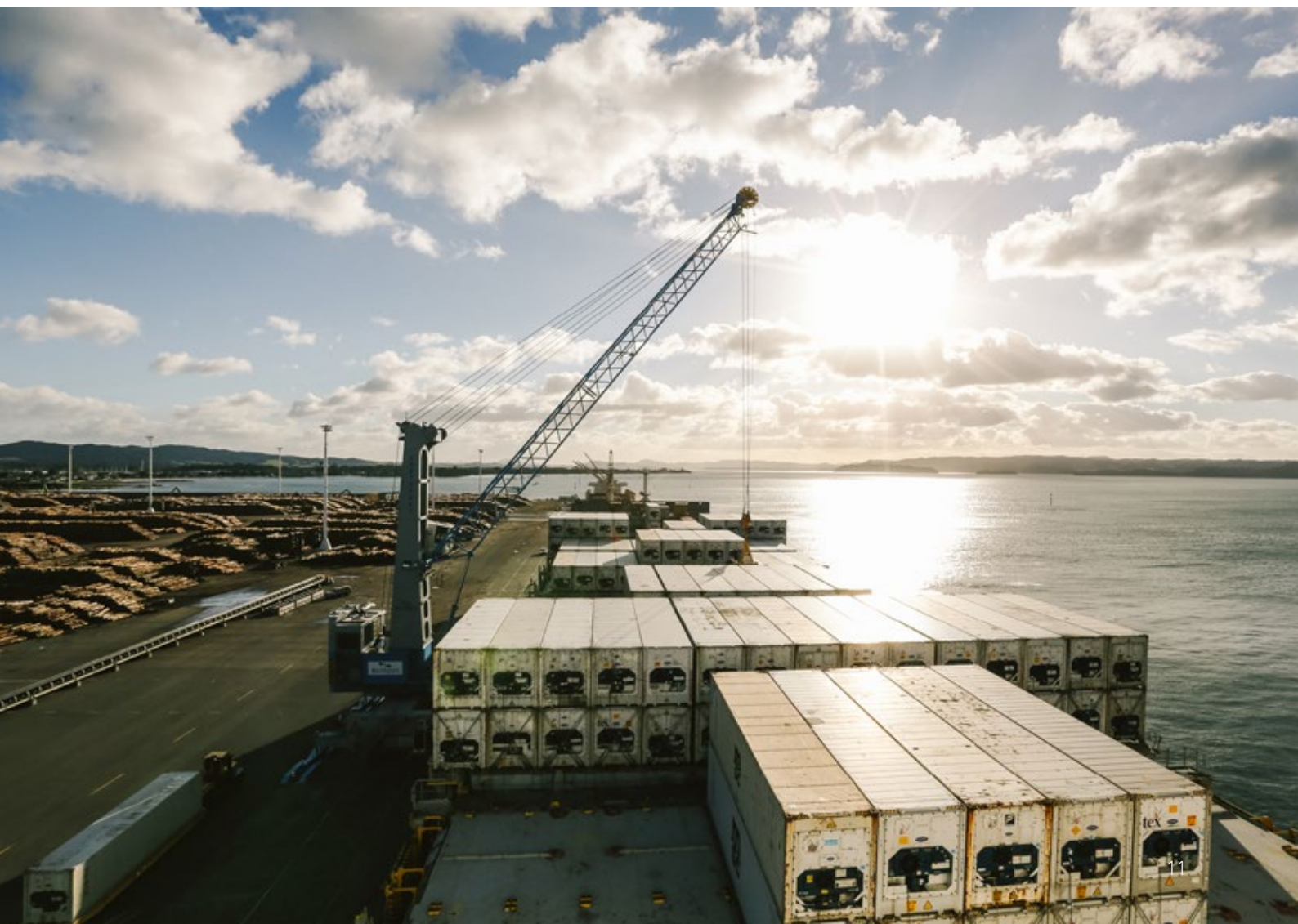
The Landing Pad supports investment in Tai Tokerau Northland by facilitating introductions, providing quality advice, sourcing market information, and promoting Tai Tokerau Northland capabilities. The initiative works to build investable opportunities in Tai Tokerau Northland by providing businesses with assistance to get investment-ready, and supporting them through the process of finding and securing investment.

Import/Export

Northport, situated at Marsden Point near Whangarei in Tai Tokerau Northland, is a deep-water commercial port. It is the New Zealand's northernmost multi-purpose port and the closest to international markets.

Northport is New Zealand's newest port, designed and built as a flexible, multi-purpose facility to cater for a wide range of cargoes and their associated vessel types. Plans to expand the port's container facility are currently in development.

With 180 hectares of immediately-available 'green field' commercially-zoned land adjacent to the port boundary, there is a lot to offer importers and exporters looking for room to grow.





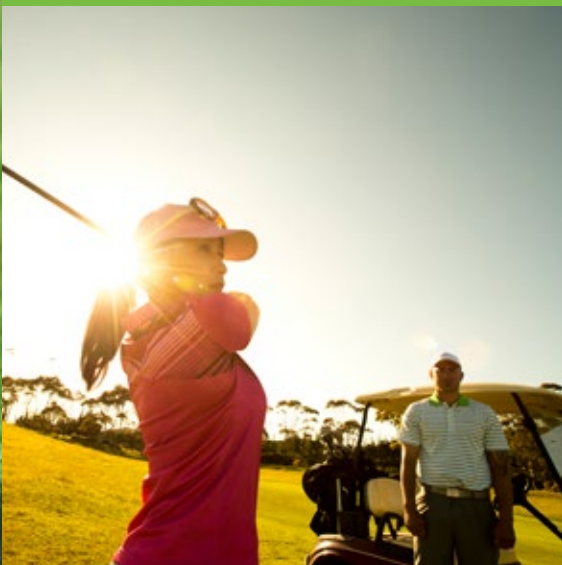
Tai Tokerau Northland for business

New Zealand's stable economy and political system, reputation for innovation and ease of doing business make it an attractive place to invest.

Tai Tokerau Northland combines the benefits of doing business in New Zealand, with advantages based around the region's natural assets, skilled workforce and enviable lifestyle.



Tai Tokerau Northland's diverse economy provides opportunities for investment in a wide range of industries.



Key Regional Industry Sectors

Primary production

Agriculture, horticulture and forestry underpin Tai Tokerau Northland's economy. The region's reliable rainfall, good sunshine hours, quality soils and abundant natural resources create a strong base for primary production and processing.

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Tourism

Tai Tokerau Northland's culture and history, combined with its spectacular and untouched landscapes, make it an appealing tourist destination. With 1.235 million domestic and 716,000 international guest nights in 2017, Tai Tokerau Northland's tourism industry continues to grow.

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Manufacturing, Construction & Marine Engineering

With its extensive coastline and rich seafaring past, Tai Tokerau Northland is a marine hub, nationally and internationally regarded for its world class boatbuilding and repair capabilities. In recent years, the manufacturing and construction sectors have also become important contributors to the Tai Tokerau Northland economy.

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Agriculture

As New Zealand's only subtropical region, Tai Tokerau Northland's climate offers a key competitive advantage for its agricultural sector, which includes dairy, beef and sheep farming.

The mild climate and reliable rainfall create ideal conditions for fast pasture growth, giving Tai Tokerau Northland producers the ability to fatten stock during the warmer winter and spring months. These unique factors have seen Tai Tokerau Northland's agricultural sector double productivity in the last 15 years.

Beef farming is important to this sector, and Tai Tokerau Northland is responsible for producing around 20% of New Zealand's beef.

Tai Tokerau Northland boasts two modern processing plants with impressive facilities and output, as well as the biggest blast freezer in the Southern Hemisphere.

Fonterra's Kauri site produces

116,000t

of skim milk, whole milk and nutritional powders, specialty butters and anhydrous milk fats (AMF) each year

Dairy farming is an important industry in Tai Tokerau Northland, with the climate again providing a key advantage. Dairy herds in Tai Tokerau Northland enjoy a mostly natural grass-fed diet, with a continued supply all year. This creates opportunities for year-round production, when many others around the country dry off their herds throughout the winter months.

Fonterra's Kauri site in Tai Tokerau Northland was established in 1989 and produces about 116,000 tonnes of skim milk, whole milk and nutritional powders, specialty butters and anhydrous milk fats (AMF) each year.



Investment opportunities in agriculture

- Significant scope to improve farm productivity through improved farm management.
- Increase investment in research and development to improve pastures and farming methods, and to identify new value-added products.
- Implement 'circular economy' principles to reduce waste and maximise value in the agricultural sector.



Tai Tokerau Northland is responsible for producing around **20%** of New Zealand's beef

A photograph of a herd of brown and white cows grazing in a lush green field. The cows are in the foreground, and the background shows rolling green hills and a blue sky. A green diagonal graphic element is overlaid on the bottom right corner of the image, containing text.

Horticulture & Apiculture

Tai Tokerau Northland's subtropical climate and wide diversity of soil types result in a huge selection of crops thriving in the area.

Tai Tokerau Northland's largest crop is kiwifruit, with around 3.6 million trays of green and gold kiwifruit grown annually. The Plant & Food Research facility in Kerikeri is involved in kiwifruit breeding research that supports the kiwifruit industry nationwide.

The Far North has also become well recognised as one of the world's prime subtropical growing areas for avocados. Tai Tokerau Northland has about 430 of the country's 1,600 avocado export growers, and Tai Tokerau Northland growers produce around 45% of New Zealand's avocado export crop.

Citrus are also very successful in Tai Tokerau Northland, with mandarin, lemons and navel oranges being most popular. Blueberries are a new but rapidly growing fruit crop.



With over 40 vineyards, Tai Tokerau Northland has a reputation for producing award winning wines and increasing demand promises further growth in this industry.

High quality olive oil from Tai Tokerau Northland consistently receives accolades on the world stage.

Tai Tokerau Northland is the largest area in New Zealand for kumara (sweet potato), with red, orange and gold kumara varieties all being produced by a well developed commercial industry.

Most recently, excitement is growing for the potential in apiculture, specifically in producing manuka honey. Honey exports from New Zealand have been growing by 30% per annum over the last 10 years, and the value of exports has been driven by the higher price for 'active' manuka honey. Tai Tokerau Northland produces some of the highest medical grade manuka honey in New Zealand.

The Whangarei Growers Market was the first of its kind in New Zealand and is now the largest. Each week, over 100 local growers supply their produce to up to 6,000 shoppers.



Tai Tokerau Northland produces some of the highest medical grade manuka honey in New Zealand

Investment opportunities in horticulture & apiculture

- Opportunities for key sub-sectors, such as avocados, kiwifruit and citrus, to achieve scale.
- Increase value-add through the application of R&D in the region.
- Opportunity to increase production of highly active (medical/nutraceutical grade) manuka honey and potentially establish a collective vertically integrated honey company and/or brand for the region.

Honey exports from New Zealand have been growing by

30%

per annum over the last 10 years



Forestry & Wood Processing

Forestry is a well-established and significant part of the Tai Tokerau Northland economy, thanks to the region's warm climate, reliable rainfall and fertile soils.

The forestry industry in Tai Tokerau Northland predominantly utilises radiata pine - a versatile timber, suitable for a wide range of end uses, from structural to high quality interior finishing and furniture.

The wood produced in Tai Tokerau Northland has an unrivalled reputation for being the highest density - and therefore the strongest - wood in New Zealand. This density is mainly due to Tai Tokerau Northland's warmer climate, which allows trees to grow consistently all year round.

With 190,000 hectares of planted forest, Tai Tokerau Northland has one of the largest pine resources available for processing. This includes logging, saw-milling, wood-chipping, veneer and plywood manufacture.

Only 33% of logs are currently processed locally, so there is a huge opportunity for growth in the sector of finished wood products, from a region already widely acknowledged for the quality of its raw timber.

Forestry land costs are relatively low in Tai Tokerau Northland, with an average cost of \$6,004 per hectare comparing favourably with the New Zealand national average of \$6,744.

The forestry industry in Tai Tokerau Northland enjoys reliable availability of labour in both harvesting and processing, with several processing plants in the region. There is a large resident labour pool, and advanced primary industry techniques are taught through vocational training programmes.



**Northport is
New Zealand's
second largest
export facility for
forest products**

190,000

hectares of planted forest



Reliable renewable energy for the industry is supplied by the Ngawha geothermal field.

Tai Tokerau Northland is also well connected to local and global markets. Northport is New Zealand's second largest export facility for forest products, and the closest port to overseas markets in Asia and beyond. New Zealand's largest local market - Auckland - is readily accessible by road.

Tai Tokerau Northland's exotic timber harvest grew from 2.6 million m³ in 2011 to 4.2 million m³ by 2015. This growth is expected to continue before levelling out at about 3 million m³ from 2023.

There are already four international large scale plantation owners in Tai Tokerau Northland. The region has also attracted global wood processors, such as Juken New Zealand Ltd (JNL), and there is considerable scope for growth in secondary processing.

Globally there are shortages of pine projected. Tai Tokerau Northland's established forestry industry offers a variety of strategic advantages to investors, and is well placed for further growth in the region.

The region's high-density timber, combined with ready access to geothermal energy, makes Northland a compelling location for investment in engineered wood manufacturing and pulp-based processes, using lower grade logs currently exported.

Investment opportunities in forestry

- Growing the wood processing industry to achieve higher value-add.
- Development of a sawmill and pulpmill facility at Ngawha, with access to geothermal heat and low cost energy from Ngawha.
- Development of an indigenous wood products industry utilising the rich native wood resource that exists in Tai Tokerau Northland.



Aquaculture

Aquaculture is the cultivation of seafood in a managed environment, either on shore or at sea. With a decline in wild fish stocks worldwide, there is increasing global demand for high quality farmed seafood.

As one of the world's finest locations for marine farming, Tai Tokerau Northland is well placed to respond to this demand. Tai Tokerau Northland's aquatic environment is largely free from pathogens and inorganic toxins, meaning locally grown shellfish do not require extra seawater purification before processing - a rare advantage for aquaculture operations and seafood businesses.

Tai Tokerau Northland's extensive coastline and pure marine environment have established the region as an important contributor to New Zealand's seafood production, providing 10% of the national value of this sector.

Tai Tokerau Northland aims to achieve 20% annual growth in the aquaculture sector over the next 15 years. This growth will be supported by the National Institute of Water and Atmospheric Research (NIWA) aquaculture research centre in Bream Bay, and by a planned land-based facility for breeding fin fish.



World's first land-based kingfish farm is under development in Tai Tokerau Northland

Tai Tokerau Northland's growing aquaculture industry is focused on four main areas:

- Kingfish farming
- Oyster farming
- Paua (abalone) farming
- Greenshell mussel farming

Tai Tokerau Northland is already responsible for 51% of New Zealand's pacific oyster production, and the majority of New Zealand's Greenshell mussel spat is sourced from Tai Tokerau Northland's 90 Mile Beach. The region aims to double oyster and paua output, achieve a twenty-fold increase in mussel output,

and develop a kingfish industry worth over \$230 million by 2030.

Tai Tokerau Northland's accessible coastal land, 11 sheltered harbours, moderate offshore conditions and mild climate favour the production of high-value temperate-water species. The region also benefits from local processing capacity and its proximity to Auckland and export markets, along with industry and workforce expertise, and New Zealand's reputation for food safety and sustainability.

With perfect conditions and prime position, Tai Tokerau Northland is well placed to capitalise on substantial global demand for seafood and aquaculture products.

Tai Tokerau Northland aquaculture: new frontiers for innovation and growth

Tai Tokerau Northland is home to the National Institute of Water and Atmospheric Research (NIWA) facility - a world-leading fisheries and aquaculture research centre.

In addition, worldwide demand for seaweed is also booming, with several potential uses ranging from human and animal food products, agar and fertilisers, to biofuel production and carbon capture applications.

NIWA's base at Bream Bay Aquaculture Park is Australasia's largest aquaculture research and production facility. The \$20 million centre boasts New Zealand's largest team of aquaculture specialists, and supports a growing aquaculture industry throughout New Zealand.

The site forms an international hub for aquaculture and marine science research and development, with

NIWA and its partners hosting researchers from universities and institutes throughout the world. It is also where NIWA has developed New Zealand's first on-land kingfish facility.

A recent market assessment has identified sufficient demand for at least 500 tonne of kingfish per annum (the scale of an initial pilot facility) through a combination of domestic restaurants and supermarkets, and offshore buyers.

An investment proposal has been finalised to commercialise kingfish production, with the goal of developing a large scale production facility within the Bream Bay Aquaculture Park. The concept could also be expanded to sea-based farming over the long-term.

With the emergence of an exciting kingfish farming industry and further growth also proposed for mussel farming in Tai Tokerau Northland, the potential is enormous for this burgeoning sector.

Investment opportunities in aquaculture

- Opportunity to enter the international market for higher value seafood products, by developing a kingfish production facility, initially land-based, with potential for sea-based in future.
- Potential to scale up oyster, mussel and abalone production in the region to take advantage of expected growing demand over the long-term.



Tai Tokerau Northland supplies the majority of New Zealand's Greenshell mussel spat



Tourism

The visitor economy in Tai Tokerau Northland is currently the region's largest industry. Tai Tokerau Northland's recorded guest nights now total over 1.9 million annually, making it the country's 6th most stayed-in region. In the year to December 2017, the region's economy benefited from a combined domestic and international tourism spend of \$1.106 billion.

It is easy to understand why tourism is such a strong industry in Tai Tokerau Northland, when the region has so much on offer. Tai Tokerau Northland is brimming with stunning natural scenery, and with 3,200 kilometres of beautiful coastline, it has a reputation for incredible boating, fishing and diving.

Tai Tokerau Northland has a rich history that ties both Māori and non-Māori people together. The Waitangi Treaty Grounds in the Bay of Islands is the place where the historic signing of the Treaty of Waitangi (between Māori and the British Crown) took place in 1840.

The region also boasts some of New Zealand's earliest surviving European buildings, including some 30 'Category-1' historic buildings. Tai Tokerau Northland is also home to New Zealand's first capital, first sea port, oldest lighthouse and the country's oldest tree.

Tai Tokerau Northland is renowned for its marine attractions and activities. The Bay of Islands is a micro-region of golden beaches, secluded coves and uninhabited islands. It's a world-class hub for boating, sailing, diving and nature tours, among many other activities. Described by game fishing legend Zane Grey as the "Angler's Eldorado", the Bay of Islands is also well known as being a paradise for fishing enthusiasts.

The Bay of Islands also benefits from the rapidly growing cruise ship sector, with 67 cruise ship visits and 100,000 passengers expected in the year to July 2018, bringing in an estimated \$20 million to the regional economy. The area is also set to benefit from a \$5 million investment in wharf upgrades at Paihia, Opua and Russell, from the New Zealand Government's Provincial Growth Fund.

Just to the south, the Tutukaka Coast has been rated as one of the top three coastlines in the world by National Geographic Traveller. The Poor Knights Islands, a total marine reserve, are world renowned for diving splendor, and home to the world's largest sea cave.





Tai Tokerau
Northland has
3,200km
of beautiful coastline

Investment opportunities in tourism

Investment in a number of attractions and facilities currently being scoped or developed, including:

- Substantial upgrade of Peppers Carrington Resort in the Far North
- Manea - Footprints of Kupe Heritage Centre
- Hundertwasser Art Centre with Wairau Māori Art Gallery
- Kauri Coast National Park
- Cape Reinga visitor facility
- Twin Coast Cycle Trail
- Waitangi Mountain Bike Park
- Hihiaua Cultural Centre in Whangarei
- Ngawha Hot Pools

Tai Tokerau Northland's exclusive luxury lodges offer an unmatched experience, capitalising on the region's spectacular natural beauty and low population density. There are nearly 400 restaurants and cafes throughout Tai Tokerau Northland, and many of the local vineyards welcome visitors for tasting and cellar door sales. Some of New Zealand's best golf courses can also be found in Tai Tokerau Northland, including the internationally acclaimed tournament course at Kauri Cliffs.

With over 100 well-maintained and easily accessible walks and tracks, awe-inspiring giant kauri forests, wine trails, cycle trails and beautiful beaches, Tai Tokerau Northland's attractions are bountiful and too numerous to list.

The recent development of Northland Journeys - a series of road and water-based journeys around Tai Tokerau Northland - supports strong growth in the region's visitor economy. Northland Journeys delivers a more compelling value proposition for visitors to the region, linking cultural and natural attractions and encouraging authentic visitor experiences throughout Tai Tokerau Northland. The incentive also addresses seasonality and dispersal issues by giving visitors compelling reasons to travel outside of the region's peak visitor times and areas.



Marine Industries

Tai Tokerau Northland has a long-standing reputation as New Zealand's maritime capital. The region is home to one of the largest clusters of vessel building, refit and repair services in New Zealand, second only to Auckland.

Tai Tokerau Northland's proximity to the rest of the world via established shipping routes also makes it a convenient stop-off for both commercial and recreational vessels from overseas.

Tai Tokerau Northland boasts a marine industry of rare skill and capability. Globally renowned for its shipbuilding capabilities, Tai Tokerau Northland's reputation for excellence has expanded to cover every aspect of the marine industry. The marine industry is a growing contributor to the regional economy, and now encompasses the building, refit and repair of pleasurecraft, superyachts, naval vessels, fishing fleets and barges.

Whangarei, the region's only city, is a recognised boatbuilding and marine engineering hub, with a strong focus on heavier engineering repairs and superyacht refits.

Whangarei is the closest marine engineering precinct to southern cruise routes. A 100 tonne travelift at Port Whangarei Marine Centre is currently the largest travelift in operation in New Zealand, and a new 560 tonne travelift is expected to be operational in 2019.

Whangarei also boasts a 2000 tonne slipway - the largest in New Zealand's North Island. It is therefore well placed to capitalise on opportunities to serve international clients from the United States, Canada and Europe.

Tai Tokerau Northland is also world renowned among the sailing community, featuring predominantly in yachts' itineraries. Around 500 international boats are predicted to arrive in Tai Tokerau Northland each year, representing 95% of all vessels arriving in New Zealand from overseas.



500

overseas craft arrivals expected each year



Investment opportunities in marine industries

- Potential to take advantage of the current upward trend in the global marine sector, building on the region's reputation for quality, low-cost, innovative repair and refit work.
- Procurement of a large scale travelift with shared access and establishment of suitable hardstand facilities in Whangarei would enable the marine sector to engage in the construction and servicing of more and bigger vessels, including superyachts and ships up to 200 metres.

Opuia in the Bay of Islands is New Zealand's first and busiest port of entry for overseas craft, with over 450 vessels clearing Customs there annually. Opuia hosts several marine service businesses on a single 10 hectare site, and a 173-berth extension of Opuia Marina will increase the capacity of the area to meet demand from additional vessels.

The marine industry in the Bay of Islands will also benefit from planned upgrades to wharf facilities at Paihia, Opuia and Russell, supported by \$5 million in funding from the New Zealand Government's Provincial Growth Fund.

Further south, the port of entry at Marsden Cove near Whangarei typically welcomes around 50 visiting overseas vessels each year, and many more overseas vessels visit Whangarei for maintenance and refits. A new 115 berth marina at Okara, Whangarei, is planned for construction in time to take advantage of the influx of vessels expected for the 2021 America's Cup. The marina is expected to provide an ongoing economic impact of \$9.5 million per annum to the region.

Across Tai Tokerau Northland there are hundreds more marine related businesses, a wide variety of skilled labour and additional land available for new business development. Tai Tokerau Northland also has significant salary and property cost advantages. Major investments in haul-out facilities will enable local firms to build and service more and larger vessels, and create further potential for industry expansion.



Manufacturing

The manufacturing sector plays an important role in Tai Tokerau Northland's economic position, contributing the most of any sector in the region.

Manufacturing businesses are critical to the region's primary industries, turning primary products into manufactured goods. These include processing industries such as dairy factories, meat processing plants, timber mills and cement manufacturing facilities.

Whangarei is home to the only foundry in Tai Tokerau Northland, operated by Circa Marine, providing marine, industrial and general engineering sectors with quality aluminium and steel for a strong manufacturing/trades sector.

Refining NZ, located at Marsden Point is New Zealand's only oil refinery and accounts for around 40% of New Zealand's total energy needs.

Other notable manufacturers are;

- Culham Engineering, one of New Zealand's largest fabrication facilities.
- SPIIND, providing onsite mechanical and electrical maintenance services to many industries across New Zealand, including oil, dairy, timber, cement, water and engineering.
- Ballance Agri-Nutrients, a major supplier of fertiliser to rural industries.
- McRaes Global Engineering Ltd, New Zealand's leading expert in hydraulics, engineering and controls.
- Hansen Products, design, manufacture and distribute pipe fittings and valves around the world.
- Maintenir, a joint venture that brings together the experience and skills of four companies who share the largest combined engineering workforce in Tai Tokerau Northland, to deliver world class engineering maintenance and project solutions for heavy industry organisations.

Tai Tokerau Northland has a solid manufacturing base across a variety of sectors. Many businesses are now moving to Tai Tokerau Northland to take advantage of the region's lifestyle, new technology, infrastructure and availability of skilled labour for future growth.



Investment opportunities in manufacturing

- Tai Tokerau Northland is an attractive place to set up a high-value manufacturing business, with access to highly skilled, innovative and cost-competitive engineering labour.
- With numerous competitive advantages in the marine sector, specific opportunities exist in the design and manufacture of high quality marine products, including electronics, software, sails, hull design, spars and fittings incorporating leading-edge design and materials.

Refining NZ accounts for around

40%

of New Zealand's total energy needs





Construction

Tai Tokerau Northland's growing population, as well as increased demand outside the region, are driving significant growth across the construction industry.

With the regional population growing by 2.3% per annum, demand for residential construction services in Tai Tokerau Northland continues to be high. This is reflected in the recent rise in residential building consents issued, and Tai Tokerau Northland-based construction firms are capitalising on this increased demand.

With the building industry booming across New Zealand - mainly as a result of Auckland's rapid growth, and the rebuild required in Christchurch - an opportunity exists in Tai Tokerau Northland to respond to growing demand, and fill shortages left by increased demand outside of the region.

As Tai Tokerau Northland continues to grow and thrive, the commercial and civil construction industries are expected to gain similar momentum, with the increasing demand for infrastructure and services across the region.

As home to New Zealand's largest cement works in Portland, Whangarei, Tai Tokerau Northland is well placed to respond to regional and national growth in the construction sector.

Investment opportunities in construction

- Demand for new homes continues to provide opportunities for residential construction companies.
- Tourism industry growth is increasing the need for new hotels and visitor accommodation in the region's tourism hotspots.
- Development of infrastructure and services to meet the needs of a growing population present opportunities in commercial and civil construction.



Investing in Tai Tokerau Northland? You're in good company.

Hancock Timber Resource Group (United States)

Hancock Forest Management is the property management subsidiary of the Hancock Timber Resource Group (HTRG), which is the world's largest timberland investment manager for institutional investors.

Hancock Forest Management manages 150,000 hectares of Taumata Plantations Ltd estate in Tai Tokerau Northland. The company is responsible for the day-to-day, on-the-ground timberland management services for HTRG's investors, over approximately 4.7 million hectares across New Zealand and the United States.

Juken New Zealand Limited (Japan)

Juken New Zealand Ltd (JNL) is a subsidiary of Japan-based WoodOneCo Ltd, one of the largest house-building products manufacturers in Japan. The company has invested over \$700 million into New Zealand.

JNL manufactures high quality wood panels and engineered wood (including Laminated Veneer

Lumber, plywood and panels) as well as solid wood products. These products are all made from trees grown in its own expertly managed sustainable forests. Products are primarily exported to the company's home market in Japan.

JNL manufactures one of its showcase products in its Triboard mill in Kaitaia, Tai Tokerau Northland. Triboard is a three-layered panel with a wood-strand core sandwiched between an MDF outer 'skin', creating a clean-lined panel with high resilience and impact resistance, and with greater stiffness than similar products. JNL also has a veneer mill adjacent to its Triboard mill, which peels logs for worldwide veneer sales.

Carter Holt Harvey

Carter Holt Harvey (CHH), one of Australasia's leading forest products companies, manufactures laminated veneer lumber (LVL) at its Marsden Point plant. Technology is key in this 30,000 square metre factory, one of the largest and most sophisticated LVL manufacturing plants in the world. CHH also owns a large modern sawmill in Whangarei, as well as a number of other New Zealand and Australian manufacturing sites.



Exxon Mobil (United States), Chevron (United States), BP (United Kingdom)

New Zealand's only oil refinery is located at Marsden Point, near Whangarei. The refinery provides all of the country's jet fuel, nearly 80% of its diesel and around half of all petrol.

The refinery has recently completed a \$365 million processing upgrade, Te Mahi Hou, which has reduced the refinery's CO2 emissions through increased efficiency and greater yields, as well as lifting refining margins and processing revenues.

Refinery owner Refining NZ is listed on the New Zealand Stock Exchange. BP, Exxon Mobil (trading as Mobil), Chevron (trading as Caltex) and New Zealand's Z Energy Limited are all major shareholders in Refining NZ.

Vicalsa Group (Spain)

Vicalsa Group purchased the Whangarei shipbuilding and manufacturing operations of Shipco in 2014, forming Shipco 360 in a partnership with New Zealand's Integrated Marine Group.

Shipco 360 focuses on small ship construction as its core business, along with ship repair, field support and backup, and the production of winches and deck equipment under the Shipco brand. The strong Shipco 360 partnership has rapidly enabled opportunities for both parent companies.

Operating across five continents and with a history of over 40 years, Vicalsa Group is one of Europe's leading engineering firms. The group includes a range of specialised companies with capabilities including laser cutting and advanced heavy manufacturing, commercial shipbuilding, and superyacht refit and repair. Vicalsa Group provides wide-ranging capabilities and services to a range of major customers across the marine and industrial sectors, in Europe and globally.



Further information

For more information about investing
in Northland, please contact:

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