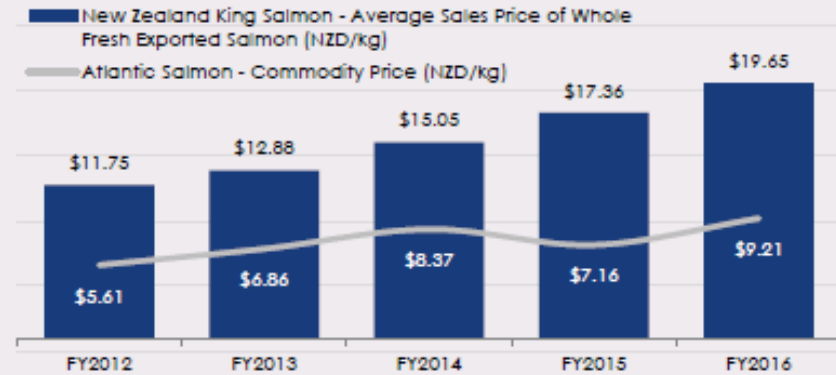




MPI salmon farm relocation proposal  
NZKS submission: 18 April 2017

# Demand strong and typically exceeds supply

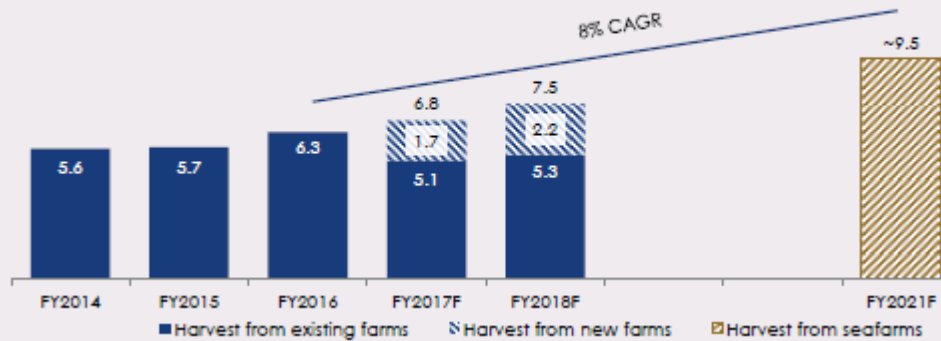
KING AND ATLANTIC SALMON PRICES (NZD/KG)<sup>2</sup>



EAST COAST, USA – PRICE PAID BY IMPORTERS IN APRIL 2016 (USD/LB)

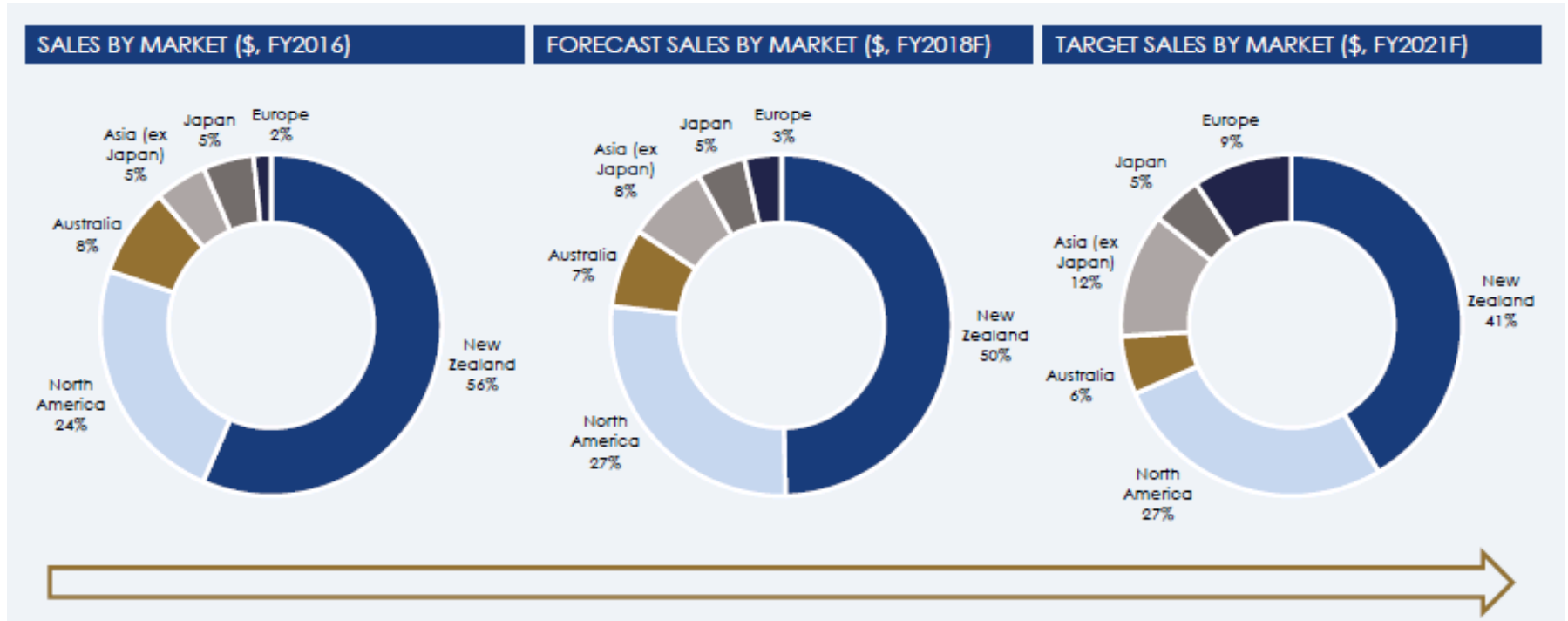


NEW ZEALAND KING SALMON, ANNUAL HARVEST VOLUMES (MT 000S, G&G), FY2014 – FY2021F

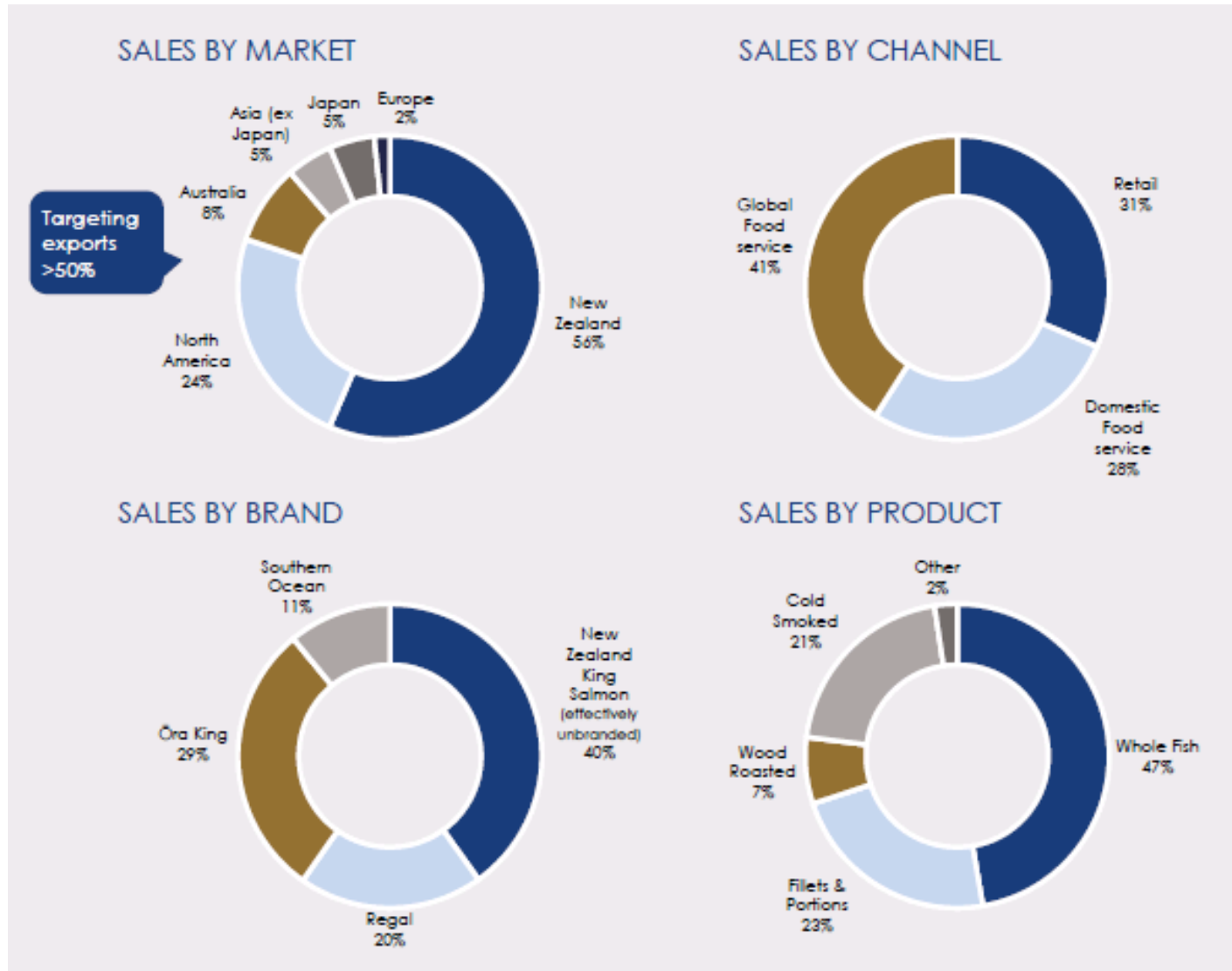


(2) Source: Fishpool.eu for Norwegian Atlantic Salmon commodity prices (average prices reflect the average commodity price across 52 weeks of data), converted to New Zealand dollars at the average daily closing New Zealand dollar:Norwegian kroner rate (Source: Capital IQ)

# Export sales growth is expected to account for ~75% of new production



# We build in resilience and flexibility












# Low flow sites are poor commercially

## HARVEST PHASING

In the first half we typically harvest from smaller less efficient sites. Accordingly the cost of fish harvested\* is typically higher

As such, the per kg cost of fish harvested\* is higher in 1H17 than we expect in 2H17F, as we harvested from smaller less efficient sites, as well as new farms in their initial stages of development.

Farm	Indicative Size (FY17F harvest)	Water Conditions	Other factors	Volume Harvested	
				1H17	2H17F
Ruakaka		Low flow	Low automation, less efficient	650 MT	-
Otanerau		Low flow	Low automation, less efficient	650 MT	-
Clay Point		High flow	Good automation	200 MT	1,600 MT
Te Pangu		High flow	Good automation	300 MT	1,650 MT
Waitata		High flow	High automation, new equipment	1,290 MT	-
Ngamahau		High flow	Good automation	270 MT	220 MT
Kōpaua		High flow	High automation, new equipment	-	-
Waihinau / Forsyth	n/a	Low flow	Smolt site only, less efficient	-	-
Key:  FY17F harvested volume (~900 MT G&G)  Eventual production from new farms (~900 MT G&G)				<b>3,360 MT</b>	<b>3,470 MT</b>

\* Prior to fair value adjustments

# Low flow sites have poorer fish health and performance

