

focus



AUGUSTA

AUGUSTA SHAREHOLDER & INVESTOR NEWS / JUNE 2018



COVER STORY

A family affair

Augusta investor and entrepreneur Robert Grey's family business Middle-Earth wines.

Reader Exclusive Offers Inside
See pages 7 & 11 for details.

INSIDE THIS ISSUE

HIDDEN GEM
ON VIKKI LANE

SUPERVISING
REGULATED
PROPERTY SCHEMES

AVGOLEMENO
- CHICKEN &
LEMON SOUP



AUGUSTA
INDUSTRIAL

**OFFER
NOW OPEN**

Inside

- 4** From the MD
- 5** Investment Assets in Brisbane
- 6** Welcome to Middle-Earth
- 8** Augusta Secondary Sales Market
- 8** Glossary
- 9** Operational Update
- 10** Hidden Gem on Vikki Lane
- 12** Supervising Regulated Property Schemes
- 13** Welcome Kevin Murphy
- 13** Survey Participation
- 14** Outward Bound
- 15** Join our Boot Camp!
- 16** Golf Days
- 16** Augusta Taranaki Mountainairs
- 17** Winter Soup Recipe
- 18** ONZM's Newest Member
- 19** Lowering the Investment Threshold
- 19** Key Dates

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AUGUSTA INDUSTRIAL FUND LIMITED

\$10,000 minimum investment
and **\$1,000** increments thereafter
providing increased liquidity.

The industrial property sector is currently experiencing historically low vacancy in most of New Zealand's major cities and has consistently outperformed other commercial property sectors with the highest total returns over the past five years.

Offer closes **June 11th**.

Visit www.augustaindustrialfund.co.nz to find out more and to request a copy of the Product Disclosure Statement.

The issuer of the shares is Augusta Industrial Fund Ltd.



AUGUSTA
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FROM THE MD



As we enter the beginning of winter, it feels slightly strange that this is my first welcome for the year. As you may have noticed, we decided that it was time for a refresh of the Focus newsletter which delayed the publication of the first edition for 2018. We hope you like the new look and feel, and enjoy some of the many new and noteworthy articles.

The year began with a flurry of activity with the launch and over-subscription of single asset fund 20-26 Sir William Pickering Drive in Christchurch. This property is leased to a single tenant, Airways Corporation of New Zealand and was (one of the strongest) Augusta offerings to reach the market in recent times, due to tenant covenant and a strong WALT of 21.83 years. The scheme successfully raised the required \$22.75 million in a few short weeks. Unfortunately, the over-subscription left many investors unsuccessful with their applications, however, we encourage everyone to keep an eye out for other investment opportunities.

One of these opportunities is the multi-asset Augusta Industrial Fund that was launched in May. The initial portfolio consists of 4 industrial assets – 12 Brick St, Henderson; 862 Great South Rd, Penrose; 20 Paisley Place, Mt Wellington; and The Hub, Seaview, Wellington. The fund is a first for Augusta, offering investment in \$10,000 units which we hope will make investment more affordable and attract a new generation of investors. The fund is open-ended, with long-term plans to add additional assets that would add enough scale for an NZX listing. We are looking to raise \$75 million before the offer closes on June 11th. Bryce and the Bayleys syndication team have been running presentations around the

This fund marks the beginning of a company-wide strategy to look at the risk/return profile of what we offer.

country, but if you missed out, please get in touch with our team who will be more than happy to take you through the details and provide a copy of the PDS.

This fund marks the beginning of a company-wide strategy for New Zealand assets to look at the risk/return profile of what we offer with the primary focus being what we refer to as a "single tenant risk". We have, as a company, provided

many single tenant property opportunities over the years and have achieved some very good outcomes for investors. Essentially what we are saying now is that we believe we can deliver our investors a better risk/return profile from multi-asset/multi-tenant fund structures that still provide a direct investment in real estate but do so without exposure to a single tenant and consequently a single income stream. One thing we know with certainty is that leases do not run forever and if we can still deliver you great property returns without that risk, surely that has to be a good thing. You'll see and hear more of our thoughts on this going forward.

Another long-awaited success was the acceptance and settlement of Augusta's proposal to externalise the management of NZX listed property company, NPT, to Augusta Funds Management. The management rights of NPT were acquired for a figure of \$4.5 million with 96.71% of NPT shareholders who voted in favour of the resolution, putting Augusta at the helm of NPT from 26 March 2018.

We will be looking to effectively reposition the NPT brand in the market by following a unique strategic direction of identifying and acquiring assets that offer value-add upside. NPT can still be found at www.npt.co.nz.

Augusta is not solely focused on acquisitions and as some of you will be aware we have executed a number of successful sales by capitalising on a buoyant market. Two notable sales in particular being:



20 Paisley Place, Mt Wellington, Auckland (boundary lines indicative only).

- Rothwell Avenue Nominee Joint Venture**
 Through active management, this property obtained a successful sale above market valuation and independent appraisals. This resulted in investors realising a strong equity position which was reflected in the IRR.

- Aetna Place Joint Venture**
 While this property was not initially for sale, a strong off-market offer was received at significantly above market value. This allowed investors to exit the scheme with a strong uplift on their initial investment.

As the market continues to tighten and yields sharpen, Augusta will diversify and focus on larger multi-asset funds concentrating on future opportunities in the hotel and tourism sector and the residential market. Both these sectors have very strong demand/

supply metrics and Augusta is providing New Zealanders with the opportunity to invest their money in areas they have not previously had the opportunity to do so, via a managed fund. Ultimately our goal is to list both of these funds on the NZ stock exchange once we achieve the necessary scale.

You may have seen our recent announcement regarding the relocation of our COO, Guy French-Wright to Australia, where he has previously lived and worked for 15 years in property funds

management. Guy will open a Melbourne office for Augusta in pursuit of value-add initiatives for the company on that side of the Tasman. While we are sad to lose him from his very important role here in Auckland we are excited about the prospects he will deliver for the company in Australia.

MARK FRANCIS
 Managing Director

Investment assets in Brisbane

BY BRYCE BARNETT

As many of you are aware, Augusta manages close to A\$140 million of real estate assets in the greater Brisbane area, primarily in the industrial sector.

This market has been very strong in the last twelve-month period, and it has been difficult, almost impossible, for Augusta to source good industrial investments to provide the yields to our investors that they have experienced in the past. We have enjoyed high occupancy levels with our investments and are expecting good uplifts in the valuations for the period ended 30 June 2018.

The Brisbane industrial markets can be summarised as follows:

- There were over 250,000 square metres of industrial building developed in 2017 - and all have been leased.
- Yields compressing with prime assets averaging approximately 6.4%.
- Improved economic conditions in Queensland with tourism, minerals, education and large LNG projects moving to production and export.
- Strong demand from local and national institutional investments.

Current indications suggest a consolidation of investment demand for prime grade assets in other major centres in Australia.



Augusta is planning to be more aggressive in its pursuit of these opportunities with Guy French-Wright, our current Chief Operating Officer, returning to Australia in August 2018.

We look forward to having more Australian opportunities to present to our investors in the future.

WELCOME TO MIDDLE-EARTH

Investors with Augusta are often entrepreneurial in nature and in this article, we dig a little deeper into Middle-Earth Wines, one of the many projects in which **Augusta investor Robert Grey** has a particularly zealous interest. You could say this is a story about diversification...

Over 55 years ago the Grey family moved from Southland to the warmer climes of Nelson, and purchased a property wedged between the convergence of the Wai-iti and Wairoa Rivers, Brightwater, 20 kilometres southwest of Nelson.

They ran this as a dairy farm producing milk for town supply. Rob (or Robbie as he is fondly referred to by those infected by his enthusiasm for life) followed in his father's dairying footprint, but eventually couldn't resist diversifying. Hence, slowly but surely began converting paddocks to vineyards from 1996. Over twenty years later there is only

one paddock left and Rob is a well-regarded contract grower. He has provided grapes to a number of prestigious New Zealand wine brands including Kim Crawford and Craggy Range.

The lure of sunshine and the sentimental connection with the land and 'home' saw Rob's daughter Kylie and her husband Ryan O'Connell move back to Brightwater in 2011, and together the family launched Middle-Earth wines. Drawing on fruit from Rob's vineyards and the contract winemaking services at well regarded local winery Waimea Estates they have honed their stable of wines to include Sauvignon Blanc, Albarino,



Pinot Gris, Chardonnay, Pinot Meunier and Pinot Noir. After five years of building the brand, 2016 saw a few leaps and bounds, as the business added to their portfolio launching Middle-Earth Water and adding to their team by acquiring their own personal winemaker.



The Middle-Earth range includes Albarino, Pinot Gris, Chardonnay, Sauvignon Blanc, Pinot Noir and Pinot Meunier.

“I will be drinking the 2017 Pinot Noir. An earnest example of the variety with lovely berry fruits and a silky - smooth palate. Glorious with duck if you can get your hands on one!”

Trudy, Middle-Earth winemaker

The family had built a rapport with winemaker Trudy Shield during their association with Waimea Estates and felt she had become an essential element of their wines. So, in October 2016 when she stepped down from her role and career defining 13-year association with Waimea, they asked her if she would step up for Middle-Earth Wines. She considered this a magic opportunity to work for a smaller wine company with people and fruit she already knew well. Trudy now takes care of all aspects of the Middle-Earth winemaking from harvest decisions with Rob (they spend many a morning tromping up and down the vineyard - chatting and hatching ideas) through to the bottled product.

With a converted cowshed for an office on the vineyard, the team are often crossing paths and interreacting. It is here that Kylie looks after all accounts, administration and logistics. While Ryan who has spent his career in the wine industry, both here in New Zealand and overseas, looks after all general management, marketing, exporting and operations. It was also here, mid-2017, another idea for diversification flowed. Capital Cider Co. had massive growth in the cider category. The bounty of apples in the Nelson region, a winemaker/cider enthusiast and a shared pool of contacts from years of association with the wine and cider industry in Nelson, all helping to get it off the ground.

MIDDLE
NEW ZEALAND

Reader Exclusive Offer

The Grey family has generously offered all Augusta investors a 20% discount on their entire online order.

To receive this offer go to www.middleearthwine.com and enter **Augusta20** at the checkout.

(Minimum purchase of 6 bottles).

Rob therefore now, not only continues to oversee the operations of the vineyards, travels as an ambassador for Middle-Earth Wines & Water but acts as business advisor to Capital Cider Co. ●

GLOSSARY

SINGLE ASSET FUND / SYNDICATE

A single asset fund or syndicate is usually an entity holding one commercial investment. The vehicle holds title to the real estate and owes money to a lender as a result of the acquisition of that one asset. The vehicle has no other assets or liabilities.

MULTI ASSET FUND

A multi asset fund is usually a limited liability entity holding a combination of commercial assets used as a single investment. Multi asset funds can be listed which means they are listed on NZX (NZ Stock Exchange) and are traded as a stock. Multi asset funds can also be unlisted and held as shares or units for investors and have the same characteristics of investing in a single asset fund/syndicate. Multi-asset vehicles increase the diversification of an overall portfolio of assets reducing the overall risk to investors.

OPEN ENDED MULTI ASSET FUND

A listed or unlisted fund that has the ability to add additional assets to the fund with the ultimate goal of improving the risk adjusted return for investors.

Augusta secondary sales market

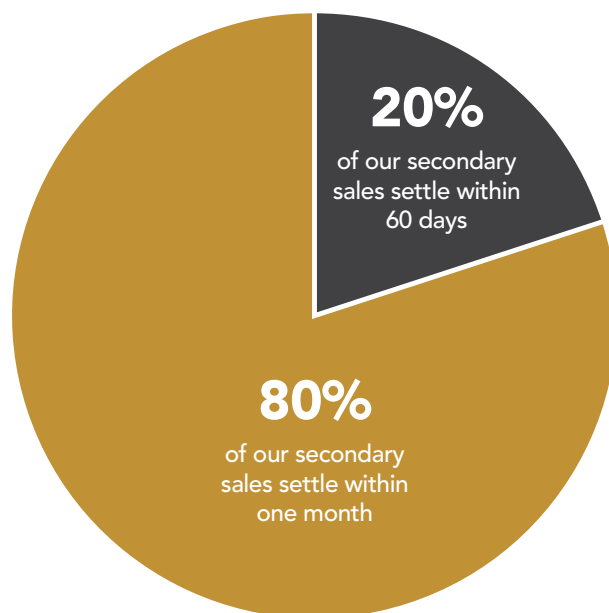
Over the past few years, Augusta has been successful in building an active secondary sale market for investors who wish to dispose of their investment due to a change of circumstances.

As part of our desire to continually improve our service to investors we often discuss and investigate alternatives for this secondary sale platform, and at this stage have elected to keep this function within Augusta as opposed to using an independent trading platform. The decision to keep this in-house is very considered, but it enables us to ensure that the vendor and potential purchasers have the same information to make an informed decision when both selling and purchasing. While information is sent out to all investors on a Quarterly basis, there are some occasions where

material events occur between these reporting periods and Augusta will take action to ensure that both sellers and purchasers are aware of these before proceeding.

Augusta will continue to look at ways to improve this service for our investors, ensuring they receive fair value and the best possible price outcome. Our current secondary sales process has provided an active market with good results for those who wish to sell.

Investment in property, including through single asset funds/syndicates must be seen as a medium to long-term investment, and the success of the secondary market is to enable those investors who have a change in circumstances to realise their equity.



Secondary sales are settled on the last working day of each month.

OPERATIONAL UPDATE

BY GUY FRENCH-WRIGHT



Since our last newsletter communication, we have been as busy as ever.

Following the successful sell down of our Mercury building in Broadway, Newmarket, we are pleased to advise that it is tracking ahead of its construction schedule. The developer, Mansons TCLM, has secured another significant tenant in Avanti Finance, so the building is now approximately 95% leased ahead of the scheduled lease commencements in February 2019.

We have had considerable success in our asset sales program and achieved outstanding results for investors in some of the recent divestments. We will continue to make sure that we actively manage your real estate investments to ensure that we are taking advantage of strong market conditions to enable you to realise gains and reinvest in assets that provide enhanced risk-adjusted cash flows. We are always cognisant that for many of you, an asset sale is only a success if it can be matched with an investment

opportunity which demonstrates superior income and capital growth characteristics.

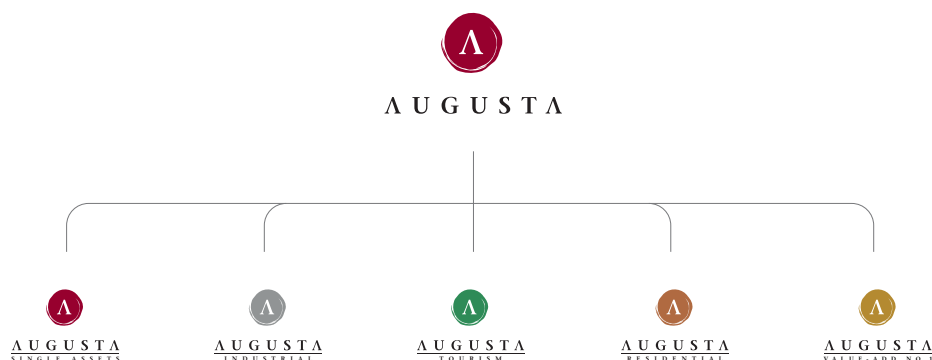
Considerable time has been spent on ensuring that our current and future offering to investors, aligns with the Augusta group strategic objective; 'To be New Zealand's most diverse and respected institutional grade funds management business across multiple sectors in both listed and unlisted real estate'. I thought I would share this strategic insight and the below graphic, to demonstrate to you how much of our direction comes from listening to our investors and in turn designing a business model to ensure we can offer a 'one-stop shop' approach to your real estate investment needs.

As you can see from the below graphic, Augusta's objective is to be able to provide investors with diversified options across all real estate sectors. Single asset funds/syndications will always be a big part of what we do, but as you will see with the recent launch of the Industrial Fund, multiple assets and diversified offerings will increasingly play a more

The Augusta group strategic objective; 'To be New Zealand's most diverse and respected institutional grade funds management business across multiple sectors in both listed and unlisted real estate'

significant part in future offerings. It just makes sense for us to use our reach and expertise to offer you carefully selected real estate in a multiple asset fund to improve the resilience of your cashflows through diversification.

We also launched the new Augusta website in April 2018. We will be improving our investor centre offering within this website in the second phase of development which will provide you with a much more user-friendly way to track your Augusta portfolio performance. Please log on and have a look when you get a moment at www.augusta.co.nz.



HIDDEN GEM ON VIKKI LANE



Vikki Lane Bar & Kitchen owners David & Graham.

Vikki Lane Bar & Kitchen - a story of two amazing personalities sharing their passion for food and wine.

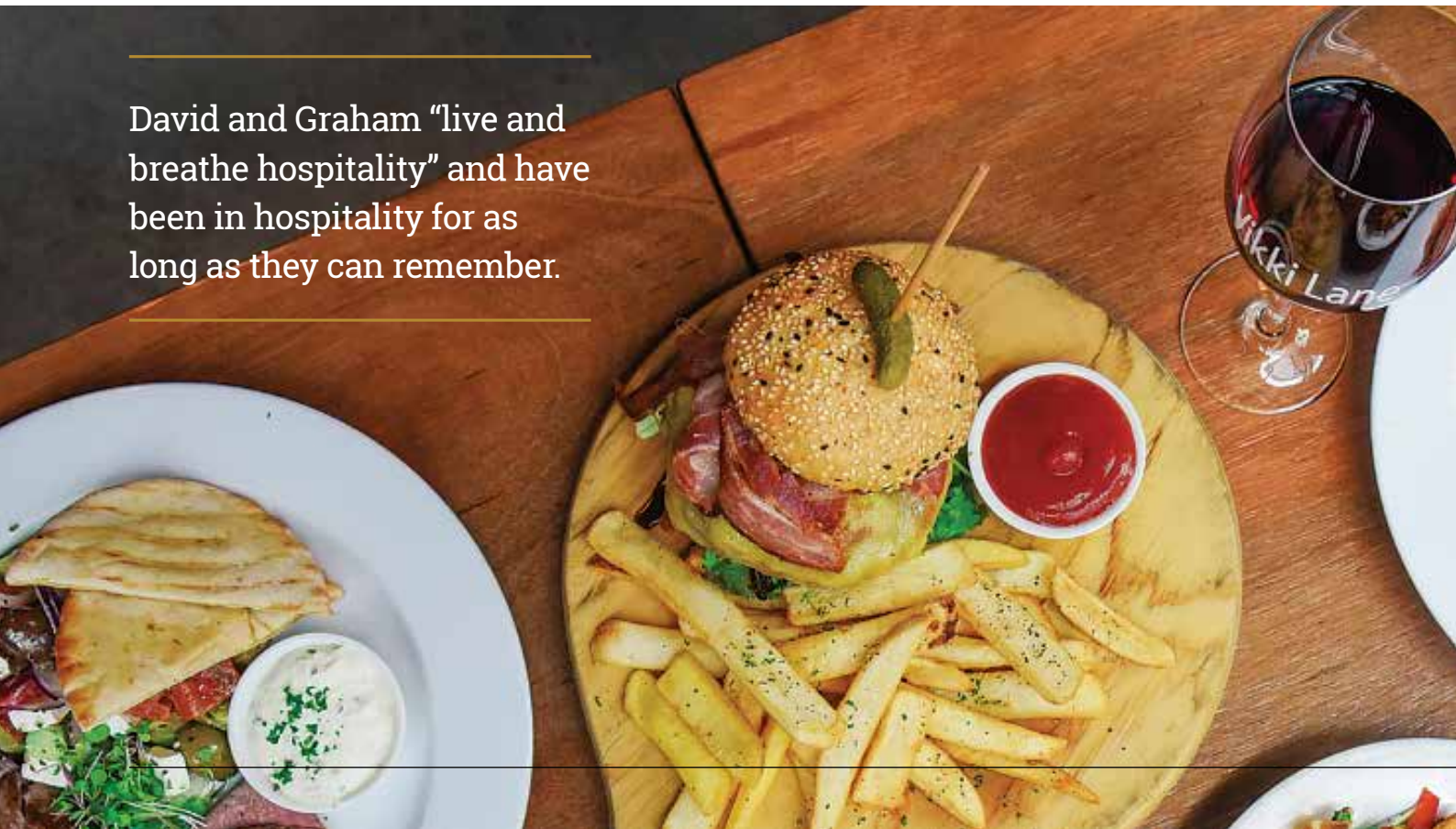
In November 2016, 'Building B Graham Street Limited Partnership' acquired the property located at 4 Graham Street in the heart of Victoria Quarter. The property hosts an array of retail and office tenants, and is currently owned by a group of 465 Augusta Funds Management investors.

The property is occupied by NZME, Maersk Line, Kotahi Logistics and Meredith Connell, Toshi Sushi, Pita Pit, Wine Loft,

Toto Pizza, Glenn de Vries, Hello Mister, Dumplings & Bao, Omatic Trading Theory and Cali Press. As the Manager, strong relationships are built with the tenants of our investors' properties and we would like to extend the benefit of this relationship to you, our Augusta investors.

The owners of Vikki Lane Bar & Kitchen (known by investors in Building B Graham Street Limited Partnership as Wine Loft), David and Graham "live and breathe

David and Graham "live and breathe hospitality" and have been in hospitality for as long as they can remember.





Fish tacos



Mulled wine



Pork ribs



hospitality" and have been in hospitality for as long as they can remember. Between their naughty treats (gin and tonics expertly undercover in takeaway coffee cups) for the late night radio hosts and their special deals designed especially for the 'kids' upstairs at Grabone, they have a broad customer base, many of whom they know by name. With a passion for food, wine and the industry in general, the iconic pair have created a unique offering with a deep history on the ground floor of Building B Graham Street.

Previously the owners of Wine Loft on Shortland St, David and Graham fell in love with the space in the lane at Building B. When Meredith Connell elected to move to the premises in Graham Street, they also requested that Wine Loft view one of the retail spaces on the ground floor. During their viewing David and Graham immediately envisioned a New York/Melbourne style alleyway coming to life, and they took on

the space. They have now been there for nearly two years and have developed close relationships with nearby tenants and created a warm and all-encompassing community feel for those in the area.

The Augusta team went up to the restaurant a few weeks ago and enjoyed their \$15 Fish and Chip Friday and \$8 Mountain Goat tap beers to match. The food was fresh and incredibly delicious, and the service – fantastic! The pair offer a range of daily specials including;

MONDAY & TUESDAY
\$25.00 jugs of beer after 3pm.

TUESDAY
Chef's burger and a bottle of Kingfisher beer \$15.00 after 4pm.

WEDNESDAY
'Mix it your way' Jameson Irish Whiskey \$5.00.

THURSDAY
Buy one main meal and get one for free after 4pm.

Reader Exclusive Offer

David and Graham have kindly offered a **20% discount** to all our investors and readers when they mention this article. Augusta encourages you all to visit Vikki Lane Bar & Kitchen and introduce yourselves to David and Graham – they would love to meet you!

FRIDAY
'Fish n Chip Fryday' Beer battered (or pan fried) fish & chips \$15.00.

The restaurant is open from 7am with a full breakfast menu and \$3.00 double shot coffees and is also open for private functions in the weekends. For more information, or to book this space please email David or Graham at vikkilanebar@gmail.com

SUPERVISING REGULATED PROPERTY SCHEMES

In an effort to continuously help educate you - our investors, we have included an article from **Richard Spong, General Manager of Covenant**, who is responsible for supervising our regulated property schemes in which you may have invested.



YOUR SUPERVISOR: COVENANT

Covenant Trustee Services Ltd ("Covenant") is the supervisor for the Augusta Funds Management Limited ("Augusta" or "the Manager") regulated property schemes. Covenant supervises over half the regulated property schemes in New Zealand and has been in business for more than 30 years. Covenant are independent of Augusta and currently have over \$13 billion of funds under supervision. Covenant is part of a group of trustee companies including Perpetual Guardian and New Zealand Guardian Trust. Covenant are licenced to perform their role by the Financial Markets Authority under the Financial Markets Supervisors Act 2011.

The main Covenant representatives responsible for the Augusta regulated property schemes are Richard Spong (General Manager of Covenant), Stephanie Cross (Senior Relationship Manager) and Pamela Wong (Relationship Manager).

HOW DOES IT WORK?

Each scheme has a governing document ("the Deed") that sets out the terms of the investment and the roles of both Augusta and Covenant. The Deed gives investors the right to a share in the scheme assets and income, and to make some decisions relating to

the scheme by way of resolutions at meetings.

The Financial Markets Conduct Act 2013 ("Act") was introduced to promote the confident and informed participation of business, investors and consumers in the financial markets and sets out some responsibilities on the Manager and Covenant to assist with that. For example, Covenant now holds the assets of each regulated Scheme (other than those where the property is located in Australia) in a separate subsidiary nominee company, so that the property cannot be disposed of without Covenant's involvement.

COVENANT'S ROLE

Investors may recognise Covenant from the annual and special meetings held for each scheme, as a representative from Covenant chairs most of these. However much of Covenant's monitoring occurs behind the scenes. For example, every quarter Augusta must send Covenant a report on each scheme. Each year Covenant receives a set of detailed financial statements and details of each scheme's insurance cover. Covenant's specialist staff review these reports to ensure there is nothing of concern. If there appears to be any concerns, Covenant will investigate further (and intervene if necessary). If the

Manager wishes to sell the scheme assets or borrow money, then Covenant's prior consent may be required under the Deed. Where Covenant's consent is required, Covenant will review the proposal and may require a meeting of investors. Covenant have the right to ask for any information relating to the finances and management of your scheme that they require to be satisfied that investors' interests are being protected. The scheme's Auditor must report to Covenant any issues they find that are relevant to Covenant's role, and they can appoint an expert (including the Auditor) to investigate issues. Covenant also considers any complaints made to it by investors and undertakes any investigations requested by the FMA.

HOW DOES THIS BENEFIT YOU?

The main benefit from having Covenant as your independent supervisor is that Covenant monitors the Manager and the Scheme to ensure that the Scheme's assets are protected and that the requirements of the Deed and the Act are being complied with.

Augusta welcomes Kevin Murphy to its Board

For those investors of ours who do not already know, Augusta has announced the appointment of Kevin Murphy to the Board of Augusta Capital Limited.

Kevin, who has nearly 40 years of experience in the banking sector, was formerly the Managing Director of TSB New Zealand. He helped grow the then-small regional bank into the sixth largest retail bank in New Zealand, with assets in excess of \$7 billion.

His appointment to the Board, as an independent director, will bring an expansive knowledge in governance and leadership, alongside his deep financial expertise. He will also be a member of Augusta's Audit and Treasury Committee.

Kevin said, "I am delighted to be joining the team at Augusta. It's

an organisation that demonstrates the values and connection to community that I was passionate about in my role as Managing Director and CEO of TSB."

Augusta executive director Bryce Barnett says, "We're thrilled to have Kevin on board as we continue to evolve and structure funds that meet the investment needs of New Zealanders. Kevin's appointment further endorses this."

During his time leading TSB, Kevin served as a director of Fisher Funds, Payments NZ and the New Zealand Banking Ombudsman. As a chartered accountant, he has also served as Vice President of Chartered Accountants Australia and New Zealand.

Kevin has lived in Taranaki for nearly all his life and has been



Kevin Murphy

heavily involved in the community. In 2013, he was awarded an NZICA fellowship for outstanding services to the Taranaki community. In 2016, he won the Taranaki Mayoral Award for Business Excellence.

Kevin began the directorship on March 29.

Complete our survey and be in to win!

An email was sent (22nd May) to the primary contact for each Augusta investor or investing entity with a link to complete a research survey.

This is a good chance to update your details with us if you have not received it. Please email our Marketing & Communications Manager Jessie Davidson at jess.davidson@augusta.co.nz if you would like to participate in this survey and have not received the link.

The survey is to help us gain further insight into what you value, what is important to you as an investor, and how we can improve our services, products and better meet your needs.

To slightly sweeten the deal, we have a luxury weekend for two, to Queenstown, staying at Millbrook Resort with all sorts of goodies thrown in; return flights, massages, a round of golf, lunch at Amisfield and breakfast each morning.

Simply complete the survey by **9pm Tuesday, 5th June 2018** to be in the draw to win this fantastic package.

WIN A LUXURY ESCAPE

Complete the survey to win a luxury escape for two to Millbrook Resort, Queenstown, New Zealand.

The package includes a two night stay at the Millbrook Resort (Queenstown), a round of golf, spa, lunch at Amisfield and a lunch house massage for both guests plus return flights to New Zealand.

AMISFIELD AUGUSTA MILLBROOK

We have extended the closing date to the 5th June

AUGUSTA AND OUTWARD BOUND



Each year we accept nominations from our investors to send either themselves or a family member (child or grandchild) on an Outward Bound course as a thank you for your continued support.

It is important to us, as a family orientated organisation, to give back and play a part in someone receiving the opportunity to grow and reach their potential – as you have helped enable us to do.

Outward Bound, located in the Marlborough Sounds, helps participants reach their full potential through challenges in the outdoors. The classrooms of Outward Bound are the mountains, bush and waterways of the Marlborough Region. People of all ages, cultures, abilities and backgrounds are welcome at Outward Bound, with several courses available to cater to the needs of each individual.

All Outward Bound Courses are designed on these principles:

Learning through Experience

– Learn by doing! Applicants will learn about themselves and others from challenge, success and failure, self-reflection and feedback. All activities are designed to promote learning that can be transferred to home and work.

Adventure and Challenge

– Outward Bound courses are based on adventure. Participants will have experiences that are physically, mentally and emotionally challenging. They will

be pushed to their limits and helped to conquer their fears.

Physical Activities – All activities involve situations where there are real consequences. Outward Bound’s highly skilled instructors deliver courses, which include activities such as sailing, kayaking, high ropes, rock climbing, solo experience, tramping and physical training. Previous outdoors experience is not required to participate.

Safe and Supportive

Environment – While students will be placed in unfamiliar settings, clearly maintained boundaries are enforced ensuring physical and emotional safety. Instructors are chosen with the right combination of skill, experience and abilities, guaranteeing supportive relationships and culture.

For more information and course details, go to www.outwardbound.co.nz




If you would like to be considered or have a family member considered, please email Adelle McBeth, with how it could make a difference to your (or your family member’s) life.

All submissions will be considered, and the recipient will be notified by the end of July 2018. The recipient will have the full course fees paid as well as a \$500 contribution towards travel costs.

Please email Adelle McBeth, adelle@augusta.co.nz by Friday 20th July.

JOIN US ON BOOT CAMP!



Alexandra Wheeler

The general motivation of the boot camps is to maintain a good level of fitness, help channel our focus for the afternoon ahead, and to spend some time together.

The Auckland Augusta office began a team 'fitness boot camp' shortly after relocating offices in February 2017. The training sessions are held twice a week on a Tuesday and Thursday at 12.30pm, meeting at Augusta head office, 30 Gaunt St, Wynyard Quarter.

Last year we focussed on the lead up to the half marathon in late October. This meant that one training per week had a cardio focus, while the other had a muscular endurance focus. This year, however, the training sessions have come to simply depend on what the group is wanting out of each session.

As a qualified personal trainer, I launched the boot camps, and our Corporate Accountant, Nicolaas

Calling all
Auckland investors
wanting to get
(or remain) fit
this winter!

Eman has since begun leading the Tuesday training, while I take the Thursday session. The general motivation of the boot camps is to maintain a good level of fitness, help channel our focus for the afternoon ahead, and to spend some time together.

We are extending an invite to all local investors (and their families) to participate in these sessions with us – at no cost. If you have any questions or want to take part, please email me at alexandra@augusta.co.nz. We would love to see you there! The sessions are structured in a way that enables you to work at your own pace, so no preliminary level of fitness is required.



One of our late autumn training sessions.



Golf Days

Our Annual Augusta Classic golf days in Tauranga and New Plymouth earlier this year were a great success, with fantastic golfing conditions and high levels of attendance of both new and familiar faces. A day out on the green is a great opportunity to keep connected with our Augusta 'family' – we will therefore be looking to widen our competition base in the future. We will keep you posted on the final competition locations for 2019.



AUGUSTA TARANAKI MOUNTAINAIRS

Augusta is proud to again be the naming rights sponsor of Taranaki's mens basketball team, the Augusta Taranaki Mountainairs.

In addition to competing in the NZ National Basketball League (NZNBL) the 'Augusta Airs' run a successful community coaching programme in the Taranaki Region.

The Taranaki Basketball programme is a volunteer-run organisation with two Augusta staff members - Adelle McBeth and Bernie Smith (Chairperson) involved in running the club, team and community programme. Bernie Smith won Administrator of the Year at the NZ Basketball awards previously for his contribution and achievement in turning the Club into a community orientated organisation.

Through our sponsorship, we are delighted to have the opportunity to host people at our home games, as we always look forward to being able to catch up with our investors in a more informal setting outside of meetings.



GA Tickets Available!

We have GA tickets available for the home games, so if you are interested in coming along or bringing your family, please contact Investor Relations Manager, Adelle McBeth adelle@augusta.co.nz.

AVGOLEMENO

– Chicken & Lemon Soup



INGREDIENTS

- | | |
|--|--|
| 1 organic chicken | 1/2 cup of freshly squeezed lemon juice |
| 1 cup of white wine | 1 tablespoon lemon zest |
| 3 bay leaves | 1 red chilli (finely chopped) |
| 1/2 tablespoon of fresh tarragon | 1 tablespoon of parsley (finely chopped) |
| 1 cup of Arborio Rice | Salt & pepper to taste |
| 5 egg yolks | |
| 5 cups of good chicken stock (preferably your own) | |

METHOD

- Place the chicken in a saucepan with the bay leaves, tarragon and white wine – cover with water, and poach until cooked through (the time depends on the size of your chicken and can take anywhere from 1hr – 1 1/2hrs).
- Once cooked, remove the saucepan from the heat and leave until cool enough to handle.
- Remove the chicken, drain the poaching liquid through a fine sieve and leave to settle. Any fat will rise the top, scoop this off.
- Remove the skin and bones from the chicken. Shred the meat and set aside.
- In another saucepan heat the chicken stock – add a cup of the poaching liquid, add the rice, cooking until al dente (tender with a little nuttiness).
- Place egg yolks in a large bowl, beat till well blended and slowly add the egg to the hot broth and rice over a medium heat. Whisk continuously to develop a creamy, thickened consistency. Cook for 5 minutes. Stir in the lemon juice and chilli.
- Add the shredded chicken and, over a low heat, allow the chicken to heat through – about 4 minutes.
- Add salt and pepper.

To serve sprinkle chopped parsley and lemon zest over each filled bowl.

Excerpt from "Take a Lemon" recipe book written by Rosie Davidson (our Marketing and Communication Manager's, mother-in-law). Styling and Photography by Evie Mackay (www.eviemackay.com). "Take a Lemon" to be released 2019.

New Zealand Order of Merit's newest member

Augusta's Executive Director, Bryce Barnett was made a Member of the New Zealand Order of Merit (MNZM) in the 2018 New Year Honours for his services to Governance and Philanthropy.

Bryce is currently the Chairman of the Taranaki Rescue Helicopter Trust which he joined in 2012 when the helicopter was almost permanently grounded due to financial issues and has brought it back to a fully functioning and sustainable service for the region.

Bryce was previously the Chairman of the Puke Ariki Trust helping to establish a museum in Taranaki

(one of New Zealand's finest provincial facilities), as well as being behind the efforts to secure long-term sustainability for the nationally significant Great War Exhibition, a trustee on the East Taranaki Environment Trust, and on the Board of Heritage New Zealand. Bryce and his family also set up and run their own



Bryce Barnett with Rt Hon Dame Patsy Reddy

Charitable Trust Te Kukumara, raising significant funds to support sufferers of kidney disease and their families around New Zealand.

Bryce Barnett was made a Member of the New Zealand Order of Merit (MNZM) in the 2018 New Year Honours for his services to Governance and Philanthropy.



Bryce at his Investiture Ceremony at Government House, Wellington Thursday 17th May.

THE AUGUSTA INDUSTRIAL FUND: NEW OPPORTUNITIES WITH \$10K MINIMUM THRESHOLD

Over the last year or so, we have had a number of investors ask if we have considered lowering our \$50k minimum investment threshold, their motivations for this have been varied.

The answer is yes, great consideration has gone into this question.

We are pleased to announce, for those who have not seen our most recent communication, with the launch of our latest offer, the 'Augusta Industrial Fund Ltd' we have, for the first time, lowered our investment threshold to \$10,000 (with \$1,000 increments thereafter), down from \$50,000.

We believe doing so will have a positive impact, opening up greater opportunity for our current investors, but also for our next generation of investors. We feel a certain level of responsibility

to help empower our younger generation of investors to plan for and take ownership of their financial futures.

To this point there are a number of factors this lowered threshold help support;

- Foot in the door approach – enabling younger investors, or those with less means to invest, the opportunity to start building both their knowledge and asset base.
- Greater liquidity – allowing investors to sell part of their original investment should they fall into circumstances where they require a portion but not all of their investment out.
- Diversification – allowing for smaller investments across a diversified portfolio.

It also impacts those investors who have:

- Received additional capital over and above their original investment out of ie. the sale of a property and want to reinvest the full amount, until now this could only be completed in \$50,000 increments.

Another great step forward is the ability for investors to buy shares for i.e. their grandchildren and have them hold these in their own name. The 'minors form' is effectively a contract where the parents agree to the investment on behalf of the minor – a person under the age of full legal responsibility (18 years) and put these in the minor's name. This is something, especially with the lowered investment entry point, that is enabling our investors to actively take part in educating the younger generation and creating a sense of responsibility.

Key Dates

REPORTING

Tax certificates for NZ schemes will be to investors by 30 June 2018

Augusta Capital AGM
– Late July 2018 (TBC)

NEW ZEALAND SCHEME 2018 ANNUAL MEETINGS

Auckland 16th and 17th August

Christchurch 20 August

New Plymouth 14 September

Schemes are scheduled to have their Annual Meetings held where the majority of investors live.

AUSTRALIAN 2018 ANNUAL MEETINGS

New Plymouth – Friday 2 Nov



AUGUSTA

www.augusta.co.nz