

NZX RELEASE
22 December 2017

INDUSTRIAL FUND – FURTHER ACQUISITION

Augusta Capital Limited is pleased to confirm further progress on the establishment of the proposed Industrial Fund with the entry into an agreement for the new fund to unconditionally acquire the property at 862 Great South Road, Penrose, Auckland. The property will be acquired by the Industrial Fund for \$19.05 million. Settlement by the new Industrial Fund will occur on 29 March 2018.

The property has a total site area of 2.37 hectares, is located in a premium industrial location providing substantial road frontage to Great South Road. It is currently fully occupied by Graphic Packaging International New Zealand Limited (formerly known as Colorpak). Graphic Packaging are surrendering the front portion of the property and entering into a new eight year lease (from completion of certain works in the second half of 2018) for the rear portion of the site. Graphic Packaging is ultimately owned by Graphic Packaging Holding Company which is listed on the New York Stock Exchange and is a leading provider of packaging solutions for a wide variety of products to food, beverage and other consumer products companies.

The vendor (who is a private individual) is obliged under the sale and purchase agreement to complete a demolition of the front portion of the site. Once the demolition is complete, the front portion presents various development options for the new Industrial Fund. The vendor has also agreed to underwrite \$12 million of shares in the new fund (secured by a right to set off against the purchase price payable).

Building on the acquisition of The Hub in Wellington this week, the unconditional contract on 862 Great South Road demonstrates further momentum for the establishment of the Industrial Fund. The acquisition also reinforces the previously stated intention for the Fund to be weighted towards the Auckland industrial market. Augusta is currently completing due diligence and negotiations on a further two Auckland based properties. An announcement on those properties is expected to be made in the New Year, along with timing for the public offering of the new fund.

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