



Annual Report 2025

TE WHAITI NUI A TOI TRUST

DIRECTORY

Trustees:	Andrew Te Amo (Chairman) Doug Rewi Renee Rewi Peter White
Secretary:	Murray Patchell
Solicitors:	JB Morrison
Accountants:	PKF Tauranga
Auditors:	Silks Audit
Bankers:	Westpac
Registered Office:	c/- Awhi Roopu Consultants 1227 Ranolf St Rotorua P O Box 987 Rotorua 3040 Phone 072427228 Email: shareregister@arconsultants.co.nz

Website: www.tewhaiti.co.nz

TE WHAITI NUI A TOI TRUST

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Te Whaiti Nui A Toi

T R U S T

GENERAL MEETING OF OWNERS

**at Waikotikoti Marae, Te Whaiti
on Saturday 29th November 2025 at 10:00 am.**

AGENDA

1. Minutes.
2. Chairman's report.
3. Financial Report.
4. Distribution.
5. Forestry Report.
6. Election Results.
7. Lunch

**PLEASE NOTE THAT SPEAKING AND VOTING RIGHTS AT THE
MEETING ARE RESTRICTED TO REGISTERED OWNERS OF THE TRUST.**

TE WHAITI NUI A TOI TRUST

MINUTES OF THE GENERAL MEETING OF OWNERS HELD AT WAIKOTIKOTI MARAE ON SATURDAY 5TH NOVEMBER 2022 AT 10.00AM.

CHAIRMAN: Andrew Te Amo.

SECRETARY: Murray Patchell.

**MIHI &
KARAKIA:** Basil Iraia

ATTENDANCE: 25.

APOLOGIES: 16.

MINUTES: Of the previous meeting held on 6th October 2018 were read by the Secretary and confirmed.
(Pene Olsen/Renee Rewi) *Carried*

MATTERS ARISING:

1. Pene Olsen said there were a lot of questions arising from the last minutes needing feedback from the Trustees and she said she had not received any updates. The Chairman said that the Trust issued annual panui and other owners acknowledged they had received these. Renee Rewi added that most issues will be covered off in presentation of the reports.
2. Pene Olsen also said owners need to look at their land interests. The Chair these were available through Maori Land online.

CHAIRMAN'S REPORT:

The Chairman tabled and read his report. In doing so he acknowledged the contribution of the late Rangi Anderson as a Trustee and his work contributing to the Crown lease negotiations.

RESOLVED: "That the Chairman's report be received."
(Andrew Te Amo/Tuahai Iraia) *Carried*

Pene Olsen queried what was happening with the Licences to occupy. She had applied in 2018 and needs a licence before putting up a house. The chair advised that the Trustees were awaiting the outcome of legal proceedings and will then develop policies for the licences.

FINANCIAL REPORT:

Murray Patchell tabled a summary of the audited financial statements for the three years ended 31 March 2021 and for the year ended 31 March 2022 which were still subject to audit (delayed for various reasons this year).

RESOLVED: "That the financial reports for the 4 years ended 31 March 2022 be received."

(Morgan Matekuare/Pani Taiepa) Carried

AUDITOR:

RESOLVED: "That BDO, Chartered Accountants of Rotorua be reappointed auditors until the next general meeting."

(Andrew Te Amo/Renee Rewi) Carried

DISTRIBUTION: The Secretary explained the owners grants policy.

RESOLVED: "That the sum of \$60,000 be approved for payment of owners grants as per the policy."

(Andrew Te Amo/Doug Rewi) Carried

EDUCATION GRANTS:

Details of the education grants paid in 2022 and the education policy were tabled. Virgil Iraia queried why the policy excluded part time students and why there were no lower level students. Renee Rewi advised that grants were open to all students after the first year and the higher level students this year just happened to be the ones that applied. The Trustees are happy to review the policy re part-time students.

FORESTRY REPORT:

The annual forestry report provided by Crown Forestry was tabled for owners' information.

PLANNING UPDATE:

Renee Rewi presented the planning update which covered new Vision, Mission and objectives, the work done on identifying the owners of the original land blocks and the action plan going forward. The Trustees had put a lot of work into this planning interrupted at times by Covid.

Virgil Iraia said it was a good plan moving forward. He queried the legal entity establishment and who were the advisers mentioned. Renee explained the reason to establish a separate business entity to protect the Trust and owners from business risk and keeping everyone safe. She said we will need to set up policies and procedures and have everything in place before the forestry comes back. Expert advisers such as Russell Dale were being approached to assist with forestry matters and the

Trustees will engage with our own people at the appropriate times.

Basil Iraia said he was happy with the direction the Trustees are taking and he feels they are going about it the right way. He noted the next generation will come through to carry on the mahi.

The Chairman thanked everyone for attending and the meeting closed at 11.20am with closing mihi and karakia from Basil Iraia and Doug Rewi.

Signed as a correct record

CHAIRMAN

Te Whaiti Nui a Toi Trust

Chairman's Report to Owners

He Mihi – Opening Acknowledgement

Ngā mihi nui ki a koutou katoa, ngā uri o Te Whaiti Nui a Toi, ngā kaitiaki o tō tātou whenua rangatira. Welcome to everyone attending our hui today to receive our reports and reconnect with the kaupapa of our Trust. Although we meet formally every three years, owners can stay informed through our annual pānui and the Trust website or contact Trustees directly.

Trustee Update

Trustees serve on a five-year rotation. This year, Renee Rewi's position came up for re-election. As notified in the 2024 pānui, newspaper advertisement, and on our website, two other candidates stood in the election. Following a postal ballot of owners, Renee was re-elected for another five-year term. We acknowledge and thank all candidates who put their names forward.

Next year, my own position will be up for rotation. Your current Trustees are Doug Rewi, Renee Rewi, Peter White, and myself. We meet monthly to manage Trust business, supported by our Secretary, Murray Patchell, at the Awhi Rōpū Consultants office in Ranolf Street, Rotorua.

Forestry Lease and Future Ownership

Most of our land remains under lease to Crown Forestry, originally signed in 1976 for a 90-year term. In 2007, we successfully renegotiated the lease to secure a market rent and bring forward the expiry to 2038. As harvesting progresses, land will be returned to the Trust as planted forest, with the first areas due back in 2027.

This marks a significant transition: from passive lessors to active forest owners. We will assume responsibility for forest management and associated costs. Our business plan is focused on ensuring we are

financially and operationally prepared for this shift — and we are well on track.

We meet regularly with Crown Forestry and their forest manager, NZ Forest Managers Ltd, led by John Hura. To ensure independent oversight, we are advised by Russell Dale, who supports us in negotiations and monitoring operations. A detailed report from Crown Forestry is included in your AGM booklet.

Investment and Financial Position

To prepare for future forest ownership, we have prioritised building a strong investment base. Key highlights:

- **Investment portfolio** (managed by Brent Sheather, Private Asset Management): **\$4.5 million+**
- **Bank term deposits and cash reserves: \$900,000**
- **Total reserves: \$5.4 million+**

These funds will support our operational needs and strategic goals as we transition into active forest management.

Te Tuturi Block – Licences to Occupy

The matter of licences to occupy on the Te Tuturi block remains unresolved. Court proceedings regarding the late Phyllis Nicholas's occupation are still pending, which affects how we can proceed with other applications.

We are in contact and have met with Te Tuturi occupiers and interested groups. Recently we met with a group of nineteen to hear their issues. While we acknowledge the importance of individual whānau connections to the whenua, our duty is to all 2,500+ owners. We are working with our solicitors to explore fair and legally sound options for the future.

Education Grants

Our education policy supports students from their second year of tertiary study. In partnership with the Māori Education Trust (MET), our \$500 grant is

topped up to \$650. Some students may receive additional support through tripartite agreements with certain universities.

We currently support an average of 10 students annually. Education Grant applications for 2026 will open in February via our website.

Annual Owners' Grant

We have again allocated **\$60,000** for the annual owners' grant. Payments are made to owners who have provided up-to-date contact and bank details. If you have not received your grant, please contact our Share Registry team at Awhi Rōpū Consultants to check your records or complete succession processes.

Resources to assist with registration and succession are available on our website.

Acknowledgements and Closing

I extend my sincere thanks to my fellow Trustees for their commitment and to our advisers for their expertise and guidance. Thank you all for your continued support of our kaupapa and collective vision for Te Whaiti Nui a Toi.

Wishing you and your whānau a joyful, safe, and relaxing festive season.

Tēnā koutou, tēnā koutou, tēnā tātou katoa.

Anaru Te Amo
Chairman

TE WHAITI NUI A TOI TRUST

FINANCIAL SUMMARY FOR THE YEAR FOURS ENDED 31 MARCH 2025

1. Audit

The Trust financial records are audited by Silks, Chartered Accountants. Full audited financial statements are available on request for years 2023 to 2025. This report is an extract of key points from financial statements.

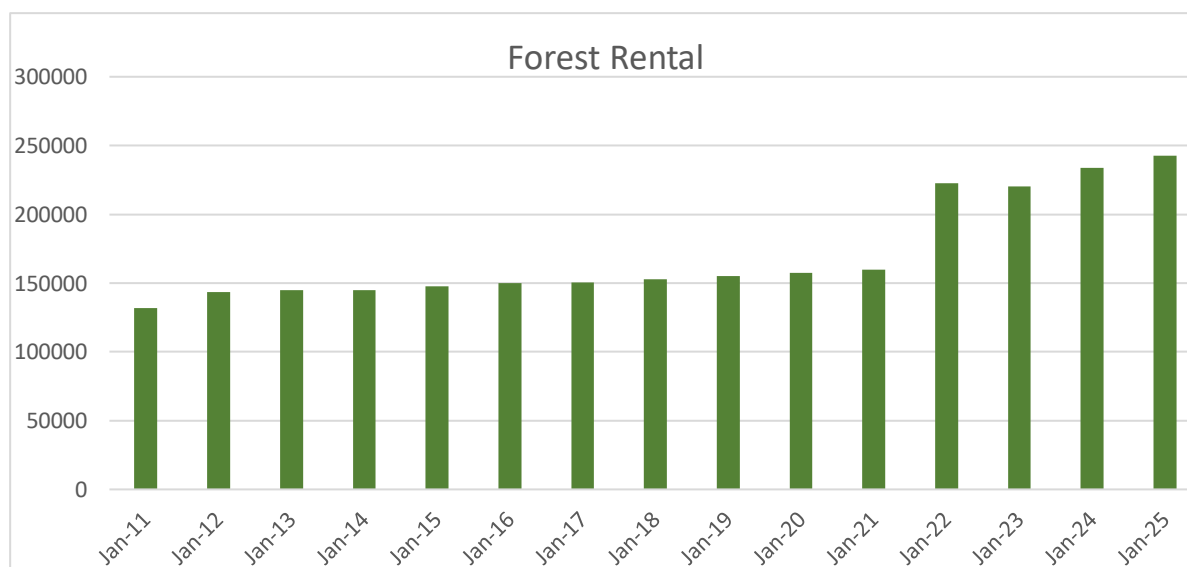
2. Income and Expenditure:

	2023	2024	2025
<u>Income Received</u>			
Forest Rental(adjusted by CPI annually)	220,123	233,834	242,626
Investment Income received	120,668	142,469	155,848
	340,791	376,303	398,474
<u>Less Expenses</u>			
Advertising	2,912	683	225
Accounting	11,857	19,640	17,978
General meetings	1,000	0	0
Audit	4,500	7,950	4,700
Chairman's Honorarium	3,500	3,500	3,500
Consultancy Fees	2,596	0	3,550
FA Gains and Losses	4,118	6,243	(634)
General Expenses	349	138	45
Insurance (Trustee liability)	5,191	4,750	1,757
Legal Costs	0	0	241
Management Fee	15,362	16,313	13,630
Printing stationery & postage	1,382	2,376	240
Rates	1,407	1,474	1,566
Rental – Tawa A Tionga (6%)	13,207	14,030	13,752
Secretarial	18,382	12,390	14,080
Share Register	10,515	10,288	9,111
Subscriptions	2,192	2,326	2,523
Trustees fees & Expenses	14,030	16,283	18,209
Website Expenses	8,918	2,065	1,585

<i>Total expenses</i>	121,418	120,449	106,058
<i>NET PROFIT BEFORE TAX</i>	\$219,373	\$255,855	\$292,416
<i>Less Legal Expenses (not Deductible)</i>	40,949	25,168	6,543
<i>Less Taxation (17.5%)</i>	38,038	45,520	54,441
<i>NET SURPLUS AFTER TAX</i>	\$140,386	\$185,167	\$231,432
<i>Plus Investment gains (losses)</i>	(188,638)	324,405	198,060
<i>NET PROFIT(loss)</i>	(\$48,252)	\$509,572	\$429,492

Other income (Forestry) came from harvested trees owned by the Trust.

The Crown Forest lease provides for rental's to be increased by the Consumer Price Index each year and every 5 years reviewed to current market levels. Last review was 1 June 2021 and annual rental increased to \$207,500 p.a. The next market review is 1 June 2026. In between market reviews rent is increased annually by the increase in the Consumers price index (cpi). The current annual rent is \$250,523.



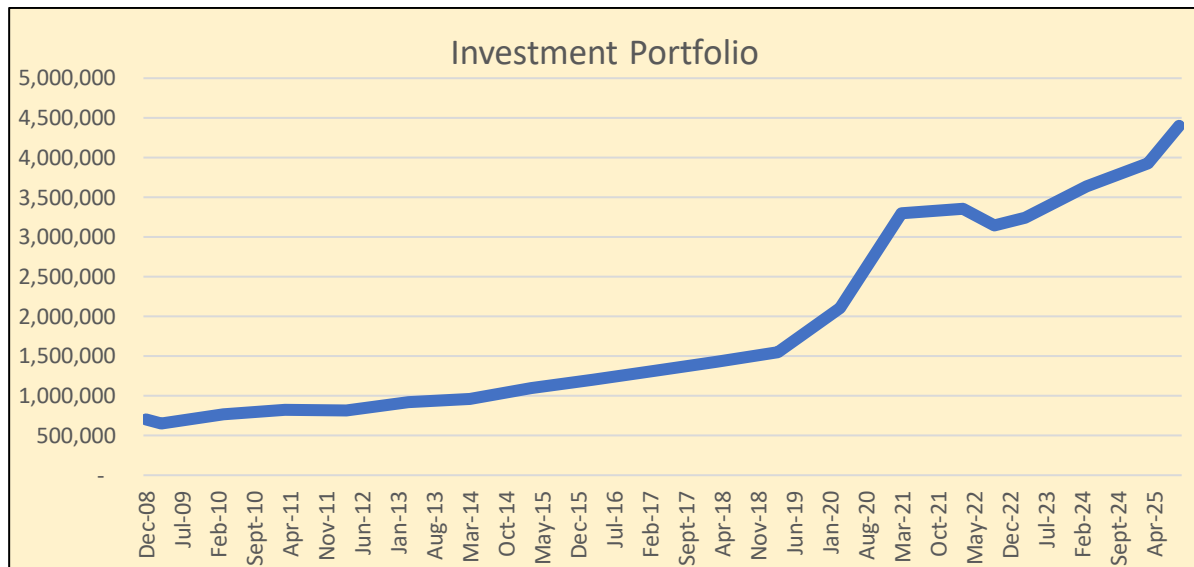
3. Distributions:

	2023	2024	2025
<i>Education Grants</i>	\$8,000	\$5,000	\$2,500
<i>Owners Grants</i>	\$29,117	\$26,899	\$25,409

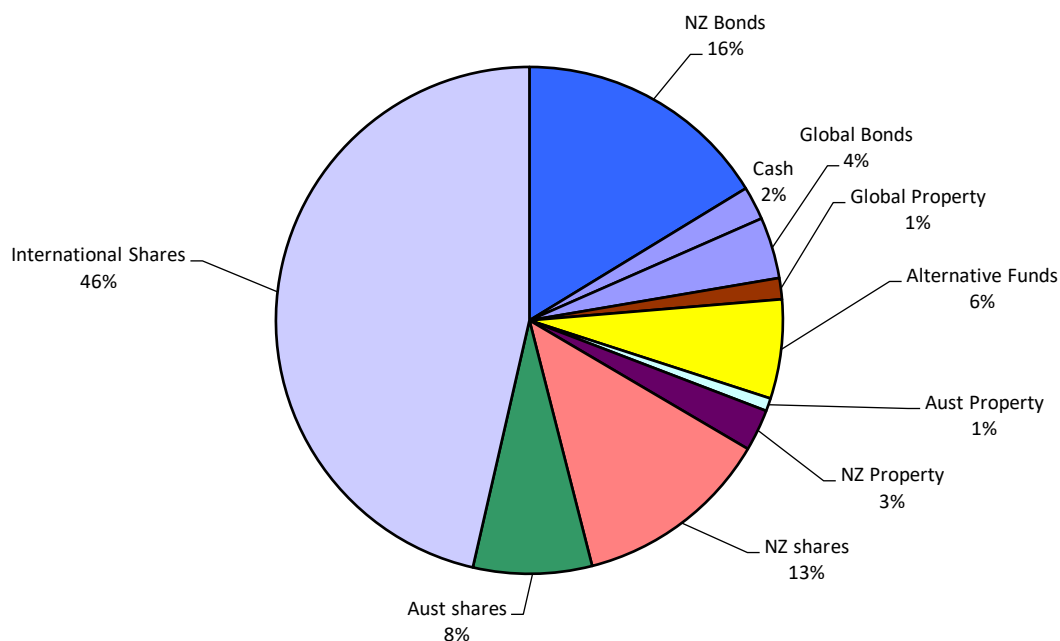
Distributions to owners are taxable with Maori Authority tax credits attached.

4. Investment Performance

\$700,000 was invested in December 2008 in a mixed investment portfolio of bonds, property and shares locally and internationally through Private Asset Management Ltd (Brent Sheather). In 2020 and 2021 an additional \$1.5 million was added into the investment portfolio.



The annualized return from the portfolio since 2008 8.5% (income and capital). Markets have been volatile in the last two years with a range of global factors affecting markets. In the 12 months to 31 March 2025 the investment return was 8.21% but for the year to 30 September the return was 17.54%. The asset allocation of the portfolio is:

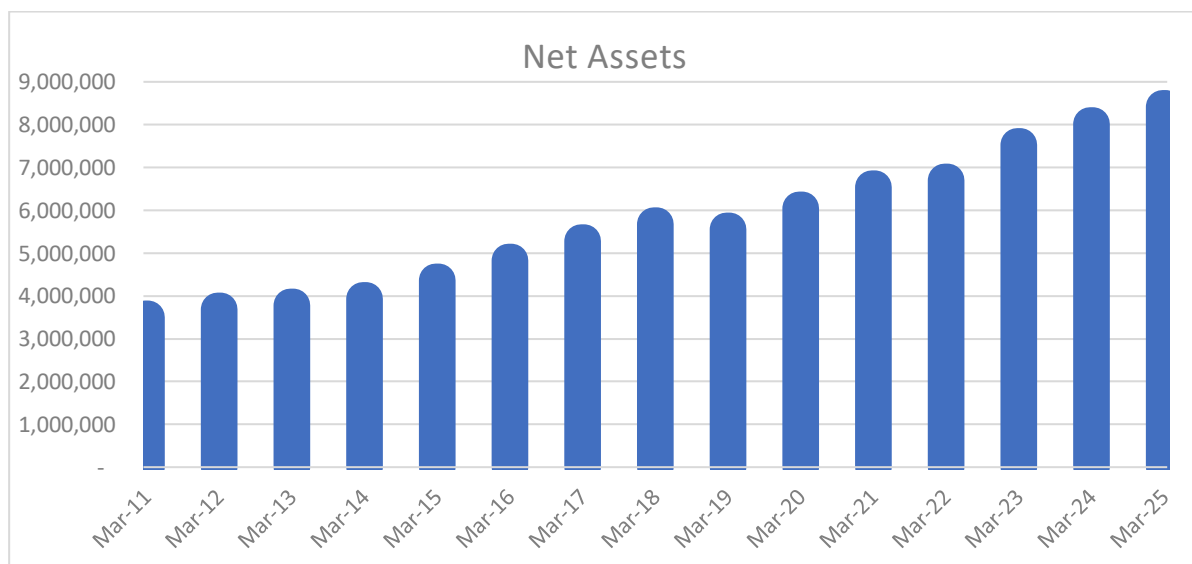


5. Assets and Liabilities:

	2023	2024	2025
<u>ASSETS</u>			
Bank Deposits and receivables	731,474	779,558	904,544
Investment Portfolio	3,244,095	3,641,110	3,926,796
Land	3,705,741	3,711,606	3,711,577
Total Assets	\$7,681,310	\$8,132,274	\$8,542,917
<u>LESS</u>			
<u>LIABILITIES</u>			
Accounts Payable and rent in advance	98,223	61,470	70,529
Unclaimed Dividends	53,537	53,537	53,537
Total Liabilities	151,760	115,007	124,066
NET ASSETS	\$7,529,550	\$8,017,268	\$8,418,851

Land is recorded at the Whakatane District Council Ratings Valuation. The last valuation was dated 1 September 2022 which resulted in an increase of \$758,000.

The Trust has no borrowings.



6. Owners Details

The Trust has 91407 shares held by 2892 owners. Shareholdings range from less than 1 to 1796. Current addresses and bank accounts are held for 341 Owners.

Owners are encouraged to complete successions and contact the Trust office to register their address and bank account details to receive their grant entitlement and to refer this to other whanau who have not connected with the Trust.

A handwritten signature in black ink, appearing to read 'Murray Patchell', with a stylized, wavy line extending from the end.

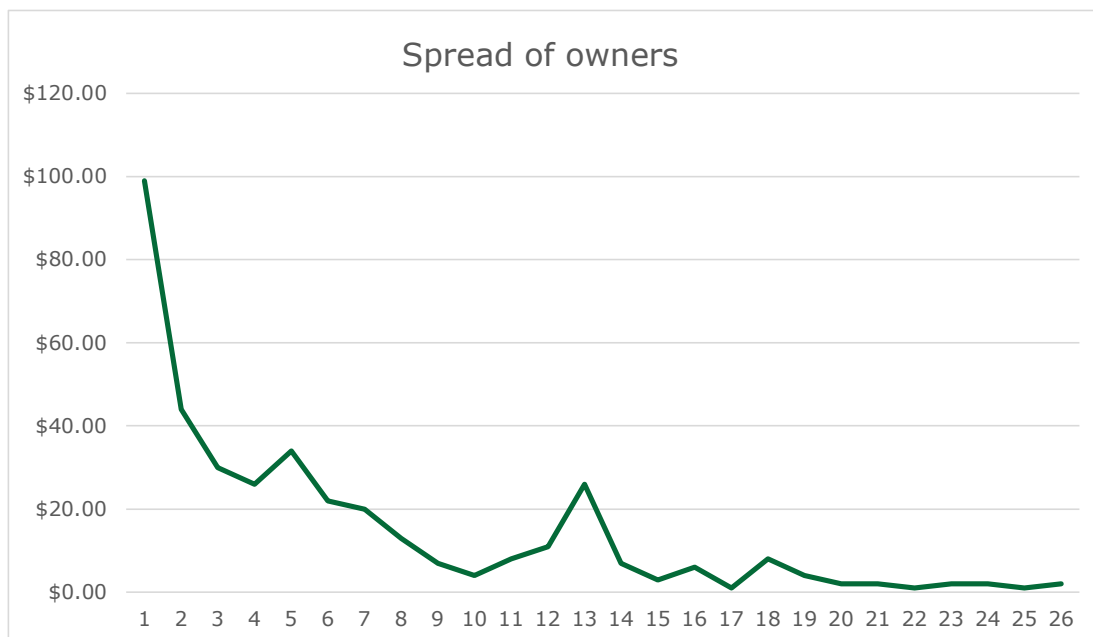
Murray Patchell
Secretary

TE WHAITI NUI A TOI TRUST

OWNERS GRANT

Grant structure for distribution in lieu of dividend (\$60,000).

Group	Share Range		Grant Payment	Owners with address and bank a/c	Total grants payable (before tax)
1	0 to	4.9	\$ 50	99	\$ 4,950
2	5 to	9.9	\$ 50	44	\$ 2,200
3	10 to	14.9	\$ 50	30	\$ 1,500
4	15 to	19.9	\$ 50	26	\$ 1,300
5	20 to	29.9	\$ 50	34	\$ 1,700
6	30 to	39.9	\$ 50	22	\$ 1,100
7	40 to	49.9	\$ 50	20	\$ 1,000
8	50 to	59.9	\$ 50	13	\$ 650
9	60 to	69.9	\$ 50	7	\$ 350
10	70 to	79.9	\$ 50	4	\$ 200
11	80 to	89.9	\$ 75	8	\$ 600
12	90 to	99.9	\$ 75	11	\$ 825
13	100 to	149.9	\$ 125	26	\$ 3,250
14	150 to	199.9	\$ 150	7	\$ 1,050
15	200 to	249.9	\$ 175	3	\$ 525
16	250 to	299.9	\$ 225	6	\$ 1,350
17	300 to	349.9	\$ 250	1	\$ 250
18	350 to	399.9	\$ 275	8	\$ 2,200
19	400 to	449.9	\$ 300	4	\$ 1,200
20	450 to	499.9	\$ 325	2	\$ 650
21	500 to	599.9	\$ 350	2	\$ 700
22	600 to	699.9	\$ 425	1	\$ 425
23	700 to	799.9	\$ 500	2	\$ 1,000
24	800 to	999.9	\$ 575	2	\$ 1,150
25	1000 to	1499.9	\$ 750	1	\$ 750
26	1500 to	2000	\$ 1,200	2	\$ 2,400
TOTALS				385	\$ 33,275



TE WHAITI NUI A TOI TRUST

2025 OWNERS GRANT POLICY

An Owners grant in lieu of a dividend has been approved by the Trustees. This grant is payable to the Owners registered at 1 December 2025 who have supplied their bank account numbers and addresses. The grant is also available to Owners, subject to the terms of the grants policy, for a period of 12 months expiring on 30 November 2026. The current policy in respect of the 2025 Owners Grant is as follows:-

1. For identification purposes the grant will be called the "2025 Owners Grant".
2. The sum of \$60,000 has been set aside for 2025 Owners Grants.
3. Payments to be made only to bank accounts and Owners addresses must be held.
4. Payments will be calculated according to shareholding bands as per the attached schedule.
5. These grants are taxable and will have Maori Authority Credits (MAC) attached at 19.5%. Grants exceeding \$200 including MACs will be subject to RWT at 39%. Where an IRD number is not held for an owner and the gross grant exceeds \$200 the withholding tax rate is 39% reduced by any MAC attached, up to a maximum of 19.5%.
6. All Owners with addresses are to be advised of the Owners Grant and those who have not provided bank accounts details will be asked to do so. Those Owners exposed to RWT at 39% will be advised to supply their IRD numbers to avoid this cost.
7. Non Resident Owners will have their distributions subject to Non Resident Withholding Tax of 15%.
8. Sufficient funds will be retained to cover any Owners who are located after the payment date.
9. The Trustees reserve the right to make only one payment to a shareholder whose name may appear more than once on the share register where it is evident that those multiple names refer to one person.
10. Any Owners who are located after the payment date will be entitled to the payment they would have received had their address and bank account details been known at the distribution date.
11. Any owners who succeed to shares after the payment date will be entitled to payment of the current shareholder's grant based on their shareholding where it has not been paid to the deceased shareholder.
12. Entitlement to the payment will expire on 30 November 2026.
13. Payments to overseas Owners will be subject to deduction of bank charges.
14. The Trustees reserve the right to amend this policy or draft new policy to cover any circumstance not covered or anticipated by this policy, in respect of payments to all beneficiaries or to any one or more beneficiaries and the Trustees decision in these matters will be final.

TE WHAITI NUI A TOI TRUST

EDUCATION GRANTS REPORT 2025

Education grants are available to students in their second or subsequent year of full time study. Please note that all applicants must fully complete their online application form, supply all supporting documents as listed in the checklist on the form and ensure their whakapapa has been verified (signed by shareholder or trustee of whanau trust).

Applications open in February and close 30 April each year. The online form once open, is available through the website <http://www.tewhaiti.co.nz>.

The following students received grants of \$500 each plus an additional \$150 top up from the Maori Education Trust over the last 3 years.

2025 Recipients

First Name	Surname	Institution	Course
Pikimaunga	Howden	University of Waikato	Bachelor of Te Reo Māori/English writing studies
Arahia	Koia	University of Auckland	Bachelor of Commerce
April	Obrien	Te Whare Wananga o Awanuiarangi	Bachelor of Health Science
Kaleea	Ohlson-O'Callaghan	Victoria University of Wellington	Graduate Diploma in Teaching
Skye	Takarangi	Victoria University of Wellington	Bachelor of Arts
Te Okiwa	Tutua	University of Otago	Bachelor of Health Science
Aorere	Waaka	University of Otago	Bachelor of Science
Maioha	Watson	University of Otago	Master's Māori Studies
Jess	Wharekura	University of Waikato	Diploma in Te Tohu Paetahi
Tahnika	White	University of Canterbury	Civil Engineering with Honours

2024 Recipients

First Name	Surname	Institution	Course
Heta	Higgins	Te Wananga Aronui o Tamaki Makau Rau - Auckland University of Technology	Bachelor of Health Science
Zion	Nicholas	Te Whare Wananga o Waikato - University of Waikato	Diploma in Te Tohu Paetahi
April	Obrien	Aspire 2 Health	Diploma in Health and wellbeing
Aorere	Waaka	Otakou Whakaihu Waka - University of Otago	Bachelor of Science

2023 Recipients

First Name	Surname	Institution	Course
Taitimuroa	Akuhata	University of Otago	Bachelor of Medicine and Surgery
Zelda	Te Pairi	Te Wananga o Aotearoa - Waiwhero campus	Bachelor of Maori and Indigenous Arts
Destiny	Anderson	Manukau Institute of Technology	Bachelor of Nursing
Atera	Apirana	University of Waikato	Bachelor of Management Studies with Honors
April	O'Brien	Te Rau Matatau	Diploma in Māori Public Health
Heta	Higgins	Auckland University of Technology	Bachelor of Health Science (oral health)
Aorere	Waaka	Otago University	Bachelor of Health Sciences
Jasmine	Hati	Te Wananga o Awanuiarangi	Bachelor of Arts & indigenous studies
Awa	Akuhata	Te Wānanga o Raukawa	Master's Degree in Mātauranga Māori
Hera	Merito	Anamata	Bachelor of Applied Counselling



2026 EDUCATION GRANTS POLICY

1. Persons who qualify for an education grant:
 - (a) Registered Owners or descendants of Registered Owners.
 - (b) Beneficiaries and descendants of beneficiaries in a Whanau Trust constituted in terms of Te Ture Whenua Maori Act 1993.

Applicants must supply a clear whakapapa endorsed by a Kaumatua who is a beneficial owner of Te Whaiti Nui A Toi Trust or Trustee of Te Whaiti Nui A Toi Trust.

Applicants claiming whakapapa through a Whanau Trust must provide a schedule of the beneficiaries of the whanau Trust issued by the Maori Land Court.
2. Students must be currently attending a NZQA (or overseas equivalent) tertiary institution on a **fulltime** basis or an institution or training scheme approved by the Trustees. Part-time courses are not supported.
3. All students who qualify for a grant will receive an amount approved by the Trustees which varies each year depending on total sum available divided by number of approved applicants plus any top up from other providers.
4. Applications will only be considered for **2nd and subsequent years** of study.
5. The Trust has partnered with the Maori Education Trust (MET) and applications must be submitted online through the MET Portal by 30 April 2026.
6. Students attending free courses or where course fees are paid by employers or third parties are ineligible for a grant.
7. Incomplete or late applications will be rejected. The Trust or MET reserve the right to request further information from applicants.
8. Grants will be paid tax free from MET direct to successful students.
9. Any policy interpretation is entirely at the discretion of the Trustees.

Annual Report for

Te Whaiti Nui-a-Toi Lease Forest

1 July 2024 - 30 June 2025



Photo 1: New gate on Old Te Whaiti Road

Background

The Te Whaiti Forest lease covers a gross area of 2,008 hectares with the potential productive area for plantation forestry assessed as 1,243 hectares. The lease, executed in 1976, was initially agreed to cover a 90-year term with the annual rent indexed to the Consumer Price Index. The lease was varied in 2007 with the key changes listed below:

- The inclusion of a five yearly rent review.
- Term reduced from three to two rotations (now terminates on 31 May 2038).
- Partial surrender of land following harvesting of second rotation tree crop.
- Obligation on the Crown (or Lessee) to replant after harvesting.

In 2012 an unstocked area known as Te Tutiri block was surrendered from the lease.

Lease Payments

As provided for in the Deed of Variation of Lease 2007, a five-year general rent review was initiated in February 2021 and the parties ultimately agreed to a fair market rent, effective 1 June 2021. For the period 1 June 2024 to 31 May 2025 the annual land rental was calculated to be \$239,427 plus GST. The next review is scheduled for 2026.

Forest Management and Management Contractors

The Te Whaiti Nui-A-Toi Forest lease is administered by Crown Forestry, a business unit within Te Uru Rākau – New Zealand Forest Service and the Ministry for Primary Industries, on behalf of the Crown. NZ Forest Managers Ltd (NZFM) manage the day-to-day operational activities within Te Whaiti Nui-a-Toi Forest.

Forest Management Plan

Crown Forestry prepare a five-year forest management plan which is reviewed annually. The management plan is available to the Trust on request.

Forest Operations to 30th June 2025

Operations completed during the 12-month period to 30th June 2025 are detailed below. Operational costs incurred during the period are listed in Appendix 1.

Road Maintenance

During the period, Gaddum Construction have upgraded harvest roads, formed new, and expanded existing log processing and completed post-harvest rehabilitation work. They have also carried out any road repairs and maintenance requirements.



Photo 2: Harvested areas along Old Te Whaiti Road July 2025.

Dothistroma control

NZFM contracted Eastern Airwork to spray the infected trees with a mixture of copper fungicide, spray oil and water in December, a total of 54 hectares was treated. The level of fungal infection required only one treatment. Surveying will continue each winter.

Forest Security

Regular forest security patrols have been carried out during the year. These not only monitor and deter trespass but also assist with managing fire and health & safety risks. No issues were reported.

A security gate has been installed on Old Te Whaiti Road in February. In conjunction with the new gate, the locks across the forest have been replaced. Keys have been issued to the Trust, Crown Forestry, contractors working in the forest, and to the neighbouring farmer for access through the Matera block. Doc have requested a key for the Old Te Whaiti Road gate, and this will be issued once harvesting activity in the area is complete.

Health and Safety

Health and Safety on the worksite is of utmost importance to Crown Forestry and our Forest Management Contractors. NZFM undertake systems and operational audits on all subcontractors. There were no reported H&S incidents, nor drug test failures for the work completed at the property. The harvesting crew was audited in May. A generally good result achieved, with driving Safe Behaviour Observations the only issue requiring corrective action.

Crown Forestry completed an external independent audit of NZ Forest Managers and their subcontractors working on Crown forests across the country during the period. This included H&R Harvesting Ltd (H&RHL), the harvesting crew at Te Whaiti Nui a Toi Forest.

The auditors reported that both NZFM and H&RHL implement their respective H&S systems to high standards. The only items requiring addressing were confirmation of First Aid certificates (refresher courses were being attended on the day of the auditor site visit); and supply of some Records of Learning (ROL). These have been received.

Environmental

Environmental compliance and best practice are also particularly important to Crown Forestry and our Forest Management Contractors. NZFM, for applicable operations will undertake environmental audits on sub-contractors. There were no environmental incidents recorded during the period.

Te Whaiti Nui-A-Toi Forest is now FSC certified, and part of NZ Forest Manager's estate scheduled for a FSC surveillance audit in October 2025.

Fire

No fires occurred within the Te Whaiti Nui-a-Toi Forest during 2024/25. FENZ is responsible for all fire suppression activities. Standing instructions remain unchanged - at the first sign of any fire within the forest call 111 and notify Fire and Emergency New Zealand.

Crown Forestry and NZFM provide FENZ with updated information for fire response annually; access and water points, contact details, communication protocols, safety awareness etc.

Forest Health

An independent forest health survey conducted in June identified no new diseases in the forest. No significant disease issues were reported during the period. However, a notable infestation of Climbing spindle berry (*Celastrus orbiculatus*) has been identified in the Te Whaiti area, including within the forest. Due to its growth habits and dispersal method, it is expected to persist in the

area for several years. Bay of Plenty Regional Council intends to develop a coordinated plan with NZFM for controlling the infestation both for this season and in the years ahead.

Tending

Thinning of 14.4 hectares of P.radiata in the 2016 age was completed in May. Average stand parameters provided from quality control data provided by NZ Forest Managers are shown in the table below.

Cpt / Stand	Area (ha)	Crop DBH (cm)	Tree Height (m)	Crop Stocking (sph)	Follower Stocking (sph)	Total Stocking (sph)
504 / 8	4.3	30.9	18.33	350	17	367
504 / 5	6.1	27.6	14.9	400		400
502 / 5	4.1	24.4	16.63	483		483

Harvesting

H&RHL commenced harvesting in January following a whakawatea on site. After a relatively slow start in the two small “woodlot” areas on Minginui road, the harvesting crew has made very good progress since entering the main forest area on Old Te Whaiti Road. Volume harvested from 86 hectares to the end of June 2025 totalled 47,595 m3.

Total production to 30th September was 79,292 m3 and the crew is now expected to complete harvesting in late November, well ahead of schedule.

Bay of Plenty Regional Council inspected the Forest in June to assess compliance of harvesting and earthworks activities with the permitted activity requirements of the NES-CF. Minor remedial actions were required to some stormwater and sediment controls. These were promptly completed and have since been acknowledged by BOPRC as satisfactory. A follow-up inspection by BOPRC is scheduled to occur later in the year.



Photo 3: Skid site for log processing, grading and storage on Old Te Whaiti Road October 2025

Log sales

The average log sales price for the year to 30 June was \$141 per m3. Sales price by log grade and destination during the period are shown in the table below.

Log Category	Customer	Volume (m ³)	Sales (\$)	\$/m ³
Pruned	Red Stag	439	70,170	159.84
	Claymark	4,374	895,580	204.75
	Donnelly	789	161,618	204.84
	Tenon	2,904	594,626	204.76
Unpruned	Red Stag	3,366	405,806	120.56
	Donnelly	1,124	129,235	114.98
	Sequal	2,858	314,651	110.09
	McAlpines	375	44,978	119.94
Pulp	Oji Fibre Solutions	2,416	131,335	54.36
Export (FOB)	DKNZ	24,735	3,389,281	137.02
	Pacific Forest Products	392	36,227	92.42
Total		43,772	6,173,507	141.01

Log Markets

Relatively high softwood log inventories in China combined with subdued domestic construction activity and uncertainty in the manufacturing sector stemming from US trade tariffs significantly impacted CFR log prices. This resulted in a decline in At Wharf Gate (AWG) log prices from approximately \$140 per JAS m3 for A Grade in February and March to \$110 per JAS m3 in June. Log prices rebounded in July and further in August. They have since fallen with continued weak demand, a soft domestic wholesale market in China, and the 8-day China holiday for their National day and Golden week, all impacting demand and uplift.

Domestically, prices for pruned and pulp grade logs remained stable through the first half of the year. However, unpruned log prices experienced downward pressure, with structural grades dropping \$4 per tonne and industrial grades falling \$5–10 per tonne in recently negotiated Q3 supply agreements.

A key factor influencing domestic sawlog demand has been the decline in construction activity. Housing starts for the year ending April 2025 were approximately 33,000, a significant decrease from 50,000 in the year ending April 2022.

The Oji Fibre Solutions paper machine at the Kinleith pulp mill ceased operations at the end of June. This and the recent announcement of the closure of the Carter Holt Harvey (CHH) Eve's Valley mill in Tasman, the largest sawmill in the South Island; the CHH Tokoroa Plywood mill; and the WPI Tangiwai Sawmill and Kariori Pulpmill in Ruapehu raise awareness of the challenges facing domestic wood processors in New Zealand.

Forest Valuation

Crown Forestry values the individual forests within its forest estate on 30 June every year. The purpose of the forest valuation is primarily for asset reporting. The forest valuations were undertaken by Alan Bell, a Registered Forestry Consultant (NZ Institute of Forestry) based in Lower Hutt. The value of Te Whaiti Nui-a-Toi Forest (tree crop only) was assessed to be:

June 2025	June 2024	Change
\$15,163,193	\$16,325,870	7.1%

During the current reporting period, the overall value of forest assets has experienced a decline of 7.1%. This reduction is primarily attributed to harvesting activities reducing the area of mature trees in the forest.

Planned Surrender of Land

Under the 2007 Variation of Lease, there is provision to partially surrender land after the second rotation tree crop has been harvested and the area has been replanted.

With the harvesting of all the 102 hectares in this tranche now expected to be completed in November, all cutover areas will be replanted in winter 2026. This will be surrendered in accordance with the lease terms.

An updated indicative timeline of operational activity and partial land surrenders is as follows:

- November 2025 – harvesting completed
- December 2025 – mechanical land preparation
- March 2026 – aerial desiccation of cutover
- Winter 2026 – replanting 102 hectares
- May 2027 - First Deed of Partial Surrender – 102 hectares

Planned Forest Operations 2025/26

The following operations are scheduled for the year ending June 2026.

- Land preparation for planting.
- Desiccation spraying.
- Road maintenance.
- Current harvesting schedule to be completed late November 2025.
- Forest health survey and monitoring
- Forest security.

Ngā mihi

John Hornby

National Operations Manager

Appendix 1: Operational Expenditure for the year ending 30th June 2025

Operation	\$
Forest health survey	876
Dothistroma survey and treatment	3,470
Weed control	65
Road maintenance	5,532
Mid-rotation inventory	12,540
Security	20,248
Total	42,731

Note. Operational expenditure does not include management fees paid to NZFM

Other Costs:

Rates	\$ 14,457
Land Rental	\$ 184,919

NOTES: