

The logo consists of a large white circle on a dark blue background. Inside the circle, the text "Lower Waitaki Irrigation Company Ltd" is written in a dark blue, serif font, centered horizontally and split across two lines.

Lower Waitaki
Irrigation Company Ltd

Shareholders Meeting
6pm 21 July 2026
11am 22nd July 2026

Purpose

- *To engage with shareholders, update progress and hear feedback on proposals for upgrading the LWIC scheme to secure a strong, new consent*

Recap

- LWIC's water take consent expires in March 2030
- We need to apply for a new consent by September 2029 (min. 6 months before expiry to ensure continuance)
- New consent will
 - have a specified duration
 - have an annual volume cap
 - require fish to be excluded
- LWIC must demonstrate the scheme:
 - is efficient with water
 - complies with all plan regulations
 - has a minor effect on the environment

Reconsenting

The Boards GOAL is to:

- Secure a long duration consent – minimum 30 years
- Ensure all the water needed for farming, town supply and commercial uses is allocated in the consent
- Have the fewest conditions attached to the consent

The board recognises that:

- Non-compliance with regional council regulations risks not getting a consent (at worst), or a consent of short duration, or with conditions that place an operational burden on the company
- The least-risk approach to achieving the GOAL is to pipe or line all races across the entire scheme. Cost \$100M+
- Our expert consultants believe the GOAL is achievable if we meet two key regulations, specifically:
 - Exclude all fish
 - Reduce the volume of water taken but not used for farming etc to no more than 25% of the total

How do we do that:

- Mechanical fish screen
- Pipes to eliminate by wash
- Ponds and automation to manage flows

Major current issues for LWIC

- Water Losses
 - LWIC current losses are >50%
 - Reasons for losses:
 - Race leakage – significant in some races
 - By wash – water taken in, conveyed and not used
 - Our expert consultants believe ECan will:
 - Set a volume that is sufficient for our activities -- farming – irrigation (~600mm/ha)+stockwater & shed wash; Town Supply; Commercial Uses (Alliance etc)
 - Include an Environmental Allowance of an additional 25% for minimum carriage flows, seasonal carriage flows, stream augmentation and ground water recharge
- Fish
 - LWIC's current consent requires a screen – LWIC has not installed a screen
 - ECan Land & Water Plan (Sched 2) requires **all** native and exotic fish to be **prevented** from entering irrigation schemes
 - Rock barriers do not comply – they are effective for salmon/trout but NOT for native species and there are several native species in Bortons Pond

Solutions to Issues

The GOAL can be achieved by:

1. Piping sections of selected races, along with establishing buffer ponds, to stop the largest by wash volumes. For example, piping the Welcome Stream Race, Corbett Rd Race and Oamaru Race (with ponds) is calculated to save ~50Mm³, ensuring we can meet our Activities + Environmental Allowance of ~25%.
2. Investing in automation for flow control, operational efficiency and reducing manual operator input.
3. Screening out fish by constructing a mechanical screen, jointly with NOIC.
 - The preliminary design for this has 100% support of iwi, Fish & Game and DoC
 - All parties have said they would oppose our water take application if we only had a rock barrier

Progress since last discussion with shareholders – Nov 2025

- Ground and surface water modelling work by Aqualinc
- Flow and operating analysis undertaken for “whole of scheme”
- Concept engineering plans to pipe the high by wash races
- Concept engineering for a mechanical fish screen
- Consultation with iwi, Fish & Game and DoC
- Initial funding discussions with ANZ - very favourable
- MoU with NOIC – formalised a cost sharing agreement with NOIC to meet ongoing operating costs, and costs to construct and manage a fish screen in Bortons Pond

Costs and Funding

- Preliminary estimates of cost to deliver the Solutions remains at ~\$35M
 - Significant bank funding can be assumed
 - Implications for Charges if fully debt funded
 - Current charges (per ha) \$104 (Operational Charge)
 - Current charges (per ha) \$14 (Reconsenting Charge*)
 - Additional charge \$3.20 (Fish screen)
 - New charge \$147 (Finance P&I)**
- * Reconsenting Charge for next 4 years only – covers expert consultants, application and hearing costs (note, this work is being coordinated with NOIC and Maerewhenua to reduce cost)
- **Assumes - \$35M fully debt funded at 7.5% repaid over 20 years

Process from here

- July
 - Listen to feedback from shareholders
- Aug
 - Maps showing preliminary designs for piping onto website
 - Meetings with shareholders whose property the proposed pipelines will go through
- Sept/Oct
 - Meet with Shareholders to update progress
- Nov
 - Functional Design and cost estimate for piping and ponds completed
 - Preliminary design for a mechanical fish screen completed
 - Funding offer from the bank confirmed
- Nov – AGM
- Dec – Feb
 - Meet with Shareholders to seek approval to proceed
- Winter 2028
 - Commence construction projects
- Sept 2029
 - Submit Application for a new Water Take Consent
- 2030
 - New Consent issued

**Eliminate selected by
wash with pipes**

