

**NZX RELEASE**  
31 January 2018

**Airways re-development – satisfaction of conditions**

Further to the announcement on 22 December 2017 regarding entry into a development agreement with Airways Corporation of New Zealand Limited and an existing Augusta managed investment scheme, Augusta is pleased to confirm that the resource consent, funding and investor approval conditions have now been satisfied. The development agreement is now unconditional.

A new single asset fund is being established to raise the required capital for the re-development, with a product disclosure statement currently being prepared. The new single asset fund is expected to be established by 29 March 2018.

The amount of equity proposed to be raised is approximately \$22.75 million, of which Augusta Capital will underwrite \$15 million with a third party to underwrite the balance. The debt and equity funds the purchase of the property from the existing scheme, establishment costs and an expected development spend of \$19.23 million.

As noted in the 22 December announcement, the agreement provides for the development of a new “Importance Level 4” building which will house part of Airways new air traffic management platform. In return, Airways is committing to:

- an extended 25 year lease term on the new building and two of the existing buildings (effective from practical completion which is expected to occur in mid-2019); and
- a 9 year lease term on the remaining building (which commences at a date elected by Airways between 12 and 18 months after practical completion).

The combination of the above leases provides a WALT on practical completion of 21.83 years.

Augusta Capital Limited’s guarantee of the development agreement obligations is released on establishment of the new single asset fund subject to the required equity and debt being raised.

For further information, contact:

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