

Project South – Sanford's open ocean farm application

Q What is this project?

A Sanford has lodged an application to farm King salmon at an open ocean site.

Q Where is it?

A We have chosen an off shore location to avoid many of the conflicts that often arise from activities that are in close proximity to land. It is in the open ocean, 28 km from Bluff and 10 km from the nearest Island, at the south east end of Foveaux Strait – see map below.

Q What are the details?

A At full development there will be five farming areas, each compromising of no more than 10 pens.

In each area the surface area covered in pens will be no more than 2 hectares within a 26 hectare farming footprint, plus ropes and screw anchors securing it to the seafloor that extend up to 320m.

The farming areas will be developed in stages, with each stage being comprehensively monitored before moving onto subsequent stages. We expect stage one to take five years from when we start.

The fish pens are submersible circles.

Full development is about 25,000 GWT of salmon product across the five farms.

Q Why have you placed this farm in Foveaux Strait?

A Southland is the base of our salmon farming business, and we wanted to link the new development into our existing business. After considering a variety of potential locations in Southland we determined that this site was well suited for Sanford for growing fish, protecting the environment and was close to our existing processing base in Bluff.

Q Why haven't you consulted before now?

- A The allocation method for water space in the Resource Management Act is 'first in, first served' and for that reason we needed to ensure that our application was secure before it became publically known. Now that it has been lodged, Sanford has asked the council to put it on hold, while we consult fully with all stakeholders.
- Q Where you aware of Ngai Tahu application, do you support it and what happens if they get consent before you

A We have no view about their site other than to wish them every success. The commercial success of our farm is independent of any action taken by Ngai Tahu or anyone else wanting to develop a salmon farm in the open ocean.

Q What does this mean for your Big Glory Bay salmon farms?

A Business as usual. Our Big Glory Bay farms will continue to operate and has a key role in our salmon growth strategy.

Q What does this mean for the Bluff factory?

A Sanford is committed to Southland being our Centre of Excellence for Salmon, we are already investing in new equipment at the factory to better process our salmon.

Q How many more people will you employ?

A We employ over 100 people in our salmon business, and with Project South there will be significantly more positions across the entire salmon business including at our hatcheries, out on the new farming areas and in processing and logistics. We also use many local contractors, they will have more work and likely need to take on new staff.

Q Foveaux Strait can be rough water, how can you ensure the farm is safe?

A We've been working with two international companies that are experts in open ocean moorings, we have given them swell, current and weather data and they have designed the best pen configuration most suited to the site. The pens are designed to be able to drop below surface during severe weather, so as to avoid the wave energy.

Q How can you ensure you don't catch whales and seabirds?

A Sanford has been working with ecological experts to ensure that Project South will not affect marine mammals and seabirds; for example, we will distribute the feed to the fish under water rather than above the surface. There are many new innovations that we will be able to use.



Figure One: the five farming areas that make up Project South are circled in red, and exaggerated in size so that they can be picked up on this chart.

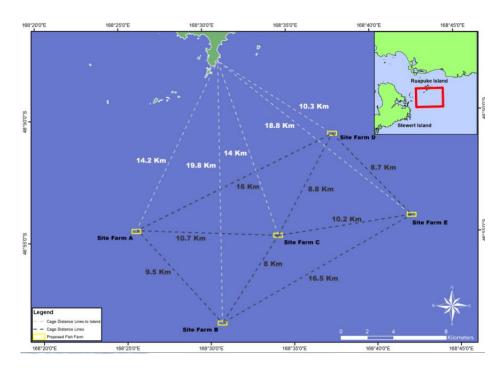


Figure Two: the separation distances between the farms

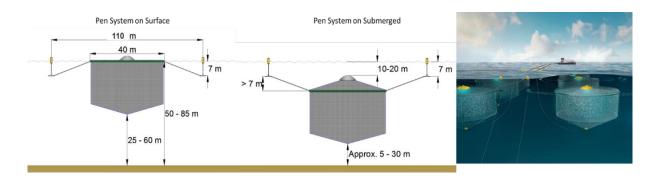


Figure Three: the pen system

We welcome your questions.

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