

NEW ZEALAND RURAL LAND CO.

SUSTAINABLE AOTEAROA

Management Agreement

13 November 2020



This Agreement is dated the 13th day of November 2020.

Parties

New Zealand Rural Land Company Limited, a duly incorporated company in New Zealand with company number 8118739 having its registered office at Level 2, 50 Customhouse Quay, Wellington

(Company)

New Zealand Rural Land Management Limited Partnership, a limited partnership in New Zealand under the Limited Partnerships Act 2008 with registration number 50053827 having its registered office at Level 2, 50 Customhouse Quay, Wellington

(Manager)

Background

- A. The Company has been incorporated to establish a business of investment in rural properties in accordance with the Investment Objectives.
- B. The Company intends to raise at least \$75 million by means of an initial public offer and to quote its shares on the NZX market.
- C. The Company wishes to appoint the Manager to provide it with management, investment and administrative services.
- D. The Manager has agreed to provide the Company with those services on the terms and conditions set out in this Agreement

AGREEMENT

1 Definitions and Interpretation

1.1 Definitions - In this Agreement unless the context otherwise requires:

Agreement means this agreement together with any amendments from time to time agreed in writing by the parties and includes any appendices and/or schedules attached to it.

Applicable Law means all acts of Parliament and all orders, by-laws and regulations in any way governing or affecting the performance of the Manager under this Agreement including any such act, by-law, order, rule, regulation or other lawful requirement relating to the provision of services under this Agreement.

Auditor means the auditor for the time being of the Company;

Board means such of the Company's Directors acting as a board of directors in accordance with the Company's Constitution.

Business Day means any day which is not a Saturday, Sunday or public holiday in Auckland, New Zealand.

Commencement Date means the day on which both parties have signed this Agreement.

Company means New Zealand Rural Land Company Limited (a company registered in New Zealand with company number 8118739), and, where the context requires or admits, also includes any wholly owned subsidiary of the Company formed for the purpose of acquiring or holding any Property as described in clause 5.2.

Confidential Information means all commercial, financial and technical information and know-how (whether in written, documentary or other recorded or tangible form) which is supplied to, communicated to, or derived by the Manager at any time relating to the Company's undertaking, activities, business environment or prospects and which, at the time it is supplied

to, communicated to or derived by the Manager, is not publicly known or available by reason of general publication or public knowledge but does not include:

- (a) Information which at the time it is supplied to, communicated or derived by the Manager was already in the Manager's possession and was not acquired by the Manager in the course of or incidentally to the performance by the Manager of its duties under this Agreement;
- (b) Information which has reached the public domain otherwise than as a result of a breach by the Manager, or any person for whom the Manager is responsible, of the Manager's obligations under clause 16; or
- (c) Information which has been or subsequently is acquired or developed by the Manager without violating any of its obligations under clause 14 and without the use of any Confidential Information.

Constitution means the Company's constitution as may be adopted or altered from time to time.

Controlling Interest means one person having a controlling interest in another person, including where the first person directly or indirectly:

- (a) has, or may have, the power to appoint, remove or direct the majority of the members of the governing body of the other person;
- (b) controls, or has the power, or may have the power, to control the affairs or decisions of the other person; or
- (c) holds more than 50% of the legal or beneficial ownership interest in the other person,

and **control** and **controlled** have corresponding meanings.

Defaulting Party has the meaning given to it in clause 12.2.

Director means a director for the time being of the Company.

Fees means the fees paid by the Company to the Manager in accordance with clause 8 of this Agreement and as set out in Schedule 2 to this Agreement.

Financial Indebtedness means, in respect of any person, any obligation, whether present or future, actual or contingent, to pay or deliver any money, currency or commodity under or in respect of any financial accommodation or arrangement, including under or in respect of:

- (a) moneys borrowed or raised by that person;
- (b) a guarantee, indemnity, letter of credit, performance bond, acceptance or endorsement or legally enforceable undertaking or obligation to:
 - (i) provide, or provide funds (including the purchase of any property) in or to enable, payment or a discharge of;
 - (ii) indemnify against the consequences of a default in the payment of; or
 - (iii) otherwise be responsible for,
 any obligation (whether or not it involves the payment of money) of any other person;
- (b) a bond, debenture, certificate, redeemable share or stock, bill of exchange or any similar instrument, whether or not transferable or negotiable, issued by that person;
- (c) a put option or buyback or discounting arrangement in relation to any property exercisable against that person;
- (d) a lease, licence or other arrangement in respect of any property (real, personal, tangible or intangible) entered into by that person primarily for the purpose of raising finance or financing the acquisition of the property leased, licensed or subject to the relevant arrangement;

- (e) a hire purchase or deferred payment obligation for any property acquired or service employed by that person;
- (f) an interest or currency swap or hedge arrangement, financial option, or analogous transactions entered into by that person; or
- (g) an arrangement which achieves the same or similar commercial effect as any of the above.

Financial Year means the year ended 30 June.

General Partner means the general partner of the Manager from time to time and, on the date of this Agreement, being New Zealand Rural Land Management GP Limited (Company Number 7894983).

GST means goods and services tax imposed under the Goods and Services Tax Act 1985.

Insolvency Event means circumstances where a party:

- (a) is insolvent or unable to pay their debts as they fall due (or is deemed unable to do so under applicable law);
- (b) stops or suspends payment of any of its bona fide debts or threatens to do so;
- (c) makes, or proposes to make, any compromise, assignment, arrangement or composition with, or for the benefit of, its creditors;
- (d) has a receiver, trustee, manager, administrator, liquidator or similar officer appointed over it or any of its property; or
- (e) ceases or threatens to cease to carry on its business, or, if the Borrower is a company, any step is taken or proposal made to dissolve or amalgamate the Borrower.

Investment Objectives means the investment objectives agreed to by the Board and the Manager from time to time including, as at the Commencement Date, those set out in Schedule 1.

Investment Restrictions means any restriction set out in clause 4 of the Agreement.

Investor means a person who for the time being holds any ordinary shares in the capital of the Company.

Land means any interest in any real property and includes:

- (a) any interest in or right to be paid money that is owing by any person in relation to that real property; and
- (b) any right to possess, control, use, dispose or purchase the real property, or right to exclude others from the use of the real property.

Limited Partner means any person that is a limited partner of the Manager from time to time (for so long as they remain a limited partner of the Manager).

Limited Partnership Unit means each Limited Partner's "partnership interest" (as that term is defined in the Limited Partnerships Act 200), expressed as a number of units and set out from time to time in the Manager's "Limited Partnership Unit Register".

Management Fee means the management fee paid to the Manager by the Company in accordance with clause 8.1 as set out in Schedule 2 to this Agreement.

Net Asset Value means the total assets of the Company minus its total liabilities as determined in accordance with GAAP.

NZX means the NZX market operated by NZX Limited.

NZX Listing Rules means the listing rules in force from time to time and applying to the NZX market operated by NZX Limited.

Performance Fee means the performance fee paid to be Manager by the Company in accordance with clause 8.3 as set out in Schedule 2 to this Agreement.

Property means the Company's, or any of its wholly owned subsidiaries', property which is from time to time under the management of the Manager under the terms of this Agreement and includes Land held by the Company from time to time and the Unallocated Funds.

Related Party means, in respect of a Limited Partner:

- (a) a trustee for a trust the settlor or beneficiary of which is that Limited Partner or any spouse (which includes any person with whom the relevant person is living in a relationship in the nature of marriage), father, mother, son or daughter of that Limited Partner;
- (b) any person which is a related company of that Limited Partner in terms of section 2(3) of the Companies Act (read as if the expression **company** in that subsection included body corporates); or
- (c) any person that Controls that Limited Partner, is Controlled by that Limited Partner or is Controlled by the same person who controls the Limited Partner.

Term means the term of this Agreement as provided in clause 12.1.

Transaction Fee means the transaction fee paid to the Manager by the Company in accordance with clause 8.2 as set out in Schedule 2 to this Agreement.

Unallocated Funds means any cash held by the Company from time to time.

1.2 Interpretation - In this Agreement unless the context otherwise requires:

- 1.2.1 Expressions defined in the main body of this Agreement have the defined meaning in the whole of the Agreement, including the background.
- 1.2.2 Section, clause and other headings are for convenience only and will not affect the interpretation of this Agreement.
- 1.2.3 Singular will include plural and vice versa.
- 1.2.4 Where any term defined in this Agreement takes a different form for reasons of grammar, the different form has a corresponding meaning,
- 1.2.5 References to persons will include references to individuals, companies, corporations, partnerships, firms, joint ventures, associations, trusts, organisations, governmental and other regulatory bodies or authorities and other entities, in each case whether or not having separate legal personality.
- 1.2.6 Reference to a party will include that party's executors, administrators, successors and permitted assigns.
- 1.2.7 Reference to a statute or regulation will include all amendments and re-enactments thereof and any subordinate legislation made thereunder.
- 1.2.8 Reference to dollars and \$ refers to New Zealand dollars (NZ\$) exclusive of GST unless specifically stated otherwise.
- 1.2.9 References to times of day or dates are to New Zealand times and dates respectively unless specifically stated otherwise.
- 1.2.10 The term "including" means "including without limitation" and the term "include" means "includes, without limitation".
- 1.2.11 Any obligation not to do anything will be deemed to include an obligation not to suffer, permit or cause that thing to be done.
- 1.2.12 The terms written and in writing include any means of reproducing words, figures or symbols in a tangible and visible form.

2 Appointment

- 2.1 Appointment** - The Company appoints the Manager and the Manager accepts the appointment as the sole and exclusive manager for the Company and also to provide other administrative services on the terms and conditions contained in this Agreement.
- 2.2 Exclusive Appointment** - During the Term, the Company will not appoint any other person to provide any of the services to be provided by the Manager under this Agreement, and may not undertake those services for itself, without the Manager's prior written consent.
- 2.3 Agent** - In the performance of this Agreement, the Manager acts as agent for the Company provided that nothing in this Agreement will authorise the Manager to act as agent of the Company in excess of the authorities and powers conferred on the Manager under this Agreement or by the Board in writing.
- 2.4 Restrictions on the Manager** - During the Term, the Manager will:
- 2.4.1 Have and maintain procedures and standards, and terms and conditions of employment, which require its agents, officers and employees to conduct themselves in accordance with all Applicable Laws and regulations and to refrain from any conduct which contravenes any Applicable Laws (including laws relating to insider trading or similar practices) and to responsibly manage any conflicts of interests in accordance with the terms and conditions of this Agreement;
 - 2.4.2 Ensure that each employee and officer of the Manager complies with the procedures, standards and terms and conditions required under subclause 2.4.1 and otherwise acts in a manner consistent with the duties and obligations of the Manager under this Agreement; and
 - 2.4.3 Subject to obtaining the Board's prior written agreement (not to be unreasonably withheld or delayed), be entitled to subcontract with any reputable person for the provision of parts (but not all) of the services required to be performed by the Manager under this Agreement. The responsibilities and obligations under subclauses 2.4.1 and 2.4.2 will apply to any person under any such subcontract, provided that no such subcontract will relieve the Manager from responsibility for performing its duties and obligations under this Agreement. Further, where this Agreement restricts or limits the Manager in any way, or imposes duties on the Manager, those constraints or duties will apply equally to any person to whom the Manager subcontracts.

2 Duties of the Manager

- 3.1 Duties - The Manager is responsible for all management functions of the Company including:**
- 3.1.1 Providing the administrative and general services described in clause 6;
 - 3.1.2 Sourcing and securing potential Investors and communicating with Investors;
 - 3.1.3 Sourcing:
 - (a) Opportunities for the sale and purchase of Land; and
 - (b) Operators for lease agreements in respect of Land;
 - 3.1.4 Overseeing due diligence for and executing transactions for the sale and purchase, and leasing, of Land (including in accordance with the process in clause 4);
 - 3.1.5 Managing the Company's Property, including Land owned by the Company;
 - 3.1.6 Arranging regular valuations and audits of the Company;
 - 3.1.7 Administering the payment of dividends and distributions in respect of the Company; and
 - 3.1.8 Providing such further services to the Company as are reasonably incidental to those specified and agreed between the parties from time to time.

3.2 Act Bona Fide - The Manager must at all times:

- 3.2.1 Act in the best interests of the Company and exercise all reasonable care and diligence in doing so;
- 3.2.2 Act in accordance with:
 - (a) Any regulatory provisions that apply to the Manager or the Company; and
 - (b) Any rules or requirements of any self-regulatory organisation to which the Manager or Company is affiliated;
- 3.2.3 Comply with all Applicable Laws and codes including but not limited to:
 - (a) The Privacy Act 1993 and any relevant code;
 - (b) The Human Rights Act 1993; and
 - (c) The Health and Safety at Work Act 2015.
- 3.2.4 Act in a manner so as to ensure that for as long as the Company is listed on the NZX, the Company complies with the NZX Listing Rules, subject to any waivers granted by the NZX; and
- 3.2.5 Act in accordance with the Board's requirements, being requirements that are not inconsistent with the provisions of this Agreement, as advised from time to time under this Agreement.

4 Investment Process

4.1 Investment Objectives - The Manager will identify opportunities to invest in Land, having regard to the Investment Objectives.

4.2 Process - When investing in Land and managing the Unallocated Funds, the Manager will comply with the following process:

- 4.2.1 Before entering into any sale and/or purchase agreements for Land or lease agreements in respect of Land, the Manager will present a proposal to the Board for approval. The proposal will include details of the seller / buyer / operator / bank or any other relevant person, a business case for the transaction, how the transaction meets the Investment Objectives, details of the risks, potential downsides, upsides and gains, long term and good faith forecasts and any other relevant information.
- 4.2.2 The Board will, within 10 Business Days, determine in good faith (with consent not to unreasonably withheld, delayed or conditioned) whether to go forward with the proposal and the conditions (if any) on which the Board gives its consent to proceed.
- 4.2.3 Where the Board determines not to proceed, it will give the Manager reasons for that determination or ask further questions. The Manager will have 10 Business Days to respond to any such reasons or questions, after which the Board must notify the Manager in writing of the Board's final good faith determination on the proposal.

4.3 General Restrictions -

- 4.3.1 Without the Board's prior written approval, the Manager will not commit the Company to give any guarantee or indemnity or otherwise to become liable for or in connection with any Financial Indebtedness of any person other than the Company,
- 4.3.2 No Financial Indebtedness will be incurred on behalf of the Company or any subsidiary of the Company or against the security of the Company's Property unless the Board has given its prior written approval to the Company or that subsidiary incurring that Financial Indebtedness.

4.4 Change in Investment Objectives - The Manager may amend the Investment Objectives if they consider it to be in the Company's best interests provided that no change may be made in the Investment Objectives without the Board's prior written approval.

4.5 Remedy Breach of Investment Restrictions - If, at any time there is a breach of the Investment Restrictions, the Manager will:

4.5.1 Advise the Board; and

4.5.2 Within a reasonable period of time (including any time specified by the Board), take all steps necessary to remedy the breach (including all reasonable steps recommended by the Board), taking into account the Company's best interests.

5 Manager's Powers

5.1 Property - Subject to complying with the Investment Objectives and the terms of this Agreement, the Manager may on behalf of and in the name of the Company (or any wholly owned subsidiary of the Company) purchase and may sell, lease or otherwise deal with Property provided that no Property will be acquired in the name of the Company unless with the Board's prior written approval.

5.2 Incorporation of Wholly Owned Subsidiaries — If agreed to by the Board after a request by the Manager, the Company may incorporate, subscribe for and hold shares in one or more wholly owned subsidiary of the Company for the purpose of acquiring and holding Property. The Company will pay all costs and expenses to incorporate any such wholly owned subsidiary.

5.3 Exercise Powers - The Manager will have power and authority to exercise on behalf of the Company any right or power which the Company may have as a holder of the Property. In exercising such power and authority the Manager will have regard to the Investment Objectives and its duties under this Agreement and before the exercise of any power or authority will consult with the Board.

5.4 Representation of the Company - Without limiting the generality of clause 5.3, the Manager will have the power and authority having regard to the Investment Objectives and the duties of the Manager under this Agreement:

5.4.1 To attend and vote and represent the Company at any meeting of the Company's creditors;

5.4.2 To commence, pursue, compromise and settle any litigation or arbitration in respect of the Property on behalf of the Company;

5.4.3 To prove debts, to enter into compositions with other creditors and to take or join in taking proceedings for having any debtor adjudicated bankrupt or for obtaining any winding up order in respect of any company or other body; and

5.4.4 For any other purposes, execute all such documents and do all such things as the Manager may consider necessary or expedient and in particular may appoint any person as proxy of the Company. The Manager may exercise any such voting rights in such manner as the Manager determines in good faith to be in the Company's best interests and the Manager may for like reasons refrain from exercising any voting rights. The Company will, on request in writing by the Manager, execute and deliver to the Manager any power of attorney, appointment of corporate representative, proxy or other document to similar effect reasonably required by the Manager for the purposes of authorising any person selected by the Manager to vote, consent or otherwise act in such meetings.

6 Administration

6.1 General Administrative Services - The Manager is responsible for providing general administrative services required by the Company in connection with the Property and the Investors. The Board will delegate to the Manager such powers, duties and discretions as the Board may lawfully delegate which may be necessary for the proper performance of the Manager's administrative duties under this Agreement without the Manager having to make further reference to the Board except as provided elsewhere in this Agreement.

6.2 Specific Administrative Services - In particular, but without limiting the generality of clause 6.1 the Manager will:

6.2.1 Prepare or procure the preparation of:

- (a) Such reports and other information and material as the Board may reasonably require in connection with any annual or half-yearly reports and the Company's audited annual accounts and unaudited (interim) accounts and their preparation;
 - (b) Any other report as the Board reasonably requires from time to time and without limitation the Manager will promptly after the Board's request at any time provide the Company with any information the Board may reasonably require in respect of the Property or the Manager's performance of its duties or obligations under this Agreement, provided that the Manager will not be required to disclose to the Board in any report any information that the Manager is prohibited by law from disclosing, or which is subject to an obligation of confidentiality.
- 6.2.2 Keep, or cause to be kept, such accounting records in relation to the Company, the Manager and this Agreement as required by law or otherwise necessary for the proper conduct of the Company's affairs;
 - 6.2.3 Subject to any direction of the Board, hold all certificates or other documents of title received in respect of the Property safe and secure on behalf of the Company;
 - 6.2.4 As soon as practicable on receipt of any moneys received on behalf of the Company pay such moneys into a bank account held in the name of the Company;
 - 6.2.5 Open a current account with such registered bank as the Company may from time to time appoint as its bankers into which all moneys coming into the hands of the Manager on behalf of the Company will be paid in accordance with clause 6.2.4 and to operate such bank account or authorise the making of withdrawals from and to sign cheques or authorise the signing of cheques drawn on such bank account in accordance with any authority given by the Board from time to time;
 - 6.2.6 Subject to there being sufficient funds available in the Company's bank account, meet all liabilities of the Company in relation to this Agreement as and when such liabilities become due and payable with the exception of the remuneration and costs payable to the Manager under clauses 8 and 9 of this Agreement which may only be paid with the Board's prior approval;
 - 6.2.7 Use its best endeavours to collect all outstanding moneys owing by the Company's debtors;
 - 6.2.8 Arrange for the annual financial statements of the Company to be audited by the Auditor including the auditing of the calculation of the Manager's remuneration paid under clause 8 and costs paid to the Manager under clause 9 in respect of the relevant Financial Year;
 - 6.2.9 Provide such assistance as the Company may reasonably require in respect of the preparation and filing of all returns and notices required to be filed by the Company or any of its subsidiaries;
 - 6.2.10 Give to the Company all assistance as the Company may reasonably require in connection with the preparation and filing of all tax returns (including any GST returns) required to be filed by the Company;
 - 6.2.11 Be responsible for the negotiation and supervision of all Financial Indebtedness of the Company that may from time to time be incurred or desired to be incurred by the Company;
 - 6.2.12 At all times keep comprehensive and up to date records of all transactions entered into by the Manager as manager of the Property, and retain copies of such records for at least such periods as are required; and
 - 6.2.13 As long as the Company is listed on the NZX, prepare all reports and announcements required by, and otherwise assist the Company to comply with, the NZX Listing Rules.

6.3 General Powers - The Manager in performing its functions under this Agreement will be entitled:

- 6.3.1 To employ on behalf of the Company such brokers, valuers, lawyers, accountants and other professional advisers as the Manager considers necessary or expedient in the Company's best interests;

- 6.3.2 To enter into any contracts in the Company's name that are necessary or desirable to carry out the Manager's duties under this Agreement;
- 6.3.3 To pay all outgoing, expenses, charges and costs to be borne by the Company and payable in respect of the Company's business arising from the exercise by the Manager of any of the powers and authorities conferred on it by this Agreement; and
- 6.3.4 Subject to the provisions of this Agreement, to do or perform any other act matter or thing that may seem to the Manager to be in the Company's best interests.

7 Advisers

- 7.1 **Acting an Advice** - The Manager may in the performance of its duties and in the exercise of any of its powers, rights and discretions under this Agreement, act or rely on the opinion or advice requested and obtained for the purposes of this Agreement in good faith from any broker, lawyer, accountant or any other professional adviser or other expert and the Manager will not, in the absence of gross negligence or wilful default on its part, be responsible for any loss occasioned because of it so acting.
- 7.2 **Advice addressed to Company** - The Manager will ensure that all advice and opinions it obtains for the purposes of this Agreement are addressed to the Company and to the Manager, and may be relied on by the Company, provided that this clause will not apply to any advice or opinion obtained by the Manager in connection with a bona fide dispute with the Company.

8 Remuneration

- 8.1 **Management Fee** - In consideration for the performance of the Agreement by the Manager, the Company will pay to the Manager the Management Fee on the following terms:
 - 8.1.1 The Company will start accruing and paying the Management Fee in the calendar month that the Company's first agreement for the acquisition of Land goes unconditional, and the Company will pay the Management Fee in each calendar month after that during the term of this Agreement; and
 - 8.1.2 The Management Fee is payable in arrears within 10 Business Days of the last day of each calendar month in which the Management Fee is payable.
- 8.2 **Transaction Fees** — In consideration of the Manager acquiring and disposing of Land on behalf of the Company and entering into and renewing lease arrangements in respect of Land on behalf of the Company, the Company will pay within 10 Business Days after the last day of each calendar month all Transaction Fees arising in that month.
- 8.3 **Performance Fees** — Where the criteria for the Performance Fees has been met in any Financial Year, the Company will pay to the Manager the Performance Fees, payable within 10 Business Days of the end of the relevant Financial Year. The criteria for the Performance Fees is set out in Schedule 2.
- 8.4 **Goods and Services Tax** - The Fees do not include GST. The Company will pay the Manager the amount of all GST chargeable on any taxable supply under this Agreement.
- 8.5 **Recovery of Under or Overpayment** - If any underpayment or overpayment of Fees or costs paid to the Manager by the Company arises (including where any audit conducted under clause 6.2.8 determines that there has been an underpayment or overpayment of Fees or of any costs paid to the Manager), then:
 - 8.5.1 For any overpayment, the amount concerned will be deducted from the next instalment of Management Fee payable

and if the amount exceeded the amount of the next instalment of Management Fee payable then the Manager agrees to pay to the Company the amount of such overpayment within 10 Business Days of written notice from the Company demanding payment; and

8.5.2 For any underpayment, the amount concerned will be added to the next instalment of Management Fee paid to the Manager,

provided however that if either party disputes the Auditor's finding under clause 6.2.8, then that party may require the issue of a Dispute Notice under clause 17.

9 Costs

9.1 Costs to be borne by the Company - The Company will pay and discharge and will reimburse the Manager in respect of all costs, expenses and charges associated with or incurred by or on behalf of the Company in connection with the operation of the Company, its business and assets, including:

- 9.1.1 In connection with engaging an Auditor to audit the Company's annual financial statements;
- 9.1.2 In connection with the preparation of reports to shareholders including annual and half-yearly reports;
- 9.1.3 In connection with annual and special meetings of shareholders;
- 9.1.4 In respect of costs incurred by third party providers for extraordinary due diligence (outside of due diligence ordinarily conducted) for the acquisition or disposition of any Land, as agreed on a case by case basis with the independent Directors;
- 9.1.5 In respect of real estate agency and other similar fees, costs, charges and expenses incurred in connection with the acquisition or disposition of any Land;
- 9.1.6 In respect of NZX fees;
- 9.1.7 In respect of the costs, charges and expenses incurred in connection with capital raising; and
- 9.1.8 Any other costs, charges and expenses agreed to by the independent Directors in writing from time to time.
- 9.2 Costs to be borne by the Manager — Subject to clause 9.1, the Manager will pay and discharge all costs, charges and expenses incurred by or on behalf of the Manager in connection with the performance of this Agreement.

10 Right of First Refusal

10.1 Right of First Refusal - Except for any transfer of Limited Partnership Units or shares in the General Partner in accordance with clause 10.7, the Manager:

- 10.1.1 Will not issue any Limited Partnership Units or shares in the General Partner to any person who is not a Limited Partner or shareholder in the General Partner as at the date of this Agreement; and
- 10.1.2 Will procure that the Limited Partners are not permitted to sell, assign, transfer or otherwise dispose of their Limited Partnership Units or shares in the General Partner,

Unless:

- 10.1.3 the Limited Partnership Units and associated shares in the General Partner are first offered to the Company in accordance with this clause 10; or

10.1.4 the independent directors on the Board give their prior written consent, which may be given at their sole discretion.

10.2 Change of Control – A change of Control of a Limited Partner is deemed to constitute a transfer under clause 10.1.2 except in respect of a change of Control of any Limited Partner whose equity securities are quoted on a public securities exchange.

10.3 Notice – Except for any transfer of Limited Partnership Units or shares in the General Partner in accordance with clause 10.7, if:

10.3.1 the Manager intends to issue new Limited Partnership Units and associated shares in the General Partner; or

10.3.2 any Limited Partner has received an offer (which, if accepted, would become a legally binding contract) for the sale, assignment, transfer or disposal of their Limited Partnership Units and associated shares in the General Partner, the Manager will give notice in writing (a Rights Notice) to the Company specifying:

- (a) the intention to issue, sell, assign, transfer or otherwise dispose of Limited Partnership Units and associated shares in the General Partner;
- (b) the number of Limited Partnership Units and associated shares in the General Partner affected;
- (c) either:
 - (i) the price payable for the issue of new Limited Partnership Units and associated shares in the General Partner as determined in accordance with the Manager's Limited Partnership Agreement; or
 - (ii) the price for the Limited Partnership Units and associated shares in the General Partner in the offer (which, if accepted, would become a legally binding contract) for the sale, assignment transfer or disposal of such Limited Partnership Units and associated shares in the General Partner,
 (as applicable); and
- (d) all other terms and conditions sufficiently detailed to enable acceptance and create a legally binding contract.

10.4 Effect of Rights Notice: The delivery of a Rights Notice is an offer to the Company to subscribe for or purchase the Limited Partnership Units and shares in the General Partner described in that notice, for the price payable for those financial products. If the Rights Notice is in respect of a transfer of Limited Partnership Units and associated shares in the General Partner, the Manager must procure that the relevant Limited Partner(s) selling those financial products make an offer to the Company to sell those financial products on the terms set out in the relevant Rights Notice.

10.5 Offer period – Any offer under clause 10.2 will remain open for acceptance for a period of 10 Business Days after the date the Company receives the notice. If the offer is accepted, the parties will then use their reasonable endeavours to satisfy any conditions required by law or the NZX Listing Rules as soon as practically possible and complete the transaction within 5 Business Days of all conditions being satisfied.

10.6 Response - During the offer period specified in clause 10.4, the Company may by notice in writing to the Manager or the relevant Limited Partner accept or decline the offer, provided that if the Company fails to respond in writing to the offer before the expiry of the offer period, the Company will be deemed to have declined the offer.

10.7 Permitted transfers – Nothing in this clause 10 will apply to:

- 10.7.1 Any transfer of 50% of the Limited Partnership Units and shares in the General Partner in accordance with the terms of a sale and purchase agreement with Allied Farmers Limited;
- 10.7.2 Any transfer of Limited Partnership Units and shares in the General Partner in accordance with the terms of a call option deed between the Limited Partners under which Allied Farmers Limited has the right to acquire all of the Limited Partnership Units and all of the shares in the General Partner that it does not own;

10.7.3 Any transfer of Limited Partnership Units and shares in the General Partner in accordance with any pre-emptive rights applying as between the Limited Partners under the Manager's Limited Partnership Agreement, under which any Limited Partner must first offer its Limited Partnership Units and shares in the General Partner to all other Limited Partners before offering them to any other person (including the Company); or

10.7.4 Any transfer of Limited Partnership Units and shares in the General Partner by a Limited Partner to their Related Party.

11 Assignment

- 11.1 Company's Assignment** – The Company may not assign or transfer in whole or in part any of its rights or obligations under this Agreement unless with the Manager has given its prior written consent which may not be unreasonably withheld.
- 11.2 Manager's Assignment** – The Manager may not assign or transfer in whole or in part any of its rights or obligations under this Agreement unless:
- 11.2.1 the Manager first offers to assign or transfer those rights or obligations to the Company in accordance with this clause 11; and
 - 11.2.2 if the Company does not accept the offer made in accordance with this clause 11, the Company has otherwise given its prior written consent, which may not be unreasonably withheld.
- 11.3 Assignment Notice** – If the Manager has received an offer for the whole or partial assignment or transfer of this Agreement which, if accepted, would become a legally binding contract, the Manager will give to the Company notice in writing specifying:
- 11.3.1 the Manager's intention to assign or transfer in whole or in part any of its rights or obligations under this Agreement;
 - 11.3.2 the price offered for the proposed assignment or transfer of rights and/or obligations under this Agreement; and
 - 11.3.3 any other terms and conditions sufficiently detailed to enable acceptance and create a legally binding contract.
- 11.4 Offer period** – Any notice under clause 11.3 will remain open for acceptance for a period of 10 Business Days after the date the Company receives the notice. If the offer is accepted, the parties will then use their reasonable endeavours to satisfy any conditions required by law or the NZX Listing Rules as soon as practically possible and complete the assignment within 5 Business Days of all conditions being satisfied.
- 11.5 Response** - During the offer period under clause 11.4, the Company may by notice in writing to the Manager accept or decline the offer, provided that if the Company fails to respond in writing to the offer before the expiry of the offer period, the Company will be deemed to have declined the offer. The Company declining to accept an offer is not consent for the Manager to otherwise assign or transfer in whole or in part any of its rights or obligations under this Agreement.

12 Term and Termination

- 12.1 Term** – The Term of this Agreement will commence on the Commencement Date and will continue until terminated in accordance with the provisions of this Agreement
- 12.2 Termination for Manager's Default** - The Company may terminate this Agreement by written notice to the Manager where:
- 12.2.1 the Manager has committed an act of fraud or wilful default (provided that any decision to terminate this Agreement must be a unanimous decision by all of Company's independent Directors after the receipt of independent legal advice finding that such an act or default has occurred).
 - 12.2.2 the Manager assigns this Agreement otherwise than in accordance with the requirements of clause 11.

12.2.3 there is a transfer of Limited Partnership Units or shares in the General Partner which does not comply with clause 10.

12.3 Winding Up / Insolvency Event – Either party may terminate this Agreement by written notice to the other party if the other party suffers an Insolvency Event, takes steps to wind up its status as a legal entity or otherwise dissolves.

12.4 Termination on Notice by Manager - The Manager may terminate this Agreement by giving the Company 12 months' written notice. Unless otherwise agreed in writing with the Board, the Agreement will terminate on the date that is 12 months after the date of the Manager's written notice (and the Manager will continue to perform its duties and obligations under this Agreement until such date).

12.5 Duties on Termination - On termination of this Agreement:

12.5.1 The Manager will deliver or cause to be delivered to the Company:

- (a) All property of the Company including all certificates relating to the Property; and
- (b) Accounting records, correspondence, and all other records relating to the affairs of the Company in the possession or under the control of the Manager or any person who has entered into a subcontract with the Manager in accordance with clause 2.4.3; and
- (c) All forms of proxy, letters of authority, mandates or powers of attorney that may have been issued to it by the Company;

12.5.2 The Manager will no longer hold itself out as having the authority to negotiate or contract on behalf of the Company; and

12.5.3 Except where the Company has validly terminated under clause 12.2, the Company will pay all Fees due but unpaid at the date of termination, including:

- (a) Where the Agreement is terminated on a day that is not the last day of a calendar month, the Company will pay the Manager within 10 Business Days of termination, the Management Fee, pro-rated for the month.
- (b) Where the Agreement is terminated on a day that is not the end of the Financial Year, the Company will pay the Manager within 10 Business Days of termination, the Performance Fee, pro-rated for the part of the relevant Financial Year during which the Manager has been appointed.

12.6 Effect of Termination - On termination of this Agreement the rights and obligations under this Agreement will cease to have effect provided that no termination shall affect any rights and obligations in respect of events prior to termination. Termination of the Agreement will not affect those provisions of this Agreement which are intended to continue after termination.

13 Conflicts of Interest

13.1 Conflicts of Interest procedures in Company corporate governance policies - The Manager will comply with the Company's corporate governance policies as updated from time to time.

13.2 No Dealing with the Company as Principal - Without limiting the generality of clause 13.1, the Manager will not, and will use all reasonable endeavours to ensure that any person appointed by it under subclause 7.1 does not, except with the Board's prior written consent after full disclosure of the interest, deal with the Company as beneficial owner on disposition or acquisition of any Property by the Company or otherwise deal with the Company as principal.

14 Limitation of Liability

- 14.1 No Warranty** - No warranty is given by the Manager as to the services provided under this Agreement.
- 14.2 Wilful Default, Fraud or Gross Negligence** - The Manager will not be liable for any loss or damage whatsoever that the Company or any Investor may sustain or suffer as the result of the exercise or performance by the Manager (or failure of the Manager to exercise or perform or any error of judgement by the Manager in respect thereof) of any of the Manager's obligations and duties under this Agreement or loss of opportunity whereby the value of the Company would have increased, or for any decline in the value of the Company, however arising except to the extent that such loss, damage or decline is due to the Manager's gross negligence, fraud, dishonesty or wilful default or that of its officers, employees, advisers or agents.
- 14.3 Confirmation by Company** - The Company will allow and confirm everything properly done by the Manager in accordance with this Agreement.
- 14.4 Indemnity by the Company** - The Company indemnifies and will keep indemnified the Manager and its officers, employees, advisers or agents from and against all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, expenses and disbursements of any kind or nature whatsoever (other than those resulting from the Manager's (or its officers', employees', advisers' or agents') unauthorised acts, gross negligence, wilful default, dishonesty or fraud) including the Manager's reasonable costs and expenses in relation to enforcing the indemnity, which may be imposed on, or incurred by or asserted against the Manager solely by reason of the Manager performing the Manager's functions, obligations, discretions or duties under this Agreement.
- 14.5 Continuing Obligation** - Each indemnity in this Agreement is a continuing obligation separate and independent from the other obligations of the parties and survives termination of this Agreement.

15 Force Majeure

- 15.1 The Manager and its officers, employees, advisers or agents or delegates** will not be liable for any loss of or damage to the Company's property in the Manager's possession or for any failure, interruption or delay to fulfil the Manager's duties under this Agreement if the loss, damage, failure, interruption or delay is caused directly or indirectly by any event outside of the Manager's reasonable control including any act of God, the act of any government or competent authority, strike, failure or malfunction of power, communications, computer services or systems or other service, storm, fire or accident. The Manager, its officers, employees, advisers and agents will use their reasonable efforts to minimise the effects of any event outside of its reasonable control.

16 Confidentiality

- 16.1 Confidentiality** - The Manager will not at any time, directly or indirectly:
- 16.1.1** Disclose or permit the Confidential Information to be disclosed to any person; or
 - 16.1.2** Use such Confidential Information other than for the purpose for which it was provided, except:
 - 16.1.3** To the extent required by law; or
 - 16.1.4** As is already public knowledge without a breach of this clause by the party seeking to disclose or use such Confidential Information; or
 - 16.1.5** As is authorised in writing by the other party; or
 - 16.1.6** As is reasonably necessary to give effect to this Agreement.
- 16.2 Continuing obligation** - The obligations created by this clause 16 remain in full force and effect after termination of this Agreement.

17 Disputes

- 17.1 Resolution of disputes** - If any dispute or difference arises between the parties, or if any matter or issue arises that a party wishes to have resolved or remedied (Dispute), a party may serve a notice of Dispute on the other (Dispute Notice). For the purposes of this and the following clauses the term Dispute Notice means a written notice issued by either party on the other:
- 17.1.1 Specifying reasonable details of the nature of the Dispute;
 - 17.1.2 Designating the person with authority to negotiate and settle the matter or issue specified in the notice of behalf of the issuer of the notice; and
 - 17.1.3 Requiring the recipient of the notice to enter into negotiations with the issuer of the notice to resolve the matter or issue specified in that notice and, for that purpose, to appoint a representative with authority to negotiate a settlement.
- 17.2 Dispute Notice** - On service of a Dispute Notice, the following procedures will apply:
- 17.2.1 No party may commence any arbitration or court proceedings relating to any Dispute unless that party has complied with the procedure specified in this clause 17.2.
 - 17.2.2 The parties will enter into negotiations in good faith to resolve a course of action for resolution of the Dispute within 14 days (or such longer period as the parties may agree) of the issue of a Dispute Notice;
 - 17.2.3 Where any course of action for resolution of the Dispute is not resolved via the process in clause 17.2.2:
 - (a) The parties must immediately refer the Dispute to mediation;
 - (b) Any mediation must be conducted in terms of the Resolution Institute. Standard Mediation Agreement. The mediation must be conducted by a mediator and at a fee agreed by the parties. Failing agreement by the parties as to appointment of a mediator within seven days of reference to mediation as set out above, the mediator will be selected and his or her fee determined by the President for the time being of Resolution Institute, (or any suitable replacement organisation);
 - (c) if the Dispute remains unresolved after mediation then the Dispute must be submitted to arbitration of the single arbitrator agreed on between the parties or in fault of agreement to be nominated by the President of the New Zealand Law Society. The arbitration will be conducted in accordance with the Arbitration Act 1996. The parties reserve the right to appeal to the High Court on any question of the law arising out of an award.
- 17.3 Urgent relief** - Nothing in this clause will prevent any party from taking immediate steps to seek urgent interlocutory relief before an appropriate Court.
- 17.4 Continuation of service** - To the extent reasonably practicable, in the event of any dispute or legal proceedings relating to this Agreement, the Manager will continue to provide the Services in accordance with this Agreement.

18 Notices

18.1 Method of notice - Any notice given under this Agreement will be deemed to be validly given if either:

18.1.1 Personally delivered;

18.1.2 Posted; or

18.1.3 Sent by electronic means,

to the address or email address of the party to be notified set forth below or to such other address or email address as the party to be notified may designate by written notice given to all the other parties.

New Zealand Rural Land Company Limited

Address C/O Duncan Cotterill, 50 Customhouse Quay, Wellington

Email rob@tutanekai.com

Attention Rob Campbell

New Zealand Rural Land Management Limited Partnership

Address C/O Duncan Cotterill, 50 Customhouse Quay, Wellington

Email shelleyruha@gmail.com

Attention Shelley Ruha

18.2 Time of delivery - Any notice given under this Agreement will be deemed to be validly given:

18.2.1 In the case of delivery, when received;

18.2.2 In the case of posting, on the fifth day following the date of posting; and

18.2.3 In the case of electronic transmission by email, at the time specified in the email transmission which was not returned as undeliverable or as containing any error.

18.3 Business day - If the delivery or transmission of any notice given under this Agreement is on a day which is not a Business Day, or occurs after 5.00 p.m. (local time) on any Business Day, the notice will be deemed to be received on the next following day which is a Business Day.

19 General

19.1 Waiver — The failure, delay, relaxation or indulgence on the part of any party in exercising any power or right given to that party under this Agreement does not operate as a waiver of that power or right, nor does any single exercise of a power or right preclude any other or further exercise of it or the exercise of any other power or right under this Agreement. A power or right may only be waived in writing, signed by the party to be bound by the waiver.

19.2 Amendment — This Agreement may only be amended or supplemented in writing signed by the parties.

19.3 Severability — Any term, condition or proviso in this Agreement which may be invalid or unenforceable is to be read if possible, so as to be valid and enforceable, and if any term, condition or proviso is declared or adjudged to be invalid or unenforceable, such term, condition or proviso shall be severable, shall be deemed to be deleted from this Agreement and shall not affect the validity or enforceability of other terms, conditions and provisos contained in this Agreement.

- 19.4 Further Assurances** — Each party shall do, sign, execute and deliver and shall procure that each of its officers, employees, and agents signs, executes and delivers, all deeds, documents, instruments and acts reasonably required of it or them by notice from the other party to effectively carry out and give full effect to the parties' intentions as evidenced by this Agreement.
- 19.5 Counterparts** — This Agreement may consist of two counterparts and both counterparts taken together shall constitute one and the same instrument.
- 19.6 Privity** — For the avoidance of doubt, this Agreement shall not be construed as conferring any benefits enforceable at the suit of any third parties.

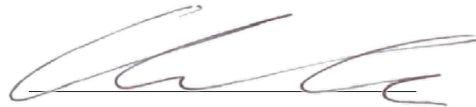
Signatures

Signed by
New Zealand Rural Land Company Limited
in the presence of:



Director

Signed by
**New Zealand Rural Land Management
Limited Partnership by its general partner
New Zealand Rural Land Management
GP Limited**



Director

Schedule 1

Investment Objectives

- Purchase high quality rural land at a discount to its future value*
- Lease the land to financially and operationally strong counterparties
- Allow Investors to capture the potential long-term growth in asset value and consistent cash flows via lease payments from high quality / well financed operators

*NZRLC may acquire an equity position or other financial instrument including debt to achieve its goal of long term ownership of New Zealand rural land.

Schedule 2

Fees

Management Fee - The Company will pay the Manager a monthly management fee equal to 0.5% per annum plus GST of the Company's Net Asset Value (calculated on a monthly basis and taken from the management accounts of the Company (as approved by the board of the Company) for the preceding month).

Transaction Fee - The Company shall pay the Manager a transaction fee as follows:

- (a) for each purchase or sale of Land, a fee equal to 1.25% plus GST of the acquisition or divestment cost of the Land and improvements in each transaction; and
- (b) for each lease agreement entered into, a fee of \$30,000 plus GST.

Performance Criteria and Performance Fee -

1. Subject to paragraph 2 below, where, at the end of a Financial Year, the Company's Net Asset Value per share exceeds the Company's Net Asset Value per share in the immediately prior Financial Year, the Company will pay the Manager an annual performance fee equal to 10% of the increase.
2. In calculating the Company's Net Asset Value per share for a Financial Year:
 - (a) where no Performance Fee was payable in the Financial Year immediately prior to the relevant Financial Year, the Company's Net Asset Value per share in the last Financial Year that a Performance Fee was payable; and
 - (b) the Net Asset Value per share will be adjusted to remove the impact of any capital reconstruction of the company during a Financial Year to the extent that the Performance Fee should be calculated so that the effect of the capital reconstruction is neither prejudicial nor advantageous (based on reasonable grounds) to either the Company or the Manager for the purpose of calculating the Performance Fee,

For the purposes of this clause capital reconstruction includes (without limitation), a capital raise at either a premium to Net Asset Value or a discount to Net Asset Value, a bonus issue, rights issue, or placement, share split, share consolidation, share re-classification, a share buyback/repurchase or special dividend in the nature of a capital repayment.

3. The Company will satisfy the payment of the Performance Fee by issuing to the Manager or its nominee(s) the relevant number of ordinary shares in the Company to satisfy the Performance Fee at a price per share equal to the Net Asset Value per share at the end of the relevant Financial Year.
4. The Company will do all things necessary to satisfy the payment of the Performance Fee, including the passing by the Board of a valid resolution approving the issue of the shares to the Manager or any nominee and directing that the name of the Manager or any nominee be entered in the Company's share register as owner of the shares issued to it or them.
5. Half of the shares issued in each Financial Year under paragraph 4 above will be subject to escrow arrangements, under which the Manager or any nominee agrees not to sell, transfer, assign or otherwise dispose of, or offer or agree to sell, transfer, assign or otherwise dispose of, its right and title to, and beneficial interest in, such shares for a five year period. The parties will sign an escrow deed to this effect.
6. A hypothetical example of how the performance fee is calculated and paid is as follows and assumes that no adjustments were necessary under paragraph 2(b) of this Schedule:

Hypothetical performance fee for FY22

Item	Basis of Calculation	Hypothetical Amount
FY21 Net Asset Value	Taken from the audited financial statements of NZRLC for FY21	\$100 million
Shares on issue	Based on NZRLC share register as at 30 June 2021	60 million
FY21 Net Asset Value per Share	Net Asset Value divided by number of Shares on issue	\$1.6667
FY22 Net Asset Value	Taken from the audited financial statements of NZRLC for FY22	\$105 million
Shares on issue	Based on NZRLC share register as at 30 June 2022	60 million
FY22 Net Asset Value per Share	Net Asset Value divided by number of Shares on issue	\$1.7500
Net Asset Value growth	Subtract FY21 Net Asset Value per Share from FY22 Net Asset Value per Share and multiply by Shares on issue as at 30 June 2022	\$5.0 million ¹
Performance Fee	10% of Net Asset Value growth	\$0.50 million ¹
Issue price of Shares	Net Asset Value - per share as at 30 June 2022 and taken from the audited financial statements of NZRLC for FY22	\$1.7500
Shares issued to Manager to satisfy performance fee		285,715

¹Rounded up to the nearest \$100,000.