DRAFT MINUTES

SHAREHOLDERS' MEETING 30 APRIL 2014

Date and Venue	1245– 1415 hours, Wednesday 30 April 2014, Craig Investment Partners, Level 32, Vero Tower Auckland

Attendees?

ALLISON, Mark [1]	Independent Fisheries Ltd
BROWN, Dianne	Te Ohu Kai Moana Trustee Ltd
CLEMENT, George (CEO)	Deepwater Group Ltd
FEHNKER, Lissy (Minutes)	Deepwater Group Ltd
HARVEY, Andrew	Ngai Tahu Seafoods Ltd
HORTON, Chris (Chairman)	Ocean Products Ltd
HUFFLETT, Charles	Solander Maritime Ltd
IRVING, Aaron	Deepwater Group Ltd
JOHANSSON, Greg	Sanford Ltd
LAWSON, Craig	Te Ohu Kai Moana Trustee Ltd
PATCHELL, Graham	Sealord Ltd
POTTER, Kerry	Ceebay Fisheries Ltd
REEVE, Vicki	MPI
SAMUELS, Maru	Maru Iwi Collective Group
STRANG, Dorje	Sealord Group Ltd
TALLEY, Andrew	Talleys Group Ltd
TARRANT, Steve	Aotearoa Fisheries Ltd
WELLS, Richard	Deepwater Group
ZAME, Chris	Gisbourne Fisheries Ltd

[1] *Left at 1:30pm*

1. Apologies

BISHOP, Stephen	Independent Fisheries Ltd
BURGESS, Geoffery	Vela Fishing Ltd
CARRINGTON, Carl	Aotearoa Fisheries
KOTZIKAS, Andre	KPF Investments Ltd
LODER, Doug	Ocean Products Ltd
SHAW, Darryn	Sanford Ltd
PAULIN, Doug	Sealord Ltd

It was moved that apologies be accepted.

C Horton: Carried

2. ORH2A, ORH2B & ORH3A

It was noted:

- G. Clement: What would quota owners see as the optimal management target, in the 1980's that was set to 30% B0. This has been re-set to a range of 30-40% B0. MPI & DWG have contracted Patrick Cordue to do 4 stock assessment and 3 subsequent MSEs to test SA outputs. He has shown we can easily manage these fisheries above 35%
- G Clement: A target of 40% (still has an annual yield of 95%) – a small tradeoff (5%) for optics of a 40% B0 TRIP. To get them back to 40% we need to take exploitation rate (F) hits (4.5% of 40%) This should ease the way through MSC.
- A. Talley: 30 – 40%F msy would meet MSC? Need to break down numbers (into a matrix) to show what these figures actually mean in tonnages.
- Leave at range from 30-40% and shoot to manage at 35% B0 (middle of the range)
- G. Patchell: Two largest ORH fishery in the world. In 30 years, 160k has been taken. The stock assessment this year place more weight on the trawl survey (working group says there has been very little recruitment into this fishery in the last 40 years). For this stock to meet MSC and be above 20% B0 we need to find 20k of additional biomass, we can't find it though. There is still fish there, but if we continue to take fish until there is recruitment then we will continue to abate B0 to a point that it will be 10% B0.

Following discussion, quota owners provided a mandate to DWG for the MEC fishery to discuss management options with MPI that provides:

1. **A long-term management goal that maintains the stock at 35% B_0 with a target annual yield of around 2,000 t, and,**
2. **The implementation of a formal rebuilding plan that meets the requirements of MPI's HSS and,**
3. **A reduced catch for 2014-15 of 850 t and that this be reviewed if new information becomes available.**

3. ORH3B

It was noted:

- MPI are not comfortable taking drama back to government in an election year. We are sitting at 37% (Could take more, present TACC at 750t) If want more, ask the government to change conservation status on morgue
- V. Reeves: The science says we can take more, but timing issues.
- A. Talley: Can't charge industry and say there is no time
- G. Johansson: We need to pick out horses (this might be one)
- G. Clement: One problem to take into account, if we cannot open morgue, can graveyard sustain this?
- V. Reeve: Also MSE work hasn't been completed. Could put MSC at risk.
- A. Talley: In that case, could take 1250t and shelve 250t?
- G. Johansson: Yes, and have ACE transfer to DWG as a condition of that TACC increase (best science is taken into account, and uncertainty addressed in the shelving)

Following discussion, owners of ORH3B quota provided a mandate to DWG to discuss management options with MPI that provides:

1. **For the NWCR fishery, a long-term management goal that maintains the**

stock at 35% B0 with a target annual yield of 1,300 t and,

2. **A plan to stage catch increases from 750 t to 1,300 t over three years, For the ESCR fishery, A long-term management goal that maintains the stock at 35% B0 with a target annual yield of 7,100 t and,**

3. **A plan to increase the annual catch limit from 3,100 t to 4,400 t from 2014-15 until the stock size reaches 35% B0 and to then set the annual catch to maintain the stock size at around 35% B0, assessed to be around 7,100 t.**

4. ORH7A

It was noted:

- V. Reeve: At 42% B0, it may take more to bring fishery within target range?
- G. Patchell: This is a good news story, "the stock that was below 3%" - this shows that it was NEVER at this level. We should be shouting it from the rooftops
- G. Clement: Bring together a costed survey for Dork and Volcano.
- G. Johansson: Assessing optics: 9% reduction MEC, 66% NWCR, 24% ESCR, 300% ORH7A.. Overall, a 54% increase in ORH TACCs (not incl. shelving)
- G. Johansson: We would agree as quota owners, to have shelving documentation in place and ready to go 1st October (pending third verification that increases will not effect in not meeting the third party certification thresholds)

Following discussion, ORH7A quota owners provided a mandate to DWG for the MEC fishery to discuss management options with MPI that provides:

1. **A long-term management goal that maintains the stock at 35% B0 with a target annual yield of 1,700 t and a plan to stage increases in the annual catches from 500 t to 1,700 t over three years, along with:**

2. **Support for DWG to continue to request that the Government recognises its earlier declaration under UNLOS that ORH7A is a straddling stock, that New Zealand manages this stock as a 'domestic' fishery and to provide New Zealand vessels targeting orange roughy and fishing against ORH7A ACE full access to the designated area 'Westpac Bank'.**

5. HOK1

It was noted:

- V. Reeve: HOK looks good, HOK 2011 year class is the 4th largest recorded – but it is uncertain as to which stocks will recruit to where, once the certainty is there, the TACC can be adjusted accordingly.
- M. Allison: Why would we do a 50/50 split, history has told us that West can sustain more pressure.
- V. Reeve: The projections and simulations conducted, e,g: 59/71, 62/92, 70/90, 70/100 (With the larger catch limit always remaining the in the West) NB: MSE is a little old, this needs to be updated.
- G. Clement: The best available information says we are well above management target, even increasing.
- G. Patchell: We could handle an increase of 10k safely, the stock will increase, but it is more of a business risk decision.
- G. Johansson: We are taking 4 increases, all from the west – and haven't yet

caught last season's 20k increase yet. West Coast MPI science is not that flash, we should sit and wait.

Following discussion HOK1 quota owners provided a mandate to DWG to:

1. **Discuss management options with MPI that provides no change to TACC for 2014-15 and to review this prior to 2015-16. Sealord reserved their position and will advise of this later.**