

9 April 2020

Mr David Gaze
Gaze Holdings Limited
P O Box 758
Shortland Street
Auckland 1140

Dear David,

Our National Manager - IMEX, David Brinsley, has forwarded to me the email you sent on Wednesday April 1st, in relation to the Comfort Group's proposed manufacturing hub and community development at Ohinewai in the Waikato.

It is indeed a significant proposal both in terms of its overall manufacturing capability, and also the Comfort Group's aims to try and meet the social needs of its employees, by providing affordable community housing.

I understand you may be planning to apply to the newly formed Crown Infrastructure Partners group, to seek some support for the above proposed development.

From KiwiRail's perspective, we would be happy to support your application, given the synergies your development has with our business in terms of providing the Group a robust, rail-based supply chain. We see this as being in-step with the draft 2021 Government Policy Statement on Land Transport.

This GPS requires that KiwiRail is one of the core responsible parties and this project firmly aligns itself through a commitment by the Comfort Group to build a rail siding with which to provide it with a rail-based import / export supply chain.

With rail being 67% more fuel efficient than an equivalent road based heavy transport provider, your new venture will ensure significant reductions in carbon emissions within your supply chain.

The development of this project will also greatly assist social and environmental outcomes through a significant reduction in the volume of heavy road transport vehicles from what is already a very busy section of New Zealand's state highway network.

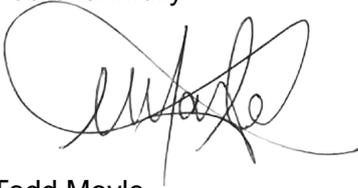
The use of rail as the Group's primary mode of land transport for its import / export supply chain, will also reduce the costs of road maintenance that would otherwise be required and it would assist to lower the accident risk associated with heavy transport on busy highway networks.



For these reasons, KiwiRail is more than happy to work alongside and in support of the Comfort Group's application to proceed with this exciting development.

If you wish to discuss any aspect of this letter with us, please direct your enquiries to David Brinsley in the first instance.

Yours faithfully



Todd Moyle
Chief Operating Officer
KiwiRail

