

CHAIRMAN'S MONTHLY RELEASE

3 November 2010

Financial Overview

DWC's total equity at 30 September 2010 stood at \$114.6 million. This reflected a \$2m gain in the value of our investments during the month, due to positive market conditions, with the gain contributing to our year to date profit of \$714,000.

Within the total equity amount, the value of the Investment Fund was \$101.9 million, allocated across growth assets (ie, equity) - 37.4%, and Fixed Interest & Cash - 62.6%.

Trustees met with DWC's investment advisers at their November meeting. While the overall market outlook remains uncertain in the global climate, and the increase in the value of our investments in the year to date is behind the budgeted growth of \$2.9 million for the full financial year, we will continue to work prudently with our advisers to maximise returns on all investments.

Commercial Distributions

As at 30 September 2010, DWC had \$13.5 million available for distribution. Trustees have approved distributions of over \$2.3m year to date.

One distribution was approved by Trustees at their November meeting, to a value of \$100,000 for a new business start-up. All distribution approvals are subject to any pre-conditions being met and acceptance of any offer by the applicant.

Community Distributions

Trustees also considered the latest round of community grant applications at their November meeting. Sixteen applications were considered. Trustees were constrained by the terms of the Trust Deed when considering these applications, but were able to approve 6 applications to a total value of \$149,720.

Approximately \$220,000 has been approved in community grants for the year to date.

There have been no recent funding applications under the Major District Initiative (MDI) policy. Funding to date for approved projects to each District is as follows:

Grey	Buller	Westland
\$6,570,000	\$6,700,000	\$2,104,082

The most significant projects funded from MDI funding to date have been the Solid Energy Centre in Westport (\$6 million), Aquatic Centre in Greymouth (\$6 million) and Hokitika Regent Theatre (\$910,000). While the Grey and Buller Districts chose to utilise their funding for larger projects, the Westland District has chosen to spread its funding across multiple smaller projects throughout their District and still have a considerable amount of funding available for allocation. MDI funding will cease from 31 March 2022.

Industry Development & Support

DWC has secured co-funding from New Zealand Trade & Enterprise (NZTE) to research opportunities for the development of the horticulture industry on the West Coast.

A forum is being facilitated on Thursday 11 November in Westport to bring together key stakeholders in the horticulture industry, including growers, processors and researchers from around New Zealand. Professor Caroline Saunders ONZM, Professor of Trade and Environmental Economics and Director of Agribusiness & Economics Research Unit at Lincoln University is the keynote speaker for the forum.

Trustee Appointments and Retirements

The October triennial elections resulted in 2 of the 3 standing Trustees being replaced by new Trustees. Mr Colin Smith, a partner at Hannan & Seddon Solicitors in Greymouth, and Mr Evan Jones, owner of Evan Jones Construction Ltd in Hokitika, were the successful candidates and took up their new roles on 14 October 2010. Messrs Smith and Jones have undergone an induction and attended their first Trustee meeting on 1 November 2010.

DWC will also gain a third new Trustee with the recent announcement of Mr John Sturgeon as the joint Council appointee. Mr Sturgeon's appointment is effective from 30 October 2010. Prior commitments meant Mr Sturgeon was overseas for the November meeting. However, we are looking forward to him attending the next full Board meeting scheduled for early December.

The term of the Tangata Whenua Trustee expires on 27 November 2010 and we are aware that Te Runanga o Ngai Tahu has commenced its appointment process for this position.

Trustee Robert Buchanan, previously the Deputy Chairman, will serve as the Acting Chairman until such time as all Trustees are available to carry out an election process for a new Chairman and Deputy Chairman.

The Trustees intend to begin a strategic review of DWC's business and direction once the Ngai Tahu appointment process has been completed and all Trustees are available to participate.

On behalf of DWC, Mr Buchanan wishes to thank the outgoing Trustees, John Clayton, Bruce Smith, and Tony Williams, for their contribution to DWC over the past 3 years, and particularly Tony Williams' contribution as Chairman.

For further information, contact
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