

BARRHILL CHERTSEY IRRIGATION LIMITED

NOTICE OF SPECIAL MEETING

Notice is hereby given that a Special Meeting of Shareholders of Barrhill Chertsey Irrigation Limited (*the Company*) will be held at Methven Resort at Main Street, Methven at 8.30 pm on Wednesday the 30th September 2009 or immediately following the conclusion of the Annual Meeting to be held at the same place on the same day at 8.00 pm.

Business of the Meeting

To consider and if thought fit to pass the following resolutions with or without modification:

1 Transfer of Consent

To give approval to the Resource Consents held by the Company being transferred to the Ashburton District Council and/or Electricity Ashburton Limited subject to and conditional upon the company having the exclusive and unrestricted right to continue to take, distribute and use the water available under those consents for such purposes as the Company considers appropriate.

2 Agreement with TrustPower Limited

To enter into an agreement with TrustPower Limited (*TrustPower*) under which an annual fixed charge of up to \$380 per hectare will be payable to TrustPower for pumping water into the Rangitata Diversion Race for the Company to extract.

3 Agreement with Electricity Ashburton Limited

To enter into agreements with Electricity Ashburton Limited (*EAL*) to develop as equal participants a distribution system to distribute water from the Rangitata Diversion Race to shareholders at an approximate cost for the distribution system of \$25 million (*the Scheme*) and to enter into all arrangements, agreements and contracts to enable the Scheme to be constructed and the arrangements with EAL to be entered into by the Company.

Explanatory Notes

The above resolutions, if passed will enable the Company to:

- (a) enter into an agreement with TrustPower under which TrustPower will build a pumping facility to pump up to 5 cumecs of water from the Rakaia River into the Rangitata Diversion Race.

- (b) finalise agreements with Rangitata Diversion Race Management Limited to use the Rangitata Diversion Race to convey water for the Company.
- (c) to construct, as an equal partnership with EAL, a distribution system to distribute the water to farmers who support the Company with equity capital for that purpose.

Further Matters:

Resolutions to be passed as a Special Resolution.

- 1 **Resolutions 2(a) to (c)** are required to be passed as a Special Resolution because the transactions that are contemplated to be entered into by the Company are major transactions under Section 129 of the Companies Act 1993. If a major transaction is to be entered into the Company must obtain shareholder approval by means of a Special Resolution prior to that Resolution taking effect. A change to the constitution also requires a special resolution.
- 2 **A Special Resolution** means a resolution passed at a meeting duly convened and held in accordance with the provisions of the constitution of the Company and the Companies Act 1993 and carried by a majority of more than 75% of the persons voting at the meeting upon a show of hands or, if a poll is duly demanded by a majority consisting of more than 75% of the votes given on such a poll. At a meeting of shareholders on a poll each shareholder has one vote for each share held.
- 3 **Quorum** – a quorum for the meeting of shareholders shall be five or more shareholders respectively present in person or by proxy, attorney or authorised representative.
- 4 **Shareholders** – shareholders are advised that any shareholder that is entitled to attend and vote at the meeting may appoint a proxy, attorney or (in the case of a corporate shareholder) an authorised representative to attend and vote on his/her/or its behalf. The proxy need not be a shareholder of the Company and a proxy appointment form must be deposited at the registered office of the Company care of Croy's, Chartered Accountants, 161 Burnett St, Ashburton to be received no later than 8.30 pm on the 28th September 2009 being at least 48 hours before the time of the meeting. A form of proxy is attached.
- 5 **Proxy Forms** – are required to signed as follows:
 - (a) if the shareholders are a company, the proxy form must be signed pursuant to Section 180(1)(a) of the Companies Act 1993 by two directors or as otherwise provided by that Section;

- (b) if the shareholder is an incorporated body the proxy form must be signed by the authorised signatories of that body as required by the constitution of that body;
 - (c) if the holding is held jointly (as with a husband and wife) the proxy form must be signed by both shareholders;
 - (d) if there is an individual shareholder then the proxy form should be signed by that person in his or her usual signature or by the attorney of that shareholder;
 - (e) if a trust holds the shares then all of the trustees in whose name those shares are registered must sign the proxy form.
- 6 If the proxy form is being signed under a power of attorney, a copy of the power of attorney (unless already deposited with the Company) and a signed certificate of non revocation of the power of attorney must be produced to the Company with the proxy form.
- 7 **Attendance and Voting Rights** – all shareholders or that shareholders proxy or representative, are entitled to attend the meeting and vote. On a show of hands each shareholder has one vote and on a poll one vote for each share held.
- 8 If the shareholder is a company or an incorporated body which wishes to be represented at that meeting by an individual that shareholder will need to pass a resolution appointing that person as a representative. A copy of that resolution must be brought to the meeting.