

The following is a summary of the main terms of the Offer. Investors should refer to the more detailed information in the other sections of this Offer Document, including sections entitled "Investment Statement – Answers to Important Questions" and "Summary of Trust Deed".

Issuer

The Issuer of the Capital Notes is Hellaby Holdings Limited.

Instrument

The Capital Notes are unsecured, subordinated fixed interest debt obligations of Hellaby Holdings Limited. In certain circumstances the Capital Notes are convertible into Ordinary Shares in Hellaby Holdings Limited as described below under the heading "Maturity Date".

Subordination and Guarantee

The Capital Notes constitute unsecured subordinated debt obligations of Hellaby Holdings Limited. The obligations of Hellaby Holdings Limited to the Holders under, and the rights of the Holders (or the Trustee on behalf of the Holders) against Hellaby Holdings Limited in respect of the Capital Notes rank behind the obligations of Hellaby Holdings Limited to its Senior Creditors (which includes its general secured and unsecured creditors). Accordingly, in the event of Liquidation of Hellaby Holdings Limited, claims under the Capital Notes will rank in point of payment behind the claims of Senior Creditors. Claims under the Capital Notes rank ahead of claims of holders of Ordinary Shares.

Each Guaranteeing Subsidiary has guaranteed on an unsecured and subordinated basis to each of the Holders and the Trustee for itself and on behalf of each Holder payment by Hellaby Holdings Limited of the Note Obligations. The guarantee of each Guaranteeing Subsidiary ranks behind the obligations of that Guaranteeing Subsidiary to its Senior Creditors (which includes its general secured and unsecured creditors). Accordingly, in the event of Liquidation of a Guaranteeing Subsidiary, claims under the guarantee of that Guaranteeing Subsidiary in respect of the Capital Notes will rank in point of payment behind the claims of the Senior Creditors of that Guaranteeing Subsidiary.

Where:

"Senior Creditor" means in relation to a person, all creditors of that person in relation to indebtedness, other than:

- (a) in the case of Hellaby Holdings Limited, indebtedness:
 - i. owed to Holders pursuant to the Capital Notes; or
 - ii. which is expressed to be subordinate to the obligations of Hellaby Holdings Limited under or in relation to the Capital Notes, or *pari passu* with such obligations; and
- (b) in the case of a Guaranteeing Subsidiary, indebtedness:

- i. owed to Holders pursuant to the guarantee in the Trust Deed; or
- ii. which is expressed to be subordinate to the obligations of the Guaranteeing Subsidiary under that guarantee, or *pari passu* with such obligations.

For further information on subordination, see the section entitled "Summary of Trust Deed" on page 79.

The Trustee's ability to declare the Note Obligations to be due and payable and to take steps or proceedings to enforce the guarantee held by the Trustee is limited under the terms of the Trust Deed to where Hellaby Holdings Limited is in Liquidation. For further details, see the sections entitled "Guarantee" and "Enforcement" within the section entitled "Summary of Trust Deed" on page 79.

Offer Amount

Capital Notes with an aggregate Face Value of \$40 million are offered for subscription. Hellaby Holdings Limited reserves the right to accept over-subscriptions in respect of Capital Notes with an aggregate Face Value of up to a further \$10 million (being a maximum potential issue of \$50 million).

Use of Proceeds

The proceeds of this Capital Notes issue will initially be used to reduce bank indebtedness and to provide Hellaby Holdings Limited with an increased ability to fund future acquisitions and other growth opportunities.

Offer Period

The Opening Date of the Offer is 24 May 2006. The Closing Date of the Offer is the earlier of Wednesday 21 June 2006 or the date on which subscriptions are received and accepted for the maximum aggregate Face Value of the Capital Notes. Hellaby Holdings Limited reserves the right to vary the Closing Date.

Interest Rate

The Capital Notes will bear interest at a fixed rate of 8.50% per annum. Hellaby Holdings Limited reserves the right to increase the interest rate at any time before the Closing Date. Any increase in the interest rate will be notified to the Trustee and NZX. That increased interest rate will apply in respect of all Capital Notes, including those held by persons who have already been allotted Capital Notes (if any).

Payment of Interest

Interest accrues on each Capital Note on a daily basis from the date of allotment of the relevant Capital Note. The first interest payment will be made on 15 September 2006 to the original subscriber for the Capital Notes, irrespective of any transfer of the Capital Notes prior to that date.

Subsequent interest payments will be made quarterly in arrears by equal payments on each Interest Date thereafter (being 15 December, 15 March, 15 June and 15 September in each year) up to and including the Maturity Date to Holders of the Capital Notes on the Record Date relating to

that interest payment, unless:

- (a) the payment of interest has been suspended in whole or part by Hellaby Holdings Limited in accordance with the provisions of the Trust Deed; or
- (b) the Maturity Date in respect of a Capital Note is the date on which that Capital Note converts into Ordinary Shares as outlined in the section entitled "Renewal, Conversion or Redemption" in the "Summary of Trust Deed" on page 79, in which case the interest accrued until that date shall be taken into account in calculating the number of Ordinary Shares to which that Holder is entitled on conversion of those Capital Notes.

Interest payments will be made (at the election of each Holder) by direct bank credit or cheque.

Hellaby Holdings Limited may elect to suspend payment of any amount of interest on the Capital Notes in certain circumstances (for example if payment of such interest would result in Hellaby Holdings Limited or any Guaranteeing Subsidiary breaching any covenant it has given to a Senior Creditor). Interest that has been suspended will bear interest at the Default Interest Rate, and accrue daily. For a full description of the circumstances in which Hellaby Holdings Limited may suspend interest, see the section entitled "Suspension" within the section entitled "Summary of Trust Deed" on page 79.

Maturity Date – renewal, conversion or redemption

The Capital Notes have a Maturity Date of 15 June 2011. Hellaby Holdings Limited shall elect by giving notice not less than 33 Business Days prior to the Maturity Date, to each Holder to:

- (a) redeem all of that Holder's Capital Notes for cash on the Maturity Date; or
- (b) give that Holder the option to renew all of their Capital Notes from the Maturity Date on new terms and conditions so advised by Hellaby Holdings Limited at that time; or
- (c) convert all of that Holder's Capital Notes into Ordinary Shares at the Conversion Rate (subject to shareholder approval for such conversion having been obtained).

If Hellaby Holdings Limited fails to give notice, it shall be deemed to have given notice to redeem all of the Capital Notes of each Holder for cash on the Maturity Date. If the option to renew is given and a Holder elects not to do so, Hellaby Holdings Limited must then elect to redeem the Capital Notes for cash on the Maturity Date or convert them into Ordinary Shares at the Conversion Rate. If Hellaby Holdings Limited fails to make this election, it will be deemed to have elected to redeem the relevant Holder's Capital Notes for cash on the Maturity Date. If the option to renew is given to a Holder, and the Holder fails to notify Hellaby Holdings Limited of its election, the Holder shall be deemed to renew all of that Holder's

Capital Notes as at the Maturity Date on the new terms and conditions so advised by Hellaby Holdings Limited.

If Hellaby Holdings Limited has or is deemed to have given notice to convert the Capital Notes and either the existing Ordinary Shares are not quoted on a registered exchange or approval of Hellaby Holdings Limited shareholders is not obtained, or Hellaby Holdings Limited is otherwise unable to issue the Ordinary Shares, Hellaby Holdings Limited must redeem the Capital Notes for cash. As at the date of this Offer Document the Ordinary Shares are quoted on the NZSX.

If shareholders' approval for conversion is not obtained (where required), then Hellaby Holdings Limited is deemed to have given notice to redeem all of the Capital Notes for cash.

Shareholder Approval to Conversion

Before any Ordinary Shares can be issued on the conversion of the Capital Notes, the Trust Deed requires the approval of Hellaby Holdings Limited shareholders by way of ordinary resolution on or before the earlier to occur of the date of the Election Notice in relation to the Capital Notes and the date 33 Business Days prior to the Maturity Date (unless Hellaby Holdings Limited is exempted from obtaining such approval under the NZX Listing Rules). If shareholder approval is not obtained within such time, Holders will not be entitled to convert any of their Capital Notes into Ordinary Shares and Hellaby Holdings Limited will be deemed to have given notice to redeem for cash all of the Capital Notes due to be converted.

Priority Pool

A Priority Pool of Capital Notes with an aggregate Face Value of \$5 million has been reserved for Eligible Shareholders with a minimum application amount of \$5,000 and a maximum of \$50,000 of Capital Notes available for each Eligible Shareholder, on a first come first served basis.

Applications from Eligible Shareholders for Capital Notes having an aggregate Face Value in excess of \$50,000 will (to the extent the application applies for an amount over \$50,000) be considered as applications for subscriptions of Capital Notes from the Public Pool.

Eligible Shareholders wishing to apply for additional Capital Notes may apply for Capital Notes through a Primary Market Participant and other invited financial intermediaries, or the Public Pool, to the extent that Capital Notes are available.

The Priority Pool Closing Date is 14 June 2006. Capital Notes forming part of the Priority Pool will be reserved until the earlier of the Priority Pool Closing Date or such time as determined by the Board of Directors of Hellaby Holdings Limited. If applications from Eligible Shareholders are received after the Priority Pool Closing Date, but before the Closing Date, they will be treated as applications under the Public Pool, to the extent that Capital Notes are available.

Applications for Capital Notes in the Priority Pool will be determined on the following basis:

- If applications for allotment from the Priority Pool do not exceed \$5 million, each applicant will be allotted the number of Capital Notes applied for, up to a maximum of \$50,000 of Capital Notes per applicant;
- If applications for allotment from the Priority Pool exceed \$5 million, then any excess may be allocated on a “first come first served” basis from the Public Pool, if any.

If applications for Capital Notes in the Priority Pool total less than \$5 million at the Priority Pool Closing Date, the balance may be allocated by Hellaby Holdings Limited on a firm allocation basis or made available for subscription by applicants through the Public Pool.

Firm Allocation

Capital Notes with an aggregate Face Value of up to \$35 million are reserved for subscription by clients of the Lead Manager, the Organising Participant, the Co-Lead Manager, other Primary Market Participants, and invited financial intermediaries.

The aggregate Face Value of Capital Notes so reserved will be determined by the Lead Manager, Co-Lead Manager and Hellaby Holdings Limited and notified to applicants by way of general announcement to the NZX on or before the Closing Date of the Offer.

The Capital Notes will be initially subscribed for by clients of the Lead Manager, the Organising Participant, the Co-Lead Manager, other Primary Market Participants, and invited financial intermediaries, and as such may not be subscribed for initially by more than 500 members of the public. Any initial lack of liquidity is likely to be of a short term nature as the Lead Manager, the Organising Participant, the Co-Lead Manager, other Primary Market Participants, and invited financial intermediaries sell down to smaller investors.

Public Pool

If:

- Hellaby Holdings Limited exercises its right to accept over-subscriptions; or
- Capital Notes of less than \$5 million are allocated under the Priority Pool; or
- Hellaby Holdings Limited allocates less than \$35 million of Capital Notes on a firm allocation basis,

then some or all of those over-subscriptions or unallocated Capital Notes, as applicable, may be available for subscription by applicants through the Public Pool. Applications under the Public Pool, if any, will be accepted on a “first come first served” basis.

Underwriting

The Offer is not underwritten.

Trustee

The Trustee is The New Zealand Guardian Trust Company Limited.

For further details of the Trustee’s powers and duties, see the section entitled “Summary of Trust Deed” on page 79.

Applications

Applications to subscribe for Capital Notes must be for a minimum aggregate Face Value of \$5,000, and thereafter in multiples of \$1,000.

All applications must be made on the Application Form included at the back of this Offer Document. Applications by Eligible Shareholders for Capital Notes under the Priority Pool must be lodged with Hellaby Holdings Limited, c/- The Registrar, before 5:00pm on the Priority Pool Closing Date.

Applications for Capital Notes under the Public Pool must be lodged with Hellaby Holdings Limited, c/- The Registrar, before 5.00pm on the Closing Date.

Alternatively, all applications may be lodged with any Primary Market Participant, the Lead Manager, the Co-Lead Manager or the Registrar in time for such applications to be received by the Registrar before the Priority Pool Closing Date or the Closing Date for the Offer (as applicable).

The aggregate Face Value of the Capital Notes for which application is made must be paid in full on application. Cheques should be made payable to “Hellaby Holdings Limited Capital Notes Offer”, crossed “Not Transferable”, and must not be post-dated. Any application received after the Closing Date will not be accepted.

Allotment

Hellaby Holdings Limited will allot Capital Notes to successful applicants upon acceptance of their applications. Hellaby Holdings Limited will advise successful applicants of the allotment of the Capital Notes within 5 Business Days of the Closing Date.

Hellaby Holdings Limited reserves the right to refuse all or any part of an application without giving any reason.

Refund

If Hellaby Holdings Limited accepts an application in part, the balance of the application moneys will be refunded no later than 5 Business Days of the Closing Date. If Hellaby Holdings Limited declines to accept an application, the application money will be refunded to the applicant in full no later than 5 Business Days after the Closing Date. No interest will be paid on refunds.

Brokerage

No brokerage is payable by any subscriber for Capital Notes under the Offer. Brokerage is payable by Hellaby Holdings Limited to the Lead Manager and Co-Lead Manager for on-payment to Primary Market Participants and other invited financial intermediaries in respect of the Capital Notes issued under valid applications bearing the stamp of such person at the rate of 1.00% of the Face Value of

those Capital Notes. Additional brokerage of 0.75% of the Face Value is payable to the Lead Manager and Co-Lead Manager for on-payment to Primary Market Participants and other invited financial intermediaries in respect of Capital Notes issued pursuant to Firm Allocations.

Quotation

Application has been made to NZX for permission to list the Capital Notes on the NZDX. All the requirements of the NZX relating thereto that can be complied with on or before the date of this Offer Document have been duly complied with. However, NZX accepts no responsibility for any statement in this Offer Document.

Call Option

All or any portion of the Capital Notes may be redeemed early by Hellaby Holdings Limited at any time on or after the Call Option Date (upon giving Holders not less than 45 days' written notice). If Hellaby Holdings Limited exercises its right to redeem early all or any portion of the Capital Notes, the redemption price will be the relevant premium factor (noted in the table below) multiplied by the Face Value of the Capital Notes together with Accrued Interest. The premium factor is the number set out in the following table as applicable:

| Period in which the Call Date falls | Premium Factor |
|--|----------------|
| Period commencing on 16 June 2008 and ending on 15 June 2009 | 1.03 |
| Period commencing on 16 June 2009 and ending on 15 June 2010 | 1.02 |
| On or after 16 June 2010 | 1.00 |

Further details of this call option are set out in the section entitled "Summary of Trust Deed".

Compulsory Redemption/Repurchase

If as a result of a general offer to purchase made to some or all holders of Ordinary Shares, or as a result of an amalgamation, any person (whether acting alone or in connection with any other person):

- is, or is entitled to become, the holder (absolutely or beneficially and whether directly or indirectly) of all Ordinary Shares; or
- has or will have the right to cast all votes on a poll at a general meeting of Hellaby Holdings Limited on a matter on which holders of Ordinary Shares are entitled to vote,

(each a "Relevant Event") but no offer is made to Holders to purchase all of the Capital Notes, then Hellaby Holdings Limited will, at any time prior to the next Interest Date that falls not less than 30 Business Days after the occurrence of such Relevant Event, redeem or repurchase all of the Capital Notes at the price equal to the aggregate of the Face Value of, and all Accrued Interest and accrued and suspended interest on, those Capital Notes.

Further Issues

Subject to NZX Listing Rules and Hellaby Holdings Limited's constitution, Hellaby Holdings Limited may from time to time create and issue Ordinary Shares or other securities, or incur indebtedness or issue obligations ranking equally in all respects with, junior to, or senior to, the Capital Notes and otherwise on such terms as Hellaby Holdings Limited may determine.

Lead Manager, Organising Participant and Co-Lead Manager

This Offer Document does not constitute a recommendation by the Lead Manager, the Organising Participant or the Co-Lead Manager in any capacity to subscribe for, or purchase, any Capital Notes. To the maximum extent possible by law, none of the Lead Manager, the Organising Participant, the Co-Lead Manager, their officers, employees or agents accepts any liability whatsoever for any loss arising from this Offer Document or its contents or otherwise arising in connection with this Offer.

Each of the Lead Manager, the Organising Participant, the Co-Lead Manager and/or their related companies may from time to time provide various services to Hellaby Holdings Limited (whether as banker, lender, mortgagee, adviser, investor, underwriter, fund manager or other service provider).

The Lead Manager and/or its related companies as banker to Hellaby Holdings Limited and its subsidiaries may rank ahead of Holders and may be entitled to take action to its advantage and to the disadvantage of the Holders. The proceeds of the Capital Notes issue will initially be used to repay existing bank indebtedness and to provide Hellaby Holdings Limited with an increased ability to fund future acquisitions and other growth opportunities.

Disclaimer

None of the Lead Manager, the Organising Participant or the Co-Lead Manager have independently verified any information contained in this Offer Document and make no representation or warranty (express or implied) as to the accuracy or completeness of the information contained in this Offer Document and are not obliged to update any information contained in this Offer Document nor to notify any person should any information be incorrect or cease to be correct. None of the Lead Manager, the Organising Participant or the Co-Lead Manager guarantees the repayment of the Capital Notes or the payment of interest thereon or any other aspect of the Capital Notes or obligations of the Borrowing Group.