

DIVIDEND
REINVESTMENT
PLAN

“buy, build, harvest”

1. Introduction

The Board of Hellaby Holdings Limited ("Hellaby") has approved the adoption of a Dividend Reinvestment Plan ("DRP"). This Offer Document replaces an offer document issued in March 2006. Under the DRP, holders of ordinary shares in Hellaby may elect to forgo their rights to receive dividends or distributions in cash and receive fully-paid ordinary shares in Hellaby instead (at a discount). This document (the "Offer Document") sets out the terms and conditions of the DRP as determined by the Board of Directors of Hellaby.

2. The Offer

2.1. Offer to all Shareholders

Subject to clauses 2.5 and 2.6, Hellaby offers to all Shareholders the right to participate in the DRP.

2.2. Participation in the DRP

Shareholders may elect to participate in the DRP by completing a Participation Notice (included with this Offer Document).

- (a) If you elect full participation, participation in the DRP will apply to all of your Shares from time to time registered in your name.
- (b) If you elect partial participation, only the number of Shares nominated by you will be eligible for participation in the DRP.

2.3. Non-Participation

If you do not wish to participate and you wish to receive dividends or distributions in cash, you are not required to do anything.

2.4. Variation or Termination by a Shareholder participating in the DRP

- (a) A Shareholder may, at any time, terminate their participation in the DRP by giving written notice to the Share Registrar. This will take place as soon as practicable following receipt of the written termination notice by the Share Registrar.
- (b) If a Shareholder participating in the DRP dies, participation by that Shareholder in the DRP will be terminated by Hellaby upon receipt by the Share Registrar of a notice of death in a form acceptable to Hellaby. Death of one or more joint Shareholders will not automatically terminate participation.
- (c) A Shareholder may, at any time increase or decrease the number of their Shares which are participating in the DRP by sending written notice to the Share Registrar. Any such variation will take effect as soon as practicable following receipt of such notice by the Share Registrar.

2.5. Ability to Exclude Overseas Shareholders

The Board may, in its absolute discretion, elect not to offer participation under the DRP to Shareholders whose address is outside New Zealand if the Board considers that to do so would risk breaching the laws of places outside New Zealand.

2.6. Exclusion where there are Liens or Charges over Shares

Any Shares over which Hellaby has a lien or charge in accordance with Hellaby's constitution or other requirements of law will not be eligible to participate in the DRP.

3. Method of Participation

3.1. Participation Notice

All Shareholders in Hellaby will receive this Offer Document that includes a Participation Notice. To participate in the DRP, a Shareholder must:

- (a) complete the Participation Notice which accompanies this Offer Document in accordance with the instructions on that notice; and
- (b) forward the completed Participation Notice to the Share Registrar.

The current address of the Share Registrar is:

Computershare Investor Services Limited
Private Bag 92119
Auckland, 1142
New Zealand

3.2. Participation

To see if you already participate in the DRP please check with the company's Share Registrar in accordance with clause 14 below.

Participation in the DRP will be effective if a Shareholder has made an election and provided a properly completed Participation Notice which has been received by the Record Date.

4. Additional Share Entitlement in the DRP

4.1. General

The number of Additional Shares to be issued to a Shareholder who has elected to participate in the DRP will be:

- (a) based on the amount of the dividend or distribution the Shareholder would have otherwise received; and
- (b) calculated on the basis that the issue price of the Additional Shares will be a set percentage of the market price of Shares in Hellaby, as determined in accordance with the formula set out in clause 4.2 below. The Board of Hellaby determines this percentage from time to time in its absolute discretion. At the date of this Offer Document, the percentage is 95% (a 5% discount).

4.2. Formula for the Calculation of the Number of Additional Shares

The number of Additional Shares to be issued to a Shareholder who has elected to participate in the DRP will be calculated according to the following formula:

$$N = \frac{S \times D}{(C - V) \times P}$$

Where:

N is the number of Additional Shares that the Shareholder will be entitled to receive.

S is the number of Shares in respect of which an election to participate in the DRP has been made by the Shareholder.

D is the amount of dividend or distribution (expressed in cents and fractions of cents and after deduction of any amounts of resident withholding, or other taxes, if any, payable by Hellaby in respect of the dividend or distribution) payable per Share.

C is the weighted average sale price for a Share (expressed in cents) calculated on all sales of Shares of Hellaby which took place through NZX on the five trading days immediately preceding two trading days before the Record Date. If no sales of Shares occur during the five trading days preceding two trading days before the Record Date then the average sale price shall be deemed to be the last sale price of the Share occurring prior to those five trading days. The weighted average sale price so determined may be reasonably adjusted by the Board to allow for bonus or dividend or other distribution expectation. If, in the opinion of the Board, any exceptional or unusual circumstances have artificially affected the weighted average sale price, the Board may make such adjustment to that sale price as it considers reasonable.

V is the net amount of the dividend or distribution (expressed in cents and fractions of cents) per share.

P is the percentage determined by the Board from time to time in its absolute discretion. As at the date of this Offer Document, the percentage is 95%. Where the number calculated in accordance with that formula includes a fraction then the number of Additional Shares to be issued shall be the nearest whole number. If the fraction is one half then that fraction shall be rounded up to the nearest whole number.

5. Operation of the DRP

5.1. Issue of Additional Shares

The Board will issue the Additional Shares on the dividend payment date alongside the dividend or distribution to Shareholders who did not elect to participate in the DRP.

5.2. Terms and Conditions of Issue and Ranking of Additional Shares

Additional Shares issued to Shareholders under the DRP will be issued on the terms and conditions set out in this Offer Document and, subject to the rights of modification, suspension and termination set out in clause 6, will not be issued on any other terms and conditions and will all be subject to the same rights as each other. The Additional Shares issued to Shareholders under the DRP will, from the date of issue, rank equally in all respects with all other Shares of Hellaby.

5.3. Statement to Shareholders

Subject to clauses 2.5 and 2.6 any Shareholder who has elected to participate in the DRP will receive effective each dividend payment date a statement detailing in respect of that Shareholder:

- (a) the number of Shares of the Shareholder as at the relevant Record Date;
- (b) the amount of the cash dividend used to subscribe for Additional Shares and the amount of dividend paid in cash for Shares not nominated for participation in the DRP (if applicable);
- (c) the amount of any taxation deduction;
- (d) the value and number of Additional Shares issued under the DRP, and
- (e) the amount of any imputation or other taxation credits.

6. Modification, Suspension and Termination

The Board of Hellaby may at any time and from time to time in its sole discretion:

- (a) modify the DRP. If the DRP is modified then a Participation Notice will be deemed to be a Participation Notice under the DRP as modified unless that Participation Notice is withdrawn by the Shareholder. Prior notice of any modification will be given to all Shareholders participating in the DRP; or
- (b) adjust the DRP to reflect any subdivision, consolidation or reclassification of the Shares into one or more classes of shares. In that event, a Participation Notice will be deemed to be a Participation Notice in respect of the Shares as subdivided, consolidated or reclassified unless such Participation Notice is withdrawn by the Shareholder; or
- (c) suspend the operation of the DRP so that it will not apply to the whole or to part of any dividends (or distributions) so that the dividend (or distributions) will be paid in cash; or
- (d) terminate the DRP.

7. Reduction or Termination of Participation

7.1. Disposal of Entire Shareholding

If a Shareholder disposes of their entire Shareholding in Hellaby, the Shareholder will be deemed to have terminated participation in the DRP from the date that Hellaby registers a transfer of those Shares.

7.2. Partial Disposal of Shareholding in respect of Full Participation

If a Shareholder disposes of part of their holding of Shares in Hellaby, the Shareholder will be deemed to have terminated their participation in the DRP with respect to the Shares disposed of by them from the date Hellaby registers a transfer of those Shares.

7.3. Disposal of Shareholding in respect of Partial Participation

Where a Shareholder who is participating in the DRP in respect of some but not all of their Shares disposes of some of their Shares then, unless the Shareholder notifies Hellaby otherwise in writing:

- (a) the Shareholder will be deemed to have disposed of Shares which are not participating in the DRP if the total number of non-participating Shares held by them is greater than the number of Shares being disposed of by them; and
- (b) if the number of Shares disposed of is greater than the number of their Shareholder's Shares which are not participating in the DRP, they will be deemed to have disposed of all their non-participating Shares, and the balance, if any, will be attributed to Shares participating in the DRP.

8. Taxation

The statements below in relation to taxation are based upon current New Zealand taxation laws at the date of this Offer Document.

8.1. New Zealand Shareholders

Additional Shares issued to New Zealand Shareholders will be taxable to the Shareholders as a dividend at their respective marginal tax rates. Where the Additional Shares have imputation credits attached to them, the resident withholding tax liability will be reduced by the amount of the imputation credits.

8.2. Non-resident Shareholders

Additional Shares issued to non-resident Shareholders which have full imputation credits attached to them will not be subject to a non-resident withholding tax deduction. If Additional Shares which do not have imputation credits attached to them are issued to non-resident Shareholders, those Additional Shares may be subject to a non-resident withholding tax deduction.

8.3. Disclaimer

The statements made above are of necessity general in nature. No account is taken of the circumstances of individual Shareholders and the specific tax implications of their participation or non-participation in the DRP. Shareholders should not rely on this general summary and should seek their own tax advice. In particular, no opinion is expressed on the tax consequences arising from the issue of the Additional Shares to Shareholders resident in any other tax jurisdiction outside New Zealand. Hellaby does not accept responsibility for the financial or taxation effects of Shareholders participation or non-participation in the DRP.

9. Costs

There are no charges for participation or withdrawal from the DRP. No brokerage costs will be incurred on the issue of Additional Shares.

10. Governing Law

The Offer Document and the DRP, and its operation, will be governed by the laws of New Zealand.

11. Annual Report and Financial Statements

A copy of Hellaby's most recent annual report and most recent financial statements required to be registered under the Financial Reporting Act 1993 will be able to be obtained, free of charge, by writing to:

Hellaby Holdings Limited
PO Box 1670
Shortland Street
Auckland, 1140
Phone: (09) 307 6844
Fax: (09) 307 3559

Alternatively, a copy of Hellaby's latest annual report can be found on the company's website - www.hellabyholdings.co.nz.

12. Share Price Information Publicly Available

Hellaby will ensure that at the time the price for the Additional Shares is set under clause 4, Hellaby will have no information that is not publicly available that would, or would be likely to, have a material adverse effect on the realisable price of Additional Shares if the information were publicly available.

13. Terms used in Dividend Reinvestment Plan Section

"Additional Shares" means those Shares of Hellaby issued under the terms of the Dividend Reinvestment Plan.

"Board" means the board of directors of Hellaby.

"DRP" means the Dividend Reinvestment Plan of Hellaby.

"Hellaby" means Hellaby Holdings Limited.

"Participation Notice" means the form issued by the Share Registrar, containing the terms and conditions of the DRP, that enables a Shareholder to participate in the DRP.

"Record Date" means 5.00pm on the date fixed by the Board of Hellaby for determining the entitlements to a dividend or other distribution.

"Shares" means ordinary shares of Hellaby.

"Shareholder" means an owner of Shares of Hellaby.

"Share Registrar" means Computershare Investor Services Limited or such other share registrar as appointed by Hellaby from time to time.

14. Enquiries

Any shareholder requiring further information about the DRP should contact:

Computershare Investor Services Limited
Private Bag 92119
Auckland, 1142

General enquiries can be directed to:

enquiry@computershare.co.nz
Telephone: 09 488 8777
Facsimile: 09 488 8787

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