

King Country Energy Joint Venture

King Country Energy Holdings Limited  
Private Bag 12023  
Tauranga Mail Centre  
Tauranga 3143

Letter to KCE Shareholders

5 January 2018

King Country Electric Power Trust  
PO Box 421  
Taumaranui 3946

## FULL TAKEOVER OFFER FOR KCE SHARES

Dear Shareholder

I am pleased to inform you that King Country Energy Holdings Limited (a wholly-owned subsidiary of Trustpower Limited) ("**KCEHL**") and the trustees of the King Country Electric Power Trust ("**KCEPT**") have formed a joint venture to make an offer under the Takeovers Code to acquire all of the ordinary shares of King Country Energy Limited ("**KCE**").

The offer will open on 5 January 2018 and will close at 5pm on 16 February 2018 unless extended in accordance with the Takeovers Code.

Under our offer you will be paid \$5.00 per share in cash. The offer contains no minimum acceptance condition. Therefore, it is expected that you will be paid within 7 days of your acceptance being received.

In the 12 months prior to the day we notified our intention to make the offer (6 December 2017) the share price of KCE traded on the Unlisted exchange between \$4.38 and \$4.50. Our offer of \$5 per share represents a premium of at least 10% over the highest price in that period.

Our offer also represents an opportunity for KCE shareholders to sell their shares in KCE without incurring brokerage fees.

If KCEHL and KCEPT become the sole shareholders of KCE, they have agreed that all community sponsorships currently undertaken by KCE will continue and likely be expanded over the next 5 years and KCEPT will have the right to appoint a representative to the board of directors of KCE as well as opportunities to acquire further shares in KCE.

The full terms and conditions of the offer are set out in the offer document which accompanies this letter. You are able to accept our offer immediately or you may wish to wait until you receive KCE's response to our offer and an independent adviser's report prepared at the request of KCE in relation to the offer. These will be sent to you directly in the next few days. You should read the offer document carefully along with KCE's response and the independent adviser's report before making a decision to accept the offer.

To accept the offer, you must complete the application form enclosed with the offer in accordance with the enclosed instructions. **Completed acceptance forms must be received by 5.00pm on 16 February 2018** (unless the period for accepting the offer is extended in accordance with the Takeovers Code).

We believe that our offer represents a good opportunity for you to monetise your shares, and I encourage you to consider it favourably.

Yours faithfully,  
**King Country Energy Joint Venture**



---

Craig Neustroski  
**King Country Energy Holdings Limited**



---

Adrian Doyle  
On behalf of the trustees of the King  
Country Electric Power Trust