

**Minutes of the Annual Shareholders Meeting of  
PGG Wrightson Limited  
Held at Christchurch on 30 October 2008  
Commencing at 2.00 pm**

**Present** MC Norgate (Chairman), TM Miles, Sir Selwyn Cushing, M J Flett, BJ Jolliffe, SR Maling, JB McConnon, KR Smith, WD Thomas.

M E Sang (CFO), J Daly (General Counsel / Company Secretary), MR Thomas (Group GM Financial Services), M Skilling (Group GM, Customer Services), A McSweeney (Group GM HR), Hamish Foote of Chapman Tripp (solicitors), Graeme Edwards of KPMG (Auditors).

69 registered shareholders and 18 proxies, and approximately 17 guests and staff.

**Welcome** The Chairman advised that a quorum was present, opened the meeting, welcomed the shareholders and guests and introduced the Directors, CFO and General Counsel / Company Secretary.

**Apologies** An apology was received for shareholder, RJ Lilburn.

**Notice of Meeting** The Chairman confirmed that the Notice of Annual Meeting was sent to all shareholders on the register as at 3 October 2008.

**Minutes** The meeting was advised that minutes of the Annual Meeting held on 29 October 2007 were confirmed as a correct record at the meeting of Directors held on 6 November 2007 and were available for inspection.

**Proxies** 728 shareholders appointed proxies in respect of 170,801,874 shares.

**Chairman's Address** MC Norgate addressed the meeting commenting on:

- The improved financial performance with net profit after tax of \$73.2m compared with \$40.6m for the 2007 year;
- The management contract earnings from NZ Farming Systems Uruguay;
- Strong operational performance in a difficult environment influenced by drought, high exchange rate and poor returns for sheep farmers;
- The valuable contribution of former CEO, Barry Brook, who retired as CEO during the year and has taken up the key role of Group General Manager, South America;

- Increased shareholder returns by way of the Distribution Plan, bringing a total of 16c per share, fully imputed, compared to 12c per share for the previous financial year;
- Significant changes to the PGW Group Leadership structure, with the appointment of Tim Miles as Managing Director; the change of Chairman with the retirement of Bill Baylis and Richard Elworthy; the appointment of Michael Thomas as Group GM Financial Services and other appointments made to key leadership roles;
- Involvement in the restructuring of both the wool and meat industries, with the establishment of Wool Partners International, now under the Chair of Theresa Gattung and the ongoing work with the Silver Fern Farms partnership;
- The turmoil in world financial markets and its impact on the group and shareholders;
- Summary of the status of the Silver Fern Farms partnership, non-settlement, the capital raising initiatives undertaken in the context of the transaction and the impact of market volatility;
- The prospect that the Silver Fern Farms transaction was now unlikely to settle in the form originally agreed; and
- The economic outlook going forward (including the economic slowdown, flow-on effect for agricultural commodity prices, reduction in the NZ Dollar exchange rate etc) and the Board's decision to retain its profit guidance as announced with the annual results in August.

## **Managing Director's Address**

TM Miles addressed the meeting, commenting on:

- 2008 Group Financial performance and the mixed operating conditions for Agribusiness, over this period;
- The financial performance of Rural Services, Financial Services, Technology Services and South America;
- New initiatives, including the need for the business to become more customer-centric and key management appointments made to deliver on this goal;
- PGW's role in supporting its customers to take advantage of the application of science and technology to drive farm production and returns;
- Strategy to lead and drive industry change where needed, such as in the wool and meat sectors;
- Increased focus on operating efficiency; and
- Prospects for the coming year, including an above budget first quarter tempered by the global economic downturn.

## **Shareholder Questions**

Shareholders asked questions and were provided with answers on the following topics:

- The envisaged benefits to the company of its involvement in the Silver Fern Farms partnership;
- The potential financial exposure of the company if the Silver Fern Farms transaction does not complete;
- Where the company stands and its policies in relation to "green" issues and sustainability;
- The proposed plans for NZ Farming Systems Uruguay going forward; and
- Projections for arable cropping.

## **Election of Directors'**

The Chairman advised that under the terms of the Constitution, Brian Jolliffe, Sam Maling and Craig Norgate were retiring under the director rotation policy. Tim Miles, having been appointed since the Company's previous annual meeting, was also retiring. Prior to retiring, each of the Directors' offered themselves for re-election.

Brian Jolliffe and Sam Maling spoke in support of their re-election. Each of the motions to re-elect the Directors' was put to the meeting as separate ordinary resolutions.

The resolution to re-elect Brian Jolliffe was put to the shareholders and passed on a unanimous voice vote.

The resolution to re-elect Samuel Maling was put to the shareholders and was passed on a unanimous voice vote.

The resolution to re-elect Timothy Miles was put to the shareholders and passed on a unanimous voice vote.

The resolution to re-elect Craig Norgate was put to the shareholders and was passed on a unanimous voice vote.

## **Auditor's Remuneration**

KPMG's automatic re-appointment as the Company's Auditors under s200 of the Companies Act 1993 was noted. An ordinary resolution was put to the meeting to authorise the Directors' to fix the Auditor's remuneration for the year for the purposes of s197 of the Companies Act 1993. The resolution was passed on a unanimous voice vote.

## **Amendment to the Constitution – Exception from obligation to retire by rotation**

A Special Resolution was put to the meeting to approve the amendment of the Company's Constitution, permitting one executive director to be exempt from the obligation to retire by rotation. Where a managing director is appointed, the managing director will be the executive director and is exempt from the obligation to retire. It was noted that NZX had approved the proposed amendment to the Constitution which is expressly permitted by the Listing Rules.

A shareholder raised a query whether the amendment would remove the

power of shareholders to remove a managing director from office. In response, it was noted and this was not the case and that shareholders would retain the power to put such resolutions to a meeting of shareholders pursuant to the Companies Act 1993.

The resolution to amend the Constitution was put to the shareholders and passed on a unanimous voice vote.

**General Business**

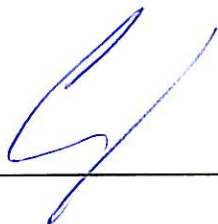
The Chairman commented that the meeting was open for general discussion and asked whether there were any further questions or issues shareholders wished to discuss.

A representative of the New Zealand Shareholders Association thanked the Board for their efforts and good governance on behalf of the Association.

**Closure**

The meeting closed at 3.35 pm

Confirmed as a correct record of that meeting by the Board of Directors on 16 December 2008.



Chairman