

To: The Shareholders
PGG Wrightson Limited

Disclosure to Shareholders of Offer to Acquire Shares

1. PGG Wrightson Limited (PGW) proposes to acquire on 30 June 2011 ordinary shares in PGW (the *Shares*) as follows:

- 2,500,000 shares from Mr Tim Miles at the original purchase price paid of \$2.00 per share,
- 363, 923 shares from Mr Michael Thomas at the original purchase price paid of \$2.75 per share, and
- 272,942 shares from Mr Andrew McSweeney at the original purchase price of \$2.75 per share.

These Shares were purchased by these Senior Executives under their individual share incentive schemes (the *Scheme*). Details of the Schemes were disclosed to shareholders on 14 March 2008 (Mr Miles) and 16 September 2008 (Mr Thomas and Mr McSweeney) when the Shares were purchased.

2. No cash or other proceeds for the sale of the Shares will be retained by the Senior Executives, as all proceeds will be fully applied to repayment of the loans provided by PGW to the Senior Executives to originally purchase the Shares as part of the Schemes.
3. At the date that these Senior Executives were employed with PGW, the Schemes were considered to be an effective incentive to them to improve PGW's performance for the benefit of PGW's shareholders, and aligned their interests with the interests of PGW's shareholders.
4. Mr Miles left his employment with PGW on 19th October 2010, and Mr Thomas and Mr McSweeney will shortly leave their employment with PGW. The Schemes terminate as a result of their departure. Under the terms of the Schemes, PGW is contractually required to acquire the Shares from the Senior Executives at the purchase price they paid for the Shares, in accordance with section 60(1)(b)(ii) of the Companies Act 1993. PGW's obligation under the Schemes to acquire the Shares where the Executive departs and where the market price of the Company's shares has decreased is a risk inherent in a scheme of this nature, but was considered to be a reasonable risk to incur in light of the advantages of the Schemes at the time of inception.
5. The Shares will also be cancelled on acquisition, which will have an anti-dilutionary impact on the shareholdings of all PGW shareholders.
6. To initiate the proposed offer described above, the Board resolved on 24 May 2011 that:
- "the acquisition of the Shares under the Offer is in the best interests of the Company and of benefit to the remaining shareholders;*
- the terms of the Offer and the consideration offered for the Shares are fair and reasonable to both the Company and the remaining shareholders".*
7. This disclosure document is given to you pursuant to section 61(5) of the Companies Act 1993.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Julian Daly', written over a light blue horizontal line.

Julian Daly

General Counsel & Company Secretary
For the Board of Directors

14 June 2011