PGG Wrightson

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1 April 2009

Dear Shareholder

I am pleased to write to you as a shareholder of PGG Wrightson Limited. As you will have seen from our recent announcement, the group produced an excellent operating performance in the first half of the 2009 year. Despite the challenges of the global economy, PGG Wrightson continued the good progress made in 2008. Results improved across the business and ongoing operational improvements were a major component of the performance.

We have reviewed our strategies to reflect today's market conditions and will focus on driving value from the existing portfolio of businesses, achieving efficiency and cost reduction and establishing the lower leverage appropriate in the current economic environment.

Detailed information on our performance is contained in the half year report for 2009, which is on the group's website, www.pggwrightson.co.nz, and has been mailed to shareholders who requested a hard copy.

Bonus Share Issue

Please find enclosed your Computershare statement showing the number of taxable bonus shares issued to you today by way of interim dividend for 2008/2009.

As recently announced, the Board has amended its dividend policy to enable operating cash flow to be applied to reduce debt. To provide certainty to shareholders and to enable an orderly transition to the new policy, a net interim dividend of 5 cents per share is being paid in the form of taxable bonus shares (fully imputed) on 1 April 2009, issued to shareholders registered at the record date of 13 March 2009.

The current fully imputed bonus issue does not have a buyback option. PGW intends that future dividends will continue to be paid under the Distribution Plan but the company will not fund the buyback option. Instead it is intended that the buyback will be underwritten by third parties to provide shareholders with a cash option.

Key questions and answers about the bonus share issue are set out on the back of this letter.

If you have any queries about the bonus share issue or your shares generally, please contact our share registry Computershare on 09 488 8700. If you have any other queries please contact Julian Daly, PGG Wrightson's General Counsel, on 03 372 0972 or 027 553 3373, or email jdaly@pggwrightson.co.nz.

Yours sincerely

Craig Norgate
Chairman

Bonus Share Issue QUESTIONS AND ANSWERS Fact Sheet

Q. Am I getting shares or cash?

A. Shares.

Q. When will the bonus shares be issued?

A. 1 April 2009.

Q. Will this bonus issue water down my investment in PGG Wrightson?

A. No, because the bonus shares are issued proportionately to each shareholder.

Q. Do these bonus shares rank equally with existing shares?

A. Yes. You can trade them on the open market in the usual way.

Q. What's the pricing period for the bonus share issue?

A. The strike price was set as the market weighted average share price during the pricing period 16 to 20 March 2009.

Q. Can I make an election to have bonus shares bought back for cash in this current taxable bonus issue?

A. No. The current bonus issue does not have a buyback option.

Q. What is the tax situation on the bonus shares?

A. The bonus issue is a fully imputed taxable dividend. The calculation of the net dividend payable to you is Net Dividend Rate NZ$0.05 x number of shares held on record date.

Q. What is the amount of imputation tax credit attached to this bonus share distribution?

A. 30%

Q. What is the rate of resident withholding tax to be deducted on New Zealand dividends?

A. New Zealand tax residents who do not hold a certificate of exemption will have 3% resident withholding tax deducted from the gross dividend.

Q. Do investors outside New Zealand get bonus shares?

A. Yes. For New Zealand tax purposes non-resident withholding tax is withheld at the rate of 0% for fully imputed non-cash dividends. Accordingly, a supplementary dividend is not required to be paid in addition to the bonus shares issued to investors that are not New Zealand tax residents.

Q. Will PGG Wrightson issue all future dividends as shares?

A. PGG Wrightson may elect to issue either shares (with or without a buyback option) or cash dividends in the future.