



Pyne Gould Corporation

**PYNE GOULD CORPORATION LIMITED**

**MINUTES OF THE SEVENTEENTH ANNUAL MEETING OF SHAREHOLDERS HELD AT MANCAN HOUSE, CORNER OF CAMBRIDGE TERRACE AND MANCHESTER STREET, CHRISTCHURCH, ON FRIDAY 29 OCTOBER 2004 AT 4.00 PM.**

**Present**

Mr S R Maling (in the Chair), and Messrs R F Elworthy, B R Irvine, BW Mogridge, SC Montgomery, TEC Saunders and WJ Steel (Directors), Mr C W Hair (Group Financial Controller) and 140 shareholders and proxy holders.

**In Attendance**

Messrs B J Jolliffe (MARAC Chief Executive), PE Baynes (Perpetual Trust Chief Executive), M Noone (PricewaterhouseCoopers), W Dwyer (Lane Neave) and R Carey (Ernst & Young). The Chairman advised the meeting that a representative of the press was in attendance.

**Notice of Meeting**

It was moved and seconded that the notice of meeting be taken as read. Put to the meeting and carried.

**Quorum**

The Chairman declared a quorum to be present.

**Apologies**

The following apologies were received and sustained from Mess Hugh Chapman, Peter Maling, Michael Gould and Mesdames Rose Tohill, Mary Holder and Jennifer Gillanders.

**Proxies**

45 proxies were received representing 12,943,804 shares.

**Minutes**

The Chairman advised that the minutes of the last Annual Meeting held on 24 October 2003 had been confirmed at a subsequent Directors' meeting.

**Interests Register**

The Chairman advised the Interests Register was available for inspection.

**Auditors' Report**

It was moved and seconded that the Auditors' Report be taken as read. Put to the meeting and carried.

**Annual Report**

It was moved and seconded that the Annual Report for the year ended 30 June 2004 be taken as read. Put to the meeting and carried.

The Chairman addressed the meeting. A copy of his address is attached to these minutes.

The Chairman moved that the Annual Report for the year ended 30 June 2004, together with the Report of the Auditors, be received.

The Managing Director addressed the meeting and then seconded the motion. A copy of his address is attached to these minutes.

The Chairman advised a copy of these addresses had been filed with NZX.

*Question*

Could the Chairman advise if the company is satisfied with a return of \$26m on \$900m of assets?

*Answer*

Very satisfied with the record result achieved.

*Question*

Is the company concerned about the impact of greater public access to rural land on its business?

*Answer*

This is a question more appropriately put to Pyne Gould Guinness.

*Question*

Has any further consideration been given to the company's name to remove potential confusion over Pyne Gould Guinness and Pyne Gould Corporation?

*Answer*

The change was on the agenda last year but twelve months down the track investors seem to be aware of the distinction. Nothing further warranted in the board's view. There being no further discussion, the motion was put to the meeting and carried.

**Election of**

It was moved, seconded and carried as separate resolutions that -

**Directors**

Mr SC Montgomery be re-elected as a director.

Mr TEC Saunders be re-elected as a director.

**Auditors**

The auditors, PricewaterhouseCoopers, continue in office in accordance with Section 163 of the Companies Act.

It was moved and seconded that the directors be authorised to fix the remuneration of the auditors for the current year. Put to the meeting and carried.

**Directors' Remuneration**

The Chairman commented on the reasons why an increase in directors' remuneration was necessary.

It was moved from the floor that from 1 July 2004 the total amount of directors' fees payable annually to all of the directors (other than the Managing Director) taken together be \$500,000, such sum to be divided amongst the directors as the directors from time to time deem appropriate.

*Question*

Looking at the directors, it appears unlikely that there will be any retirements in the near future.

*Answer*

No retirements envisaged at this stage.

*Question*

In addition to the fees, are the directors paid anything else?

*Answer*

Directors are only reimbursed for direct expenses.

*Question*

Going forward, will there be two classes of directors, those with retirement allowances and those without?

*Answer*

No ongoing provision of retirement allowances.

*Question*

Will the board still have the power to pay retirement allowances?

*Answer*

Under the board's new policy there is a cap on retirement allowances for existing directors and going forward there will be no retirement allowances for new directors. It is in the shareholders hands to change this.

Motion seconded. Put to the meeting and carried.

### **Changes to the Constitution**

The Chairman advised that a new constitution was needed prior to listing in order to comply with changes to the Stock Exchange's listing rules. The new Constitution had been reviewed by the Audit Committee and approved by the full board.

As it was a special resolution it required support of 75% of shareholders or proxies at the meeting.

The Chairman moved that the existing Constitution be revoked and the company adopt the Constitution in the form tabled at the meeting and signed by the Chairman for the purpose of identification.

*Question*

Is Clause 2.4 of the Constitution which requires compliance with the NZX Listing Rules still necessary?

*Answer*

We have adopted all clauses required by NZX. The NZX objective is for standardisation in the rules for listed companies. We would not choose to include all these standard rules ourselves, but the bottom line is there is a need to do so to remain listed.

*Question*

Are the directors considering advising shareholders of changes to the listing rules that therefore result in changes to the company's rules?

*Answer*

Comments noted. We will consider that.

Motion seconded. Put to the meeting on a show of hands and carried, with one vote against the motion.

**Other Business**

There being no further business, the Chairman declared the meeting closed at 5.00 p.m.

Read and confirmed as a true and correct record.

**Sam Maling**  
**29 October 2004**