

Date: 31 October 2014

To: Outstanding security holders in Turners Group NZ Limited

TAKEOVER OFFER OF TURNERS GROUP NZ LIMITED: COMPULSORY ACQUISITION NOTICE

Background

- 1 On 18 September 2014, Dorchester Turners Limited (the *Offeror*) made an offer under the Takeovers Code to purchase all of the issued fully paid ordinary shares (the *Shares*) in the Turners Group NZ Limited (*Turners*) on the terms and conditions outlined in the takeover offer document (the *Offer*). The consideration offered under the Offer was, at the option of each Turners' shareholder:
 - 1.1 cash consideration of \$3.00 per Turners share;
 - or**
 - 1.2 2 year convertible bonds (*Bonds*) issued by Dorchester Pacific Limited (*Dorchester*), on the terms set out in the registered Simplified Disclosure Prospectus in relation to the Bonds (the *Prospectus*);
 - or**
 - 1.3 Dorchester ordinary shares (*Dorchester Shares*). The issue price of the Dorchester Shares will be \$0.25 per Dorchester Share. Turners shareholders are guaranteed an allocation of Dorchester Shares of up to 60% of the consideration due to accepting shareholders, and pro rata thereafter subject to the aggregate 60% cap on the maximum number of Dorchester Shares available to be issued to Turners Shareholders. If the cap is exceeded, the excess will be paid in cash;
 - or**
 - 1.4 any combination of cash and/or Dorchester Shares and/or Bonds, subject to the limitations described above.
- 2 The default consideration under the Offer was cash. This means that if you do not return your Instrument of Transfer, you will receive the cash consideration, which will be paid on your behalf to Turners.
 - 3 As at the date of this notice, and as a result of acceptances of the Offer, the Offeror holds more than 90% of the voting rights in Turners. The Offeror is now obliged to comply with the compulsory acquisition provisions contained in Part 7 of the Takeovers Code.

Purpose of this Notice

- 4 The purpose of this notice is to advise you that the Offeror requires you to transfer your Shares to the Offeror as the Offeror is entitled to do under the provisions of Part 7 of the Takeovers Code. The consideration which the Offeror will pay for those Shares is the same as the consideration offered by the Offeror under the Offer as set out above. As noted above, if you do not return your Instrument of Transfer, you will receive the cash consideration, which will be paid on your behalf to Turners.

Return of Instrument of Transfer

- 5 This notice is accompanied by an instrument of transfer (the *Instrument of Transfer*).

6 Deliver, mail, fax or email the form to:

Delivery:

Dorchester Turners Limited
C/- Computershare Investor Services Limited
Level 2, 159 Hurstmere Road
Takapuna
Auckland 0622
New Zealand

Mail:

Dorchester Turners Limited
C/- Computershare Investor Services Limited
Private Bag 92119
Auckland 1142
New Zealand

Facsimile: +64 9 488 8787

Email: corporateactions@computershare.co.nz (Please put "Turners takeover acceptance" in the subject line for easy reference)

A reply-paid envelope is enclosed.

7 You may return the completed Instrument of Transfer, so as to be received by the Offeror at the following address no later than 11:59pm on Monday 24 November 2014 (being 21 days after the date on which this notice is sent). Notwithstanding the fact that you have 21 days after the date on which this notice is sent in which to return the Instrument of Transfer, we would appreciate it if you could please return the Instrument of Transfer as soon as possible.

Payment of Consideration

8 If you return the completed Instrument of Transfer to the Offeror on or before 11:59pm on Monday 24 November 2014, then if the consideration accepted or deemed to be accepted for the Offer:

- 8.1 is cash, it will be paid by cheque sent by ordinary mail or paid by electronic transfer at the election of the Acceptor;
- 8.2 is Bonds, the Bonds will be allotted and advice of the allotment will be sent by ordinary mail to the Acceptor; and
- 8.3 is Dorchester Shares, the Dorchester Shares will be allotted and advice of the allotment will be sent by ordinary mail to the Acceptor,

within 7 days after the Offeror receives that Instrument of Transfer.

9 If you do not return the completed Instrument of Transfer to the Offeror by 11:59pm on Monday 24 November 2014, then the Offeror will, within 7 days after the expiry of the 21 day period referred to above:

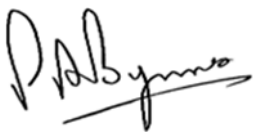
- 9.1 pay the appropriate amount for your Shares in cash to Turners; and
- 9.2 send to Turners an Instrument of Transfer for your Shares, executed on your behalf by the Offeror or its agent (as the Offeror is required to do under the Takeovers Code).

- 10 Any moneys received by Turners under paragraph 9.1 above will be held by Turners in trust for the relevant outstanding Turners shareholders until it is claimed.

Information required by Rule 55 of the Takeovers Code

- 11 The details required to be stated in this notice by Rule 55 of the Takeovers Code are set out below:
- 11.1 the Offeror holds or controls 90% or more of the voting rights in Turners;
- 11.2 all outstanding shareholders in Turners must sell their Shares to the Offeror;
- 11.3 the consideration to be provided for those outstanding the Shares is set out in paragraph 1 above which is the same as the consideration paid by the Offeror under the Offer. You can nominate your consideration option by completing the relevant box on the Instrument of Transfer. If you do not return your Instrument of Transfer or do not nominate a consideration option, you will receive the default cash consideration of \$3.00 per Turners share;
- 11.4 the outstanding shareholders in Turners have the right to sell their the Shares to the Offeror in accordance with Part 7 of the Takeovers Code. The other rights of those shareholders under Part 7 of the Takeovers Code are set out in this notice;
- 11.5 the date on which this notice is sent is Monday 3 November 2014;
- 11.6 this notice is accompanied by the Instrument of Transfer for the transfer to the Offeror of all Shares in Turners held by you; and
- 11.7 the Instrument of Transfer should be completed, signed and returned to the Offeror in accordance with the instructions set out in paragraph 6 above so as to be received by the Offeror no later than 11:59pm on Monday 24 November 2014 (being 21 days after the date on which this notice is sent).

For and on behalf of
Dorchester Turners Limited



Paul Byrnes
Director