

**FULL CASH TAKEOVER OFFER**  
**made under the Takeovers Code to acquire all of the ordinary**  
**shares and other equity securities in or issued by**  
**Pulse Energy Limited**

13 November 2015

**Offer opens:** 13 November 2015

**Offer closes:** 16 December 2015

**IMPORTANT**

**If you are in doubt as to any aspect of this offer, you should consult your financial or legal adviser.**

**If you have sold all your ordinary shares or other equity securities in or issued by Pulse Energy Limited to which this offer applies, you should immediately hand this offer document and the accompanying acceptance form to the purchaser, or the agent (e.g. the broker) through whom the sale was made, to be passed to the purchaser.**

**Pulse Energy Limited's target company statement, together with an independent adviser's report on the merits of this offer and another independent adviser's report on the fairness and reasonableness of the consideration and terms of this offer as between classes of financial products, either accompanies this offer or will be sent to you within 14 days and should be read in conjunction with this offer.**

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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## SUMMARY OF THE OFFER

Buller Electricity Limited ("**BEL**") is offering to acquire all of the ordinary shares ("**Shares**") and other equity securities (MCNs and Options, as defined below, together called "**Other Securities**") in or issued by Pulse Energy Limited ("**PULSE**") that it does not already own (the "**Offer**").

The key terms of this Offer are:

### Offer Price

The consideration offered for each Share is NZ\$0.11 in cash.

The consideration offered for the Other Securities is as follows:

- for each Mandatory Convertible Note ("**MCN**"): NZ\$1.10 in cash;
- for each Employee Share Option ("**Options**"): NZ\$0.05 in cash.

### Full Offer

This Offer is for 100% of the Shares and Other Securities in PULSE that BEL does not already own being:

- 147,813,592 Shares;
- 4,810,000 MCNs; and
- 2,825,000 Options,

as at the date of this Offer.

### Offer Period

This Offer is dated 13 November 2015 (the "**Offer Date**") and closes at 11:59 pm on 16 December 2015 (the "**Closing Date**").

### Conditions

This Offer is conditional on the conditions set out in paragraphs 5.1 and 6 of the terms and conditions of the Offer. The key condition is that BEL receives irrevocable acceptances:

- (a) in respect of the Shares which, on registration of the transfer of those Shares (when taken together with any other Shares already held or controlled by BEL, including any Shares issued to BEL upon the conversion into Shares of any MCNs acquired by BEL under the Offer) will result in BEL holding or controlling 90% or more of the voting rights in PULSE; and
- (b) in respect of the MCNs which, on registration of the transfer of those MCNs, will result in BEL holding 60% or more of the MCNs.

The key condition can be waived by BEL.

### Payment Date

If you accept this Offer, you will be paid no later than 7 days after the later of:

- the date on which your acceptance form is received by BEL; and
- the date on which the Offer becomes unconditional.

**Brokerage costs**

You will not pay any brokerage costs if you accept this Offer.

**THE ABOVE IS A SUMMARY OF THE OFFER ONLY.**

**THE DETAILED TERMS AND CONDITIONS OF THE OFFER ARE SET OUT ON PAGES 5 TO 16.  
YOU SHOULD READ THOSE TERMS AND CONDITIONS CAREFULLY.**

## TERMS AND CONDITIONS OF FULL CASH TAKEOVER OFFER TO PURCHASE ALL OF THE SHARES AND OTHER EQUITY SECURITIES IN PULSE ENERGY LIMITED

### 1. THE OFFER

1.1 BEL is offering to acquire:

- (a) all of the ordinary shares in PULSE that it does not already own being 147,813,592 ordinary shares) (all such ordinary shares are referred to in this Offer as "**Shares**" and each of them singly is referred to as a "**Share**"); and
- (b) all of the other equity securities issued by PULSE and outstanding, being:
  - (i) 4,810,000 Mandatory Convertible Notes (all such mandatory convertible notes are referred to in this Offer as "**MCNs**" and each of them singly is referred to as a "**MCN**"); and
  - (ii) 2,825,000 Options issued to PULSE's employees under PULSE's Employee Share Option Scheme (all such options are referred to in this Offer as "**Options**" and each them singly is referred to as an "**Option**"),

together, the securities referred to in (b) shall be referred to as the "**Other Securities**".

on the terms and conditions set out in this offer document (the "**Offer**").

### 2. CONSIDERATION

2.1 The consideration offered for each:

- (a) Share is \$0.11 cash;
- (b) MCN is \$1.10 cash; and
- (c) Option is \$0.05 cash,

subject to any adjustment in accordance with paragraphs 7.1 to 7.4 below.

2.2 The consideration payable to PULSE shareholders and security holders whose Shares and Other Securities are taken up under the Offer ("**Acceptors**") will be paid by cheque sent by ordinary mail or paid in cleared funds by electronic transfer at the election of the Acceptor, no later than 7 calendar days after the later of:

- (a) the date on which that Acceptor's acceptance is received by BEL; and
- (b) the date on which the Offer becomes unconditional.

Legal and beneficial ownership of the Shares and other Securities (as applicable) will pass to BEL upon payment of the consideration in the foregoing manner.

### 3. HOW TO ACCEPT THIS OFFER

3.1 If you wish to accept this Offer, you should:

- (a) complete the enclosed Acceptance Form in accordance with the instructions set out in the Acceptance Form; and
- (b) return the completed Acceptance Form in the enclosed reply paid envelope **AS SOON AS POSSIBLE**, but in any event so as to be received by BEL not later than 11:59 p.m. on 16 December 2015 (subject to any extension). Please return your Acceptance Form in any of the following ways:

By mail:                      Mail in the reply paid envelope or address to:

Buller Electricity Limited  
c/- Link Market Services Limited  
PO Box 91976  
Auckland 1142  
New Zealand

Deliver:                      Buller Electricity Limited  
c/- Link Market Services Limited  
Level 7, Zurich House  
21 Queen Street  
Auckland  
New Zealand

Scan & Email:            [applications@linkmarketservices.co.nz](mailto:applications@linkmarketservices.co.nz) (please put "BEL Acceptance" in the subject line for easy identification)

Fax                              +64 9 375 5990

A reply pre-paid envelope is enclosed.

3.2 BEL will not acknowledge receipt of your acceptance of this Offer.

3.3 **If you have sold all of your Shares or Other Securities:** Please hand this Offer document and the accompanying Acceptance Form to:

- (a) The purchaser(s) of your Shares or Other Securities; or
- (b) The agent (eg the broker) through whom the sale was made, requesting that this Offer document and the accompanying Acceptance Form be passed to the purchaser(s).

3.4 **If you have sold some of your Shares or Other Securities:**

- (a) Please alter the total holding on the Acceptance Form to the number of Shares or Other Securities which you have retained, initial the change and deliver, mail, fax or email the amended Acceptance Form to BEL as per the instructions above. On receipt of the amended Acceptance Form, BEL will recalculate the amount of cash to be paid to you to reflect the number of Shares or Other Securities sold by you.
- (b) Please also advise the purchaser(s) of your Shares or Other Securities, or request the agent (eg the broker) through whom you made the sale to advise the purchaser(s) of your Shares or Other Securities, of this Offer. Please also advise them that a copy of this Offer is

available from Link Market Services Limited at one of the contact points referred to in paragraph 3.1(b) above.

- 3.5 **If you have lost your Acceptance Form:** please contact Link Market Services Limited at one of the contact points referred to in paragraph 3.1(b) above .
- 3.6 You may accept this Offer in respect of all or any of your Shares and/or Other Securities. BEL may, in its discretion, treat any Acceptance Form as valid notwithstanding that it does not comply with paragraph 3.1 or the instructions on the Acceptance Form, and may, in its discretion, rectify any errors in, or omissions from, any Acceptance Form, including inserting or completing details of the Shares or Other Securities held by the Acceptor and filling in any blanks.
- 3.7 Acceptance of this Offer by each Acceptor constitutes a contract between that Acceptor and BEL on the terms and conditions of this Offer and the Takeovers Code. Other than in the circumstances set out in paragraph 8.2, an Acceptor may not withdraw their acceptance during the time this Offer is open for acceptance, whether or not there has been any variation of this Offer.

#### 4. TERMS AND CONDITIONS OF OFFER

##### The Offer

- 4.1 This Offer remains open for acceptance until 11:59 p.m. on 16 December 2015 (being a period of at least 30 days from the date of this Offer), or such later closing date(s) as BEL may decide in accordance with the Takeovers Code (the "**Closing Date**"), unless this Offer is completely withdrawn in accordance with the Takeovers Code and every person is released from every obligation incurred under the terms of it, or it lapses in accordance with its terms.
- 4.2 The enclosed Acceptance Forms comprise part of this Offer. The applicable Acceptance Form duly completed may be treated by BEL as a valid acceptance of this Offer (see paragraph 3.6 above).
- 4.3 This Offer is open for acceptance by any person who holds Shares or Other Securities, whether acquired on, before or after the date of this Offer, upon production of satisfactory evidence of such person's entitlement to those Shares or Other Securities. Each acceptance must be free of all conditions of acceptance of any nature.

##### Satisfaction of Conditions

- 4.4 The Offer is subject to the key condition set out in paragraph 5 and the further conditions set out in paragraph 6 below.
- 4.5 The latest date by which this Offer can become unconditional is 11:59 p.m. on 16 December 2015 (which is the end of the Offer period specified in paragraph 4.1, but this date may change if the Offer period is extended in accordance with that clause) (the "**Condition Date**"). If the Offer period is extended and the Offer has not been declared unconditional, BEL will specify in the variation notice a new date by which the Offer must be declared unconditional.
- 4.6 If this Offer does not become unconditional, the Offer will lapse, Acceptance Forms received by BEL will be destroyed and every Acceptor will be released from their obligations under this Offer

and the contract arising from their acceptance of it. BEL and every Acceptor shall be released from their obligations under this Offer, and arising from acceptance of this Offer, if this Offer:

- (a) Is withdrawn with the consent of the Takeovers Panel; or
- (b) Lapses as a result of the condition in paragraph 5 not being satisfied by the Condition Date.

### **The Shares and Other Securities**

4.7 The Shares and Other Securities acquired under this Offer are to be acquired free from all liens, charges, mortgages, encumbrances and other adverse interests and claims of any kind whatever, but together with all rights, benefits and entitlements attaching to them at the date of this Offer or which arise subsequently, including the right to all dividends and other distributions provided however that any Acceptor who is a holder of MCNs will be entitled to receive all interest accruing on the MCNs up to the date on which BEL pays for such MCNs in accordance with the terms of the Offer.

### **Representations and Warranties by Acceptors**

4.8 By accepting this Offer, each Acceptor represents and warrants to BEL that:

- (a) It is the sole legal and beneficial owner of the Shares or Other Securities in respect of which it has accepted this Offer, or is the legal owner and has the necessary power, capacity and authority to accept this Offer in respect of such Shares or Other Securities;
- (b) The Acceptance Form has been duly completed and executed, is free of any conditions of acceptance and is binding on it in accordance with its terms and the terms of the Offer;
- (c) It has full power, capacity and authority to sell and transfer all such Shares or Other Securities;
- (d) Despite anything to the contrary in the Acceptance Form, if it is a joint holder of Shares or Other Securities (whether or not as a trustee of a trust) and the Acceptance Form is signed by one or some, but not all, joint holders, then you represent and warrant to BEL that the holder(s) who has/have signed the Acceptance Form do(es) so on behalf of and as duly authorised agent(s) for the joint holder(s) who has/have not signed, that such authority has not been revoked, and that the acceptance is binding on the joint holder(s) who has/have not signed the Acceptance Form and, if it holds the relevant Shares or Other Securities as a trustee of a trust, that the instrument constituting the trust permits the execution of the Acceptance Form in the manner in which it was executed.

4.9 Each Acceptor:

- (a) Will not, and will not attempt to, sell, transfer, dispose of (or agree to do any of those things), any or all of the Shares or Other Securities in respect of which the Acceptor has accepted this Offer (other than acceptance of the Offer itself);
- (b) Who is a holder of MCNs, waives his, her or its right voluntarily to convert the MCNs into ordinary shares in PULSE and such persons are deemed to have reached agreement to that effect with PULSE. This waiver by any holder of MCNs will cease to have any effect if the Offer is withdrawn or lapses as described in paragraph 4.6 above. For the avoidance of



doubt, this waiver does not extend to BEL and will not prevent BEL from exercising the right to convert any MCNs upon acquiring the MCNs under the Offer;

- (c) Who is a holder of Options, waives his, her or its right to exercise the options and such persons are deemed to have reached agreement to that effect with PULSE. This waiver by any holder of Options will cease to have any effect if the Offer is withdrawn or lapses as described in paragraph 4.6 above. For the avoidance of doubt, this waiver does not extend to BEL and will not prevent BEL from exercising any Options upon acquiring the Options under the Offer;
- (d) Is deemed to have irrevocably authorised BEL to instruct PULSE and its share registrar to refuse, during the Offer period, to register any transfer of any or all of the Shares or Other Securities in respect of which the Acceptor has accepted this Offer, except for transfers in accordance with this Offer; and
- (e) Will pay to BEL on demand, any cost or expense incurred, or loss or damage suffered, by BEL in connection with, or as a result of, that Acceptor's failure to comply with paragraphs 4.9(a), (b) or (c);
- (f) Must, on request by BEL, provide to BEL or to Pulse's share registrar satisfactory evidence of his/her/its entitlement to Shares or Other Securities for which the Acceptor has, or wishes to, accept BEL's Offer and/or the full and immediately effective release and discharge of any and all liens, charges, mortgages, encumbrances and other adverse interests and claims of any kind over those Shares or Other Securities. BEL may treat an acceptance as invalid if the Acceptor does not comply with its obligations under this paragraph, and BEL is not obliged to notify the Acceptor that BEL has done so.

4.10 BEL may vary this Offer in accordance with Rule 27 of the Takeovers Code. For the avoidance of doubt, the Takeovers Code does not permit the Offer to be varied so as to reduce the consideration offered.

## **5. KEY CONDITION**

5.1 This Offer, and any contract arising from acceptance of it, is conditional on BEL receiving acceptances:

- (a) in respect of Shares which, on registration of the transfer of those Shares, and when taken together with Shares already held or controlled by BEL, including any Shares issued to BEL upon the conversion into Shares of any MCNs acquired by BEL under the Offer (or persons acting jointly or in concert with BEL), result in BEL (or persons acting jointly or in concert with BEL) holding or controlling 90% or more of the voting rights in PULSE; and
- (b) in respect of the MCNs which, on registration of the transfer of those MCNs, will result in BEL holding 60% or more of the MCNs.

This condition can be waived by BEL.

## 6. FURTHER CONDITIONS OF THIS OFFER

- 6.1 This Offer, and any contract arising from acceptance of it, are subject to the conditions that, during the period from 28 October 2015 (being the date on which BEL sent a takeover notice to PULSE under Rule 41 of the Takeovers Code ("**Notice Date**") until the Condition Date:
- (a) PULSE agrees in writing to waive, for the benefit of the Option holders who accept the Offer, and for the purposes of that acceptance only, the term of the Options prohibiting the transfer of the Options, (including any Options which are still subject to vesting restrictions), to enable the Options to be transferred to BEL on acceptance of the Offer;
  - (b) PULSE agrees in writing for the benefit of the MCN holders who accept the Offer, and for the purposes of that acceptance only, that the MCNs can be transferred to BEL on acceptance of the Offer and that the PULSE board ratifies the waiver described in paragraph 4.9(b);
  - (c) None of the MCN holders have converted, or attempted to convert, their MCNs into ordinary shares in PULSE provided that this condition will not apply to the conversion of any MCNs into ordinary shares in PULSE by BEL, after it has acquired any such MCNs under the Offer;
  - (d) No dividends, bonuses or other payments or distributions (within the meaning of the Companies Act 1993) of any nature whatsoever (including, for the avoidance of doubt, by way of share buy-back, redemption or cancellation of any other form of capital reduction) are authorised, declared paid or made upon or in respect of any of the Shares;
  - (e) No shares, convertible notes or other equity securities of any nature (including options, rights or interests in any ordinary shares) of PULSE or any of its subsidiaries or joint venture entities (together the "**PULSE Group**"), are issued, agreed to be issued, or made the subject of any option or right to subscribe other than:
    - (i) the MCNs or Options existing as at the Notice Date;
    - (ii) pursuant to a transaction between PULSE and wholly-owned subsidiaries of PULSE, or between wholly-owned subsidiaries of PULSE (the "**Intra Group Transaction**");
    - (iii) in accordance with the terms of employment of any employee of any member of the PULSE Group, where the agreement to issue such Shares was entered into prior to the Notice Date; or
    - (iv) in accordance with the terms of any options which were issued by the PULSE Group prior to the Notice Date.
  - (f) There has not been and will not be any alteration to the rights, benefits, entitlements and restrictions attaching to any of the Shares or Other Securities or financial products (if any) of any member of the PULSE Group except for the alterations to the terms and conditions of issue of the MCNs and Options which are referred to in paragraphs 6.1(a) and 6.1(b) above;
  - (g) No action, claim, litigation, prosecution or other form of proceeding that, as at the Notice Date, was not publicly notified or commenced, is notified or commenced against, or by, any member of the PULSE Group that is material to the PULSE Group, taken as a whole;

- (h) No action, claim, litigation, prosecution or other form of proceeding is notified or commenced against any member of the PULSE Group, or BEL, in respect the Offer;
- (i) The businesses of each member of the PULSE Group are carried on, in all respects which are material to the PULSE Group taken as a whole, in the normal and ordinary course;
- (j) No liquidator, receiver, receiver and manager, statutory manager or similar official is appointed in respect of any member of the PULSE Group or any of their respective assets;
- (k) No board resolution or shareholders' resolution of any member of the PULSE Group is passed to do or authorised the doing of any act or matter referred to in any of the subparagraphs (a) to (j) (inclusive);
- (l) No other event occurs that has, or could reasonably be expected to have, a material adverse effect on the financial position, trading operations or assets or liabilities of the PULSE Group as a whole.

6.2 The following actions by any member of the PULSE Group shall be deemed to be material to the PULSE Group taken as a whole and not to be normal or in the ordinary course for the purposes of paragraph 6.1:

- (a) The making of (or agreeing to make) unusual or abnormal payments, or the incurring of (or agreeing to incur) unusual or abnormal commitments or liabilities (including contingent liabilities), and except pursuant to an Intra-Group Transaction;
- (b) If any member of the PULSE Group disposes of, purchases, transfers, leases, grants or permits any encumbrance over, grants an option or legal or equitable interest in respect of, or otherwise deals with a legal or equitable interest in a material asset, business, operation, property or subsidiary (or agrees, including agreeing to materially vary any agreement, to do any of these things or makes an announcement in respect of any of them), that is material to the PULSE Group taken as a whole;
- (c) The making of any unusual payment of income tax, including taxation in advance;
- (d) The committing to any capital expenditure or divestment (other than in the ordinary course of business (and other than pursuant to an Intra-Group Transaction));
- (e) The entry into, or material variation of, onerous, long-term or material contracts, commitments or arrangements (except in the ordinary course of business); or
- (f) The making of any announcement by any member of the PULSE Group that it is legally bound to do any of the actions set out in paragraphs 6.2(a) to 6.2(e)).
- (g) If any member of the PULSE Group enters into an agreement or arrangement, or completes or settles any agreement or arrangement, to which Listing Rule 9.1 and/or Listing Rule 9.2 of the NZAX Listing Rules applies;
- (h) There is any alteration to the constitutional documents of any member of the PULSE Group other than amendments that are of a formal or technical, and not substantive, nature;

- (i) There is any change to the remuneration, or to any of the terms of employment or engagement, of any director, officer, employee or consultant of any member of the PULSE Group except for changes made in accordance with established review policies, or otherwise made in the ordinary course of business consistent with past practices, and there is no agreement to make any of those changes.
- (j) Any board resolution or shareholders' resolution of any member of the PULSE Group is passed to do or authorised the doing of any act or matter referred to in any of the paragraphs (a) to (i).
- (k) Any resolution is passed for any amalgamation of any member of the PULSE Group, and none of them is involved in any merger or scheme of arrangement.
- (l) Any member of the PULSE Group is, or will be, under any obligation to make any payment or provide any consideration to any of its employees or directors in the event of any member of the PULSE Group becoming a subsidiary of BEL, or under BEL's control, which is material in the context of the PULSE Group taken as a whole.
- (m) Any person exercises or purports to exercise or states an intention to exercise any rights or refuses to give any required waiver or consent under any provision of any agreement or other instrument to which any member of the PULSE Group is a party, or by or to which any member of the PULSE Group or any of its assets may be bound or be subject, which results, or could result, to any extent which is material in the context of the PULSE Group taken as a whole in:
  - (i) any moneys borrowed by any member of the PULSE Group becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement or other instrument;
  - (ii) any such arrangement or other such instrument being terminated or modified or any action being taken or arising thereunder; or
  - (iii) the interest of any member of the PULSE Group in any firm, joint venture, trust, corporation or other entity (or any arrangements relating to such interest) being terminated or modified or required to be transferred or offered for sale.

6.3 To the extent required by the Takeovers Code, where any condition requires a determination as to whether a matter is or could reasonably be expected to be material or not, is normal or not, is onerous or not, is in the ordinary course of business or not, or is of a formal or technical (and not substantive) nature or not, before the condition may be invoked, such determination must be made by a suitably qualified expert nominated by BEL who is independent of, and not an associate of, BEL.

6.4 The conditions in paragraph 6.1 are for the sole benefit of BEL and, accordingly, each such condition may be waived, in whole or in part, by BEL, and on such terms as it decides, in its sole discretion. Any waiver or consent given by BEL in respect of any matter or thing shall apply only in accordance with its terms and shall not constitute a consent or waiver in respect of any similar matter or thing.

- 6.5 Each condition set out in paragraphs 5.1 and 6.1 is a separate condition. The Offer will only proceed if all conditions in those paragraphs are satisfied or, to the extent permissible, waived.
- 6.6 BEL may not invoke a condition in paragraph 6.1 or otherwise cancel or withdraw this Offer to the extent that any event, matter, circumstance, condition or information was publicly announced by PULSE, or otherwise was generally in the public arena, including being available on the following public registers: New Zealand Companies Office, New Zealand Personal Property Securities Register, Land Information New Zealand and the New Zealand High Court, prior to the Notice Date.
- 6.7 Immediately following the condition in paragraph 5.1 being satisfied or waived in accordance with the terms of this Offer, BEL will, subject to the conditions in paragraph 6.1 not having been invoked by BEL by that time:
- (a) Declare the Offer to be unconditional in all respects; and
  - (b) Provide written notice that the Offer is unconditional to PULSE, the Takeovers Panel and NZX,

such declaration to be made, and notice given, no later than 10:00am on the date following the date on which the condition in paragraph 5.1 is satisfied or waived in accordance with the terms of the Offer.

- 6.8 BEL may not allow this Offer to lapse:
- (a) In unreasonable reliance on a condition of this Offer; or
  - (b) In reliance on a condition of this Offer that restricts Pulse's activities in the ordinary course of Pulse's business during the period commencing on the Notice Date and ending on the Condition Date.

## **7. CHANGE IN CIRCUMSTANCES**

- 7.1 If, on or after the Notice Date, PULSE declares, makes, or pays any dividend or any distribution (within the meaning of the Companies Act 1993) of any nature whatsoever (including, for the avoidance of doubt, by way of share buy-back, redemption or cancellation or any other form of capital reduction) and:
- (a) The condition in paragraph 6.1(d) is waived by BEL; or
  - (b) This Offer is or becomes unconditional,
- then, at the election of BEL, either:
- (c) Each Acceptor will be bound to pay to BEL on demand an amount equivalent to such dividend or the value of such other distribution (in each case inclusive of withholding taxes deducted, if applicable) that is received by, or is properly payable to, that Acceptor in respect of the Shares for which the Acceptor has accepted the Offer; or
  - (d) The consideration which would otherwise have been paid to each Acceptor for their Shares shall be reduced by an amount equivalent to such dividend payment or the value of such other distribution that is received by, or is properly payable to, that Acceptor.

7.2 If, on or after the Notice Date, PULSE authorises, declares, or makes any issue of shares, convertible securities or other securities of any nature (including warrants, options, rights or interests in its ordinary shares), by way of bonus issue, and:

- (a) The condition in paragraph 6.1(e) is waived by BEL; or
- (b) This Offer is or becomes unconditional,

then Acceptors will, subject to the terms of any waiver referred to in paragraph 7.2(a), be bound to transfer, in respect of those Shares or Other Securities for which they have accepted this Offer, any such shares, convertible securities, other securities or options, rights and interests to BEL, without any additional consideration.

7.3 If, on or after the Notice Date, PULSE makes any issue of ordinary shares to any person other than by way of bonus issue, and:

- (a) The condition in paragraph 6.1(e) is waived by BEL; or
- (b) This Offer is or becomes unconditional,

then this Offer will be deemed to be extended to and include such ordinary shares and the consideration payable for them will be as provided in paragraph 2.1.

7.4 If, on or after the Notice Date, all or any of the Shares or Other Securities are subdivided or consolidated by PULSE, or the number of shares is reduced other than by way of subdivision or consolidation by PULSE, then:

- (a) This Offer will be interpreted to take into account that subdivision or consolidation and will be deemed to be for the Shares or Other Securities resulting from that subdivision or consolidation;
- (b) The consideration per Share or Other Security offered under this Offer will be increased or reduced, as the case may require, in proportion to that subdivision or consolidation; and
- (c) Acceptors will be bound to transfer those subdivided or consolidated Shares or Other Securities to BEL on the basis of the consideration so increased or reduced.

## **8. METHOD OF SETTLEMENT**

8.1 If the completed Acceptance Form required by BEL is in order, then no later than 7 calendar days after the later of:

- (a) The date of which that Acceptor's acceptance is received by BEL; and
- (b) The date on which the Offer becomes unconditional,

either a cheque will be sent (by ordinary mail) or an electronic transfer of cleared funds will be made (at the election of the Acceptor) by or on behalf of BEL for the consideration payable for the Shares or Other Securities acquired under this Offer. At that point, and not before, BEL will acquire legal and beneficial title to such Shares or Other Securities. If an Acceptor does not select a method of payment, or the details that are provided are not sufficient to effect an electronic transfer, payment will be made to the most recently notified account details of the Acceptor and if no such details have

been given, then that Acceptor will be paid by cheque. Acceptors electing payment by electronic transfer may be charged fees by their bank or financial institution.

- 8.2 If the consideration for the Offer is not sent within the period specified in paragraph 8.1 to any Acceptor, that Acceptor may withdraw acceptance of the Offer by notice in writing to BEL, but only after the expiration of 7 days' written notice to BEL of that Acceptor's intention to do so. This right to withdraw acceptance of the Offer will not apply if the Acceptor receives the consideration during the 7day period referred to in this paragraph.
- 8.3 BEL will present all Acceptance Forms to PULSE for registration as soon as possible following this Offer being declared unconditional.

## **9. NOTICES**

- 9.1 Notices given by BEL to PULSE and the Takeovers Panel:
- (a) Declaring this Offer unconditional; or
  - (b) Advising that this Offer is withdrawn in accordance with the Takeovers Code; or
  - (c) Advising that a term or condition of this offer has been waived; or
  - (d) Advising that this Offer has lapsed in accordance with its terms or the Takeovers Code,
- in each case, will be deemed to be notice to all PULSE shareholders when so given.
- 9.2 Notice of any variation of the Offer will be sent to PULSE and the Takeovers Panel and, except where not required in accordance with the Takeovers Code, to each PULSE shareholder under this Offer.

## **10. FURTHER INFORMATION**

- 10.1 Further information relating to BEL and this Offer, as required by Schedule 1 of the Takeovers Code, is set out in the Appendix and forms part of this Offer document.

## **11. INTERPRETATION AND MISCELLANEOUS**

- 11.1 In this Offer document:
- (a) Any reference to the Takeovers Code means the Takeovers Code Approval Order 2000 (SR 2000/210);
  - (b) Except if expressly defined in this document, or where the context requires otherwise, terms defined in the Takeovers Code shall have the same meaning in this document;
  - (c) All references to sums of money are in New Zealand currency;
  - (d) Any reference to time is to New Zealand time;
  - (e) Headings are for convenience only and do not affect the interpretation of this Offer document or any Acceptance Form;

- (f) Unless otherwise specified, material and materiality will have their respective ordinary and customary meanings;
- (g) The singular includes the plural and vice versa; and
- (h) References to any statutory provision are to statutory provisions in force in New Zealand and include any statutory provision which amends or replaces it, and any by-law, regulation, order, statutory instrument, determination or subordinate legislation made under it.

11.2 This Offer and any contract arising from it shall be governed by and construed in accordance with the laws of New Zealand, and the parties to any such contract submit to the non-exclusive jurisdiction of the Courts of New Zealand.

11.3 The provisions set out in the applicable Acceptance Form are part of the terms of this Offer.

11.4 If there is an inconsistency between the terms of this Offer and the provisions of the Takeovers Act 1993 or the Takeovers Code, the provisions of the Takeovers Act 1993 or the Takeovers Code (as the case may be) will prevail.



## APPENDIX

### INFORMATION REQUIRED TO BE SPECIFIED IN OFFER BY SCHEDULE 1 TO THE TAKEOVERS CODE

The information required by Schedule 1 of the Takeovers Code, and not stated elsewhere in this Offer document is set out below. Where information is not applicable or not required, no statement is made regarding that information. The following matters are stated as at the date of the Offer.

#### 1. Date

1.1 The Offer is dated 13 November 2015.

#### 2. Offeror and its Directors

2.1 The name and address of BEL is:

Buller Electricity Limited  
Robertson Street  
Westport 7825

2.2 The directors of BEL are:

- (a) Francis Thomas Dooley;
- (b) Murray Warden Frost;
- (c) Graham Arthur Naylor;
- (d) Anthony Gerard Ahern; and
- (e) William Woodhouse Lee.

#### 3. Target Company

3.1 The target company is Pulse Energy Limited, company number 1484483.

#### 4. Offer Terms

4.1 The full terms and conditions of this Offer are set out on pages 5 to 16 of this Offer.

#### 5. Ownership of Equity Securities of PULSE

5.1 The table below sets out the numbers, designations and percentages of equity securities of PULSE that are held or controlled by:

- (a) BEL as the offeror; and
- (b) any related company of BEL (including PULSE);
- (c) any person acting jointly or in concert with BEL;
- (d) any director of any persons described in paragraphs (a) to (c) above; and
- (e) any other person holding or controlling 5% or more of any class of equity securities of Pulse, to the knowledge of BEL.

Rule from Schedule 1 of the Takeovers Code	Name of holder	Description	Number and Class of Equity Securities held or controlled	Percentage of Class of Equity Securities (rounded to 2 dp)
<b>6(1)(a)</b>	<b>Buller Electricity Limited</b>	Legal and beneficial owner	187,357,424 ordinary shares	55.90% of ordinary shares
<b>6(1)(d)</b>		<b>As director of any of the persons described in paragraph 5.1(a), 5.1(b) and 5.1(c) above</b>		
	Francis Thomas Dooley (through 100% ownership of Yelood Properties Limited, the holder)	Director of BEL and PULSE	10,000,000 ordinary shares 100,000 MCNs	2.98% of ordinary shares 2.08% of MCNs
	Peter William Young (through the PW and EP Young Family Trust, the holder)	Director of PULSE	100,000 MCNs	2.08% of MCNs
	Trevor David Janes (through 100% ownership of Selenium Corporation Limited, the holder)	Director of PULSE	1,400,600 ordinary shares 600,000 MCNs	0.42% of ordinary shares 12.47% of MCNs
	James Charles William Hoseason, (through the Hoseason Family Trust (James Hoseason, Christina Hoseason and Tryphena Trustees Limited), the holder)	Director of PULSE	16,666,667 ordinary shares 1,000,000 MCNs	4.97% of ordinary shares 20.79% of MCNs

Rule from Schedule 1 of the Takeovers Code	Name of holder	Description	Number and Class of Equity Securities held or controlled	Percentage of Class of Equity Securities (rounded to 2 dp)
	Joseph Van Wijk (through 100% ownership of Trinity Portfolio Limited, the holder)	Director of PULSE	474,406 ordinary shares	0.14% of ordinary shares
<b>6(1)(e)</b>		<b>As persons holding or controlling 5% or more of any class of the equity securities of PULSE</b>		
	Buller Electricity Limited	A person holding or controlling 5% or more of any class of the equity securities of PULSE	187,357,424 ordinary shares	55.90% of the ordinary shares
	James Charles William Hoseason, (through the Hoseason Family Trust (James Hoseason, Christina Hoseason and Tryphena Trustees Limited), the holder)	A person holding or controlling 5% or more of any class of the equity securities of PULSE	16,666,667 ordinary shares	4.97% of the ordinary shares
	Gary Robert Holden	A person holding or controlling 5% or more of any class of the equity securities of PULSE	19,247,708 ordinary shares  300,000 MCNs  750,000 Options	5.74% of the ordinary shares  6.24% of the MCNs  26.55% of the Options

Rule from Schedule 1 of the Takeovers Code	Name of holder	Description	Number and Class of Equity Securities held or controlled	Percentage of Class of Equity Securities (rounded to 2 dp)
	New Zealand Central Securities Depository Limited	A person holding 5% or more of any class of the equity securities of PULSE	1,100,000 MCNs	22.87% of the MCNs
	James Charles William Hoseason (through the Hoseason Family Trust (James Hoseason, Christina Hoseason and Tryphena Trustees Limited), the holder)	A person holding 5% or more of the class of any class of equity securities of PULSE	1,000,000 MCNs	20.79% of the MCNs
	Selenium Corporation Limited (controlled by Trevor Janes)	A person holding 5% or more of any class of the equity securities of PULSE	600,000 MCNs	12.47% of the MCNs
	Cypress Capital Limited	A person holding 5% or more of any class of the equity securities of PULSE	250,000 MCNs	5.2% of the MCNs
	PCKC Limited	A person holding 5% or more of any class of the equity securities of PULSE	250,000 MCNs	5.2% of the MCNs
	Neil Williams	A person holding 5% or more of any class of the equity securities of PULSE	750,000 Options	26.55% of the Options

Rule from Schedule 1 of the Takeovers Code	Name of holder	Description	Number and Class of Equity Securities held or controlled	Percentage of Class of Equity Securities (rounded to 2 dp)
	Robert Copeland	A person holding 5% or more of any class of the equity securities of PULSE	320,000 Options	11.33% of the Options
	Sharnie Williams	A person holding 5% or more of any class of the equity securities of PULSE	160,000 Options	5.66% of the Options
	Tatiana Fovel	A person holding 5% or more of any class of the equity securities of PULSE	160,000 Options	5.66% of the Options

#### 5.1 Notes:

- (a) Rule 6(1)(d) of Schedule 1 of the Takeovers Code requires BEL to disclose details of the holding of any director of any of the persons described in paragraphs 5.1(a) to 5.1(c) above, who holds or controls any equity securities of PULSE. The term "control" is defined in the Takeovers Code as, in relation to a voting right, having directly or indirectly, effective control of the voting right. The MCNs and Options do not carry voting rights but the Shares do. As such, the term "control" is applicable to the Shares but is not applicable to the Other Securities and accordingly, the table above makes disclosure under rule 6(1)(d) of Schedule 1 for Shares which are *held or controlled* by a director of any of the persons described in clause 5.1(a) to 5.1(c) or any of the Other Securities which are *held* by such persons.

(b) All information in the above table has been derived from PULSE's share register and from PULSE's latest Annual Report for the year ended 31 March 2015, and from substantial security holder notices made available to NZX or advised by the relevant shareholder, being the only such information within the knowledge of BEL. The information in the table above and the confirmation in paragraph 5.2 below, is based on information known up to the date of the Offer.

5.2 The MCNs convert to PULSE ordinary shares on the "Basis for Conversion", as that term is defined in the terms of issue of the MCNs. The Basis for Conversion is a formula which calculates the rate of conversion based on the aggregate face value of all MCNs held by a noteholder, divided by a conversion share price. The conversion share price applicable to the MCNs as at the date of the Offer, is \$0.10 per MCN. The face value of each MCN is \$1.00. Accordingly, each MCN will convert into 10 ordinary shares in PULSE.

5.3 Except as disclosed above, no other person of the kind referred to in clause 5.1(a) to 5.1(d) holds or controls equity securities of PULSE.

## 6. Trading in PULSE Equity Securities

6.1 During the 6 month period before the date of the Offer, no equity securities of PULSE have been acquired or disposed of by BEL or any other person of the kind referred to in sub-clauses 5.1(a) to 5.1(d) inclusive, other than the following:

Name of Shareholder	Total number and class of securities acquired or disposed of on a relevant day	Single or multiple transaction(s)	Consideration payable per security	Date of acquisition / disposal
James Charles William Hoseason	16,666,667 ordinary shares	Single	Nil	4 June 2015
James Charles William Hoseason	1,000,000 MCNs	Single	Nil	2 October 2015

Note: The transactions recorded above were transfers by James Hoseason to the Hoseason Family Trust, each at nil value.

## 7. Agreements to Accept Offer

7.1 No agreements (conditional or unconditional) to accept the Offer have been entered into between BEL and any other parties.

## 8. Arrangements to Pay Consideration

8.1 BEL and Pioneer Generation Limited ("**PGL**") have entered into an Agreement (the terms of which are outlined in paragraphs 12.2 and 12.3 below) dated 4 October 2015 under which Pioneer Generation Investment Limited (a wholly-owned subsidiary of PGL) has agreed to provide an

advance to BEL to enable it to make the Offer (including the costs for which BEL is required to reimburse PULSE in accordance with Rule 49 of the Takeovers Code) and pay the required consideration. Accordingly, PGL and PGIL are "associates" of BEL for the purposes of the Takeovers Code.

- 8.2 BEL therefore confirms that resources will be available to it sufficient to meet the consideration to be provided on full acceptance of the Offer and to pay any debts incurred in connection with the Offer (including debts arising under Rule 49 of the Takeovers Code).
- 8.3 A statement setting out the rights of each offeree under Rule 34 of the Takeovers Code, to withdraw its acceptance for non-payment by BEL of the consideration, is set out in paragraph 8.2 (page 15) of this Offer document.

## **9. Arrangements Between BEL and Pulse**

- 9.1 Except for the agreement between BEL and PGL which is referred to in paragraphs, 8.1, 12.2 and 12.3, no agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between BEL or any associates of BEL and PULSE or any related company of PULSE, in connection with, in anticipation of, or in response to, this Offer other than the following:
- (a) The board of PULSE has agreed to waive in writing, for the benefit of the Option holders who accept the Offer, and for the purposes of that acceptance only, the term prohibiting the transfer of the Options (including any Options which are still subject to vesting restrictions), to enable the Options to be transferred to BEL on acceptance of the Offer.
  - (b) As required by the terms and conditions of issue of the MCNs, the board of PULSE has agreed in writing, for the benefit of the MCN holders who accept the Offer, and for the purposes of that acceptance only, that the MCNs can be transferred to BEL on acceptance of the Offer; and
  - (c) The board of PULSE has agreed in writing to ratify the waiver described in paragraph 4.9(b) of the terms and conditions of the Offer.

## **10. Arrangements Between BEL and Directors and Officers of Pulse**

- 10.1 No agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between BEL or any associates of BEL, and any directors or senior officers of PULSE or of any related company of PULSE (including any payment or other benefit proposed to be made or given by way of compensation for loss of office, or as to their remaining in or retiring from office) in connection with, in anticipation of, or in response to, this Offer.

## **11. Financial Assistance**

- 11.1 No agreement or arrangement has been made, or is proposed to be made, under which PULSE or any related company of PULSE will give (directly or indirectly) financial assistance for the purpose of, or in connection with, this Offer.

## **12. Intentions about material changes to Pulse**

- 12.1 If BEL becomes entitled to invoke the compulsory acquisition provisions of the Takeovers Code, it intends to compulsorily acquire any outstanding Shares and Other Securities in PULSE. Once BEL

has completed the compulsory acquisition process and has become the 100% owner of all Shares and other Securities, PULSE will be delisted from NZAX.

12.2 Under the agreement referred to in clause 8.1 above, BEL and PGL have agreed that, following delisting of PULSE, the assets of PULSE will be sold for \$42,650,000 to a Limited Partnership which is owned by PULSE (49%) and Pioneer Generation Investment Limited (a subsidiary of PGL) (51%) as limited partners. The Limited Partnership will continue to carry on the business activities presently carried on by PULSE.

12.3 The relevant details of the agreement referred to in paragraph 12.2 are as follows:

- (a) After delisting, 100% of the PULSE ordinary shares and Other Securities will be owned by BEL;
- (b) PULSE will hold a 49% partnership interest in the Limited Partnership and PGIL will hold a 51% interest;
- (c) 60 business days after BEL completes the delisting, BEL will procure PULSE to sell all of its assets and transfer its liabilities to the Limited Partnership for \$42,650,000 and the Limited Partnership will thereafter continue to carry on PULSE'S business.
- (d) PULSE will pass the asset sale proceeds of \$42,650,000 up to BEL, which will then use those sale proceeds to repay the advance provided to it by PGL and to capitalise its 49% share in the Limited Partnership.

12.4 BEL has no present intention that it (or the Limited Partnership referred to in clause 12.3) will make any material change to the business activities, material assets or capital structure of PULSE, except as described in clause 12.3. However, BEL reserves the right of itself or the Limited Partnership to make changes in the future, depending on the business and economic environment and other relevant circumstances which arise after the Offer.

12.5 The foregoing statements are consistent with any information that has been given by BEL to any regulatory body in New Zealand or in an overseas jurisdiction in relation to the Offer. No information has been given by BEL to any regulatory body in an overseas jurisdiction in relation to the Offer.

### **13. Pre-emption Clauses in PULSE's Constitution**

13.1 As at the date of this Offer document there is no restriction on the right to transfer any equity securities to which the Offer relates contained in the constitution of PULSE which has the effect of requiring the holders of those securities to offer the securities for purchase to PULSE shareholders or to any other person before transferring those securities.

### **14. Escalation Clauses**

14.1 There is no agreement or arrangement (whether legally enforceable or not) under which any existing holder of equity securities in PULSE will or may receive in relation to, or as a consequence of, the Offer any additional consideration or other benefit over and above the consideration set out in the Offer, or any prior holder of equity securities in PULSE will or may receive any consideration or other benefit as a consequence of the Offer.



**15. Classes of Securities and Independent Adviser’s Report**

15.1 The consideration and terms of the Offer for the Shares and the Other Securities in PULSE have been calculated to be fair and reasonable in compliance with rule 8(4) of the Takeovers Code on the basis of the consideration being offered for the Shares and the Other Securities.

15.2 BEL has obtained a report by Northington Partners Limited concerning the fairness and reasonableness of the consideration and terms of the Offer in relation to the different classes of financial products. The Northington Partners Limited report will be sent to all offerees with PULSE's Target Company Statement. The Offer should be read in conjunction with the Northington Partners Limited report and with the report obtained by PULSE on the merits of the Offer.

**16. Certificate**

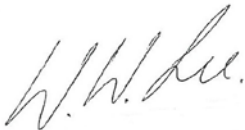
16.1 To the best of our knowledge and belief, after making proper enquiry, the information contained in this Offer document (including the Appendix) is, in all material respects, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by BEL under the Takeovers Code.

Signed by the persons named below or their respective agents authorised in writing.



---

Murray Warden Frost  
Director



---

William Woodhouse Lee  
Director



---

Eamon Ginley  
Chief Executive Officer



---

Peter Best  
Chief Financial Officer

# ACCEPTANCE FORM FOR ORDINARY SHARES

## FULL CASH TAKEOVER OFFER FOR ALL ORDINARY SHARES IN PULSE ENERGY LIMITED

**SHAREHOLDER ("You")**

**CSN / SHAREHOLDER NUMBER**

[Mailing house will personalise with name and address and will ensure that this fits the window of the envelope used to mail the Offer. They will print all details on the right + barcode]

XXXXXXXXXXXXXXXX

**NUMBER OF SHARES HELD IN PULSE as at [DATE]**

XXXXXXXXXXXXXXXX

**TOTAL CONSIDERATION (at NZ[ ] per share)**

\$XXXXX.XX

**PLEASE REFER TO THE INSTRUCTIONS OVERLEAF FOR DIRECTIONS ON HOW TO COMPLETE THIS ACCEPTANCE FORM**

Insert in the box below the number of ordinary shares ("Shares") in Pulse Energy Limited ("Pulse") in respect of which you accept the takeover offer by Buller Electricity Limited ("BEL") dated 13 November 2015 (the "Offer")

**NUMBER OF PULSE SHARES YOU WISH TO SELL:**

**Note:**

1. You may accept this Offer in respect of all or any PULSE Shares held by you.
2. If you do not state the number of PULSE Shares in respect of which you wish to accept the Offer, you will be deemed to have accepted the Offer in respect of all the PULSE Shares held by you and to have stated that number in the box above.

**By signing this Acceptance Form you hereby:**

- (a) irrevocably accept the Offer for the number of shares in Pulse held and nominated by you as set out in the box above ("Nominated Shares") on and subject to the terms and conditions of the Offer, and agree to transfer the Nominated Shares to BEL;
- (b) without limitation to any other term of the Offer, authorise, represent and warrant as set out in paragraphs 4.8 and 4.9 (to the extent applicable) of the Offer Terms and Conditions in the Offer Document; and
- (c) irrevocably appoint BEL as your attorney and agent on the terms set out in this Acceptance Form.

BEL hereby agrees to take the Nominated Shares subject to the terms and conditions of the Offer.

**METHOD OF PAYMENT**

Payment will be made by either electronic transfer directly into your New Zealand bank account, or by cheque. Please select a Method of Payment by ticking the appropriate box below. Note that all payments will be made in New Zealand dollars.

**Method of Payment** (please tick one):  **CHEQUE**  **ELECTRONIC TRANSFER**

*Note: If you do not select a Method of Payment, or the details that you provide are not sufficient to effect an electronic transfer, you will be paid by cheque.*

**Electronic Transfer Details:** Please complete the details below if you wish to be paid by electronic transfer:

**Bank:** \_\_\_\_\_ **Account Name:** \_\_\_\_\_

NZ Bank Account Number: 

Bank	Branch	Account	Suffix
<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>

Daytime Phone Number:

E-mail Address:

Dated and executed the  day of  2015

**SIGNATURE(S)**

SIGNATURE(S) FOR AN INDIVIDUAL/ATTORNEY/TRUSTEE	SIGNATURE(S) FOR A COMPANY

**All Shareholders as stated on the Acceptance Form above must sign**

## NOTES AND INSTRUCTIONS FOR COMPLETION OF THIS ACCEPTANCE FORM

### 1 TO ACCEPT THE OFFER:

- 1.1 Complete the date of signing in the boxes provided above. Please ensure that all details of this Acceptance Form are correct. Please alter this Acceptance Form if required.
- 1.2 Sign this Acceptance Form where marked "Signature(s)". Companies must sign where marked "For a Company" in accordance with the Companies Act 1993 or other applicable law.
- 1.3 If the Shares are registered in the name of joint holders, all holders must sign this Acceptance Form. If one or some, but not all, joint holders sign, the joint holder(s) who has/have signed represent and warrant to BEL that the joint holder(s) who has/have signed the Acceptance Form do(es) so on behalf of and as duly authorised agent(s) for the joint holder(s) who has/have not signed, that such authority has not been revoked, and that the acceptance is binding on the joint holder(s) who has/have not signed the Acceptance Form.

2 **METHOD OF PAYMENT:** You should select a Method of Payment. If you do not, or the details that you provide are not sufficient to effect an electronic transfer to you, you will be paid by cheque. Neither BEL nor Link Market Services has any responsibility to verify any details provided on this Acceptance Form. Your bank may charge you fees in relation to receipt of an electronic transfer.

3 **POWER OF ATTORNEY:** If this Acceptance Form is signed under a power of attorney, the certificate of non-revocation printed below must be completed by the party holding the power of attorney. Where the attorney is a body corporate, the attorney must sign and attach a certificate of non-revocation of power of attorney in the form set out in the Property Law Act 2007 (not the form printed below). In either case, the relevant instrument appointing the attorney must be submitted with this Acceptance Form for noting and return, unless it has already been provided to Link Market Services Limited.

**ON COMPLETION:** Place the signed Acceptance Form in the enclosed reply-paid envelope and mail, or return in any of the ways stated below, as soon as possible, but in any event so as to be received not later than 11:59pm New Zealand time on 16 December 2015 (unless extended).

### BEL Takeover offer c/- Link Market Services Limited

**Mail:** PO Box 91976, Auckland 1142,

**Delivery:** Level 7 Zurich House, 21 Queen Street, Auckland, 1010

**Fax** +64 9 375 5990

**Scan & Email:** applications@linkmarketservices.co.nz

If you fax or email this Acceptance Form to Link Market Services Limited please mark the original Acceptance Form "FAXED".

- 4 **PREVIOUS SALE:** If you have sold all your PULSE Shares, please pass this Acceptance Form together with the Offer documents to the agent (e.g. the broker) through whom the sale was made or the purchaser(s) of such PULSE Shares. If you have sold part of your shareholding, record that fact on this Acceptance Form by amending the number of PULSE Shares noted as being held by you on the face of this Acceptance Form.
- 5 **SALE OF PART OF HOLDING ONLY:** If you want to accept the Offer for part of your holding only, please enter the number of PULSE Shares you wish to sell in the relevant box above before returning the Acceptance Form to BEL.
- 6 **INTERPRETATION:** In this Acceptance Form references to "you" in the singular shall include the plural. Capitalised terms used but not defined in this Acceptance Form have the meanings given to them in the Offer.

**IF YOU ARE IN ANY DOUBT ABOUT THE PROCEDURE FOR ACCEPTANCE, PLEASE CALL LINK MARKET SERVICES LIMITED ON +64 9 375 5998**

### POWER OF ATTORNEY

As from the date of legal and beneficial ownership, and title, to your Nominated Shares passing to BEL in accordance with the terms of the Offer, you hereby irrevocably authorise and appoint BEL (with power of substitution by BEL in favour of such person(s) as BEL may appoint to act on its behalf) as your attorney and agent to act for you and do all matters of any kind or nature whatsoever in respect of or pertaining to the Nominated Shares and all rights and benefits attaching to them as BEL may think proper and expedient and which you could lawfully do or cause to be done if personally acting as a legal and beneficial owner of the Nominated Shares.

### IF THIS ACCEPTANCE FORM IS SIGNED UNDER POWER OF ATTORNEY, THE ATTORNEY(S) SIGNING MUST SIGN THE FOLLOWING CERTIFICATE OF NON-REVOCAION OF POWER OF ATTORNEY

I/WE, \_\_\_\_\_

(Insert name of Attorney(s) signing)

of \_\_\_\_\_

(Address and Occupation)

### HEREBY CERTIFY:

1. THAT by a Power of Attorney dated the \_\_\_\_\_ day of \_\_\_\_\_ the Transferor named and described on the attached Acceptance Form ("**Donor**") appointed me his/her/its/their attorney on the terms and conditions set out in that Power of Attorney.
2. THAT I/we have executed the attached Acceptance Form as attorney under that Power of Attorney and pursuant to the powers thereby conferred upon me/us.
3. THAT at the date hereof I/we have not received any notice or information of the revocation of that Power of Attorney by the death (or winding up) of the Donor or otherwise.

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of Attorney(s) \_\_\_\_\_

# ACCEPTANCE FORM FOR MANDATORY CONVERTIBLE NOTES

## FULL CASH TAKEOVER OFFER FOR ALL MANDATORY CONVERTIBLE NOTES (MCNs) IN PULSE ENERGY LIMITED

NOTE HOLDER ("You")

CSN / SHAREHOLDER NUMBER

XXXXXXXXXXXXXXXX

[Mailing house will personalise with name and address and will ensure that this fits the window of the envelope used to mail the Offer. They will print all details on the right + barcode]

NUMBER OF MCNS HELD IN PULSE as at [DATE]

XXXXXXXXXXXXXXXX

TOTAL CONSIDERATION (at NZ[ ] per MCN)

\$XXXXX.XX

**PLEASE REFER TO THE INSTRUCTIONS OVERLEAF FOR DIRECTIONS ON HOW TO COMPLETE THIS ACCEPTANCE FORM**

Insert in the box below the number of MCNs in Pulse Energy Limited ("Pulse") in respect of which you accept the takeover offer by Buller Electricity Limited ("BEL") dated 13 November 2015 (the "Offer")

NUMBER OF PULSE MCNS YOU WISH TO SELL:

**Note:**

1. You may accept this Offer in respect of all or any PULSE MCNs held by you.
2. If you do not state the number of PULSE MCNs in respect of which you wish to accept the Offer, you will be deemed to have accepted the Offer in respect of all the PULSE MCNs held by you and to have stated that number in the box above.

**By signing this Acceptance Form you hereby:**

- (a) irrevocably accept the Offer for the number of MCNs in Pulse held and nominated by you as set out in the box above ("Nominated MCNs") on and subject to the terms and conditions of the Offer, and agree to transfer the Nominated MCNsto BEL;
- (b) without limitation to any other term of the Offer, authorise, represent and warrant as set out in paragraphs 4.8 and 4.9 (to the extent applicable) of the Offer Terms and Conditions in the Offer Document; and
- (c) irrevocably appoint BEL as your attorney and agent on the terms set out in this Acceptance Form.

BEL hereby agrees to take the Nominated MCNs subject to the terms and conditions of the Offer.

**METHOD OF PAYMENT**

Payment will be made by either electronic transfer directly into your New Zealand bank account, or by cheque. Please select a Method of Payment by ticking the appropriate box below. Note that all payments will be made in New Zealand dollars.

Method of Payment (please tick one):  CHEQUE  ELECTRONIC TRANSFER

Note: If you do not select a Method of Payment, or the details that you provide are not sufficient to effect an electronic transfer, you will be paid by cheque.

**Electronic Transfer Details:** Please complete the details below if you wish to be paid by electronic transfer:

Bank: \_\_\_\_\_ Account Name: \_\_\_\_\_

NZ Bank Account Number: 

Bank			Branch					Account							Suffix			
------	--	--	--------	--	--	--	--	---------	--	--	--	--	--	--	--------	--	--	--

Daytime Phone Number:

E-mail Address:

Dated and executed the  day of  2015

**SIGNATURE(S)**

SIGNATURE(S) FOR AN INDIVIDUAL/ATTORNEY/TRUSTEE	SIGNATURE(S) FOR A COMPANY

All Noteholders as stated on the Acceptance Form above must sign

**NOTES AND INSTRUCTIONS FOR COMPLETION OF THIS ACCEPTANCE FORM**

**1 TO ACCEPT THE OFFER:**

- 1.1 Complete the date of signing in the boxes provided above. Please ensure that all details of this Acceptance Form are correct. Please alter this Acceptance Form if required.
- 1.2 Sign this Acceptance Form where marked "Signature(s)". Companies must sign where marked "For a Company" in accordance with the Companies Act 1993 or other applicable law.
- 1.3 If the MCNs are registered in the name of joint holders, all holders must sign this Acceptance Form. If one or some, but not all, joint holders sign, the joint holder(s) who has/have signed represent and warrant to BEL that the joint holder(s) who has/have signed the Acceptance Form do(es) so on behalf of and as duly authorised agent(s) for the joint holder(s) who has/have not signed, that such authority has not been revoked, and that the acceptance is binding on the joint holder(s) who has/have not signed the Acceptance Form.

**2 METHOD OF PAYMENT:** You should select a Method of Payment. If you do not, or the details that you provide are not sufficient to effect an electronic transfer to you, you will be paid by cheque. Neither BEL nor Link Market Services has any responsibility to verify any details provided on this Acceptance Form. Your bank may charge you fees in relation to receipt of an electronic transfer.

**3 POWER OF ATTORNEY:** If this Acceptance Form is signed under a power of attorney, the certificate of non-revocation printed below must be completed by the party holding the power of attorney. Where the attorney is a body corporate, the attorney must sign and attach a certificate of non-revocation of power of attorney in the form set out in the Property Law Act 2007 (not the form printed below). In either case, the relevant instrument appointing the attorney must be submitted with this Acceptance Form for noting and return, unless it has already been provided to Link Market Services Limited.

**ON COMPLETION:** Place the signed Acceptance Form in the enclosed reply-paid envelope and mail, or return in any of the ways stated below, as soon as possible, but in any event so as to be received not later than 11:59pm New Zealand time on 16 December 2015 (unless extended).

**BEL Takeover offer c/- Link Market Services Limited**

**Mail:** PO Box 91976, Auckland 1142,

**Delivery:** Level 7 Zurich House, 21 Queen Street, Auckland, 1010

**Fax** +64 9 375 5990

**Scan & Email:** applications@linkmarketservices.co.nz

If you fax or email this Acceptance Form to Link Market Services Limited please mark the original Acceptance Form "FAXED".

**4 PREVIOUS SALE:** If you have sold all of your PULSE MCNs, please pass this Acceptance Form together with the Offer documents to the agent (e.g. the broker) through whom the sale was made or the purchaser(s) of such PULSE MCNs. If you have sold part of your holding, record that fact on this Acceptance Form by amending the number of PULSE MCNs noted as being held by you on the face of this Acceptance Form.

**5 INTERPRETATION:** In this Acceptance Form references to "you" in the singular shall include the plural. Capitalised terms used but not defined in this Acceptance Form have the meanings given to them in the Offer.

**IF YOU ARE IN ANY DOUBT ABOUT THE PROCEDURE FOR ACCEPTANCE, PLEASE CALL LINK MARKET SERVICES LIMITED ON +64 9 375 5998**

**POWER OF ATTORNEY**

As from the date of legal and beneficial ownership, and title, to your Nominated MCNs passing to BEL in accordance with the terms of the Offer, you hereby irrevocably authorise and appoint BEL (with power of substitution by BEL in favour of such person(s) as BEL may appoint to act on its behalf) as your attorney and agent to act for you and do all matters of any kind or nature whatsoever in respect of or pertaining to the Nominated MCNs and all rights and benefits attaching to them as BEL may think proper and expedient and which you could lawfully do or cause to be done if personally acting as a legal and beneficial owner of the Nominated MCNs.

**IF THIS ACCEPTANCE FORM IS SIGNED UNDER POWER OF ATTORNEY, THE ATTORNEY(S) SIGNING MUST SIGN THE FOLLOWING CERTIFICATE OF NON-REVOCAION OF POWER OF ATTORNEY**

I/WE, \_\_\_\_\_

*(Insert name of Attorney(s) signing)*

of \_\_\_\_\_

*(Address and Occupation)*

**HEREBY CERTIFY:**

- 1. THAT by a Power of Attorney dated the \_\_\_\_\_ day of \_\_\_\_\_ the Transferor named and described on the attached Acceptance Form ("**Donor**") appointed me his/her/its/their attorney on the terms and conditions set out in that Power of Attorney.
- 2. THAT I/we have executed the attached Acceptance Form as attorney under that Power of Attorney and pursuant to the powers thereby conferred upon me/us.
- 3. THAT at the date hereof I/we have not received any notice or information of the revocation of that Power of Attorney by the death (or winding up) of the Donor or otherwise.

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 2015

*Signature of Attorney(s)* \_\_\_\_\_

# ACCEPTANCE FORM FOR EMPLOYEE SHARE OPTIONS

## FULL CASH TAKEOVER OFFER FOR ALL EMPLOYEE SHARE OPTIONS ISSUE BY PULSE ENERGY LIMITED

**OPTION HOLDER ("You")**

[Mailing house will personalise with name and address and will ensure that this fits the window of the envelope used to mail the Offer. They will print all details on the right + barcode]

**CSN / SHAREHOLDER NUMBER**

XXXXXXXXXXXXXXXX

**NUMBER OF OPTIONS HELD IN PULSE as at [DATE]**

XXXXXXXXXXXXXXXX

**TOTAL CONSIDERATION (at NZ\$[ ] per Option)**

\$XXXXX.XX

**PLEASE REFER TO THE INSTRUCTIONS OVERLEAF FOR DIRECTIONS ON HOW TO COMPLETE THIS ACCEPTANCE FORM**

Insert in the box below the number of employee share options ("**Options**") in Pulse Energy Limited ("**Pulse**") in respect of which you accept the takeover offer by Buller Electricity Limited ("**BEL**") dated 13 November 2015 (the "**Offer**")

**NUMBER OF PULSE OPTIONS YOU WISH TO SELL:**

**Note:**

1. You may accept this Offer in respect of all or any PULSE Options held by you.
2. If you do not state the number of PULSE Options in respect of which you wish to accept the Offer, you will be deemed to have accepted the Offer in respect of all the PULSE Options held by you and to have stated that number in the box above.

**By signing this Acceptance Form you hereby:**

- (a) irrevocably accept the Offer for the number of options in Pulse held and nominated by you as set out in the box above ("**Nominated Options**") on and subject to the terms and conditions of the Offer, and agree to transfer the Nominated Options to BEL;
- (b) without limitation to any other term of the Offer, authorise, represent and warrant as set out in paragraphs 4.8 and 4.9 (to the extent applicable) of the Offer Terms and Conditions in the Offer Document; and
- (c) irrevocably appoint BEL as your attorney and agent on the terms set out in this Acceptance Form.

BEL hereby agrees to take the Nominated Options subject to the terms and conditions of the Offer.

**METHOD OF PAYMENT**

Payment will be made by either electronic transfer directly into your New Zealand bank account, or by cheque. Please select a Method of Payment by ticking the appropriate box below. Note that all payments will be made in New Zealand dollars.

**Method of Payment** (please tick one):  **CHEQUE**  **ELECTRONIC TRANSFER**

*Note: If you do not select a Method of Payment, or the details that you provide are not sufficient to effect an electronic transfer, you will be paid by cheque.*

**Electronic Transfer Details:** Please complete the details below if you wish to be paid by electronic transfer:

**Bank:** \_\_\_\_\_ **Account Name:** \_\_\_\_\_

NZ Bank Account Number: 

Bank	Branch	Account	Suffix
<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/>

Daytime Phone Number:

E-mail Address:

Dated and executed the  day of  2015

**SIGNATURE(S)**

SIGNATURE(S) FOR AN INDIVIDUAL/ATTORNEY/TRUSTEE	SIGNATURE(S) FOR A COMPANY

**All Option Holders as stated on the Acceptance Form above must sign**

**NOTES AND INSTRUCTIONS FOR COMPLETION OF THIS ACCEPTANCE FORM**

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**1 TO ACCEPT THE OFFER:**

- 1.1 Complete the date of signing in the boxes provided above. Please ensure that all details of this Acceptance Form are correct. Please alter this Acceptance Form if required.
- 1.2 Sign this Acceptance Form where marked "Signature(s)". Companies must sign where marked "For a Company" in accordance with the Companies Act 1993 or other applicable law.
- 1.3 If the Options are registered in the name of joint holders, all holders must sign this Acceptance Form. If one or some, but not all, joint holders sign, the joint holder(s) who has/have signed represent and warrant to BEL that the joint holder(s) who has/have signed the Acceptance Form do(es) so on behalf of and as duly authorised agent(s) for the joint holder(s) who has/have not signed, that such authority has not been revoked, and that the acceptance is binding on the joint holder(s) who has/have not signed the Acceptance Form.

**2 METHOD OF PAYMENT:** You should select a Method of Payment. If you do not, or the details that you provide are not sufficient to effect an electronic transfer to you, you will be paid by cheque. Neither BEL nor Link Market Services has any responsibility to verify any details provided on this Acceptance Form. Your bank may charge you fees in relation to receipt of an electronic transfer.

**3 POWER OF ATTORNEY:** If this Acceptance Form is signed under a power of attorney, the certificate of non-revocation printed below must be completed by the party holding the power of attorney. Where the attorney is a body corporate, the attorney must sign and attach a certificate of non-revocation of power of attorney in the form set out in the Property Law Act 2007 (not the form printed below). In either case, the relevant instrument appointing the attorney must be submitted with this Acceptance Form for noting and return, unless it has already been provided to Link Market Services Limited.

**ON COMPLETION:** Place the signed Acceptance Form in the enclosed reply-paid envelope and mail, or return in any of the ways stated below, as soon as possible, but in any event so as to be received not later than 11:59pm New Zealand time on 16 December 2015 (unless extended).

**BEL Takeover offer c/- Link Market Services Limited**

**Mail:** PO Box 91976, Auckland 1142,

**Delivery:** Level 7 Zurich House, 21 Queen Street, Auckland, 1010

**Fax** +64 9 375 5990

**Scan & Email:** applications@linkmarketservices.co.nz

If you fax or email this Acceptance Form to Link Market Services Limited please mark the original Acceptance Form "FAXED".

**4 INTERPRETATION:** In this Acceptance Form references to "you" in the singular shall include the plural. Capitalised terms used but not defined in this Acceptance Form have the meanings given to them in the Offer.

**IF YOU ARE IN ANY DOUBT ABOUT THE PROCEDURE FOR ACCEPTANCE, PLEASE CALL LINK MARKET SERVICES LIMITED ON +64 9 375 5998**

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**POWER OF ATTORNEY**

As from the date of legal and beneficial ownership, and title, to your Nominated Options passing to BEL in accordance with the terms of the Offer, you hereby irrevocably authorise and appoint BEL (with power of substitution by BEL in favour of such person(s) as BEL may appoint to act on its behalf) as your attorney and agent to act for you and do all matters of any kind or nature whatsoever in respect of or pertaining to the Nominated Options and all rights and benefits attaching to them as BEL may think proper and expedient and which you could lawfully do or cause to be done if personally acting as a legal and beneficial owner of the Nominated Options.

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**IF THIS ACCEPTANCE FORM IS SIGNED UNDER POWER OF ATTORNEY, THE ATTORNEY(S) SIGNING MUST SIGN THE FOLLOWING CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY**

I/WE, \_\_\_\_\_

*(Insert name of Attorney(s) signing)*

of \_\_\_\_\_

*(Address and Occupation)*

**HEREBY CERTIFY:**

- 1. THAT by a Power of Attorney dated the \_\_\_\_\_ day of \_\_\_\_\_ the Transferor named and described on the attached Acceptance Form ("**Donor**") appointed me his/her/its/their attorney on the terms and conditions set out in that Power of Attorney.
- 2. THAT I/we have executed the attached Acceptance Form as attorney under that Power of Attorney and pursuant to the powers thereby conferred upon me/us.
- 3. THAT at the date hereof I/we have not received any notice or information of the revocation of that Power of Attorney by the death (or winding up) of the Donor or otherwise.

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of Attorney(s) \_\_\_\_\_