



Buller Electricity Limited

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COMPULSORY ACQUISITION NOTICE

UNDER RULE 54 OF THE TAKEOVERS CODE IN RESPECT OF EQUITY SECURITIES IN PULSE ENERGY LIMITED

DATED: 12th January 2016

TO: The outstanding shareholders in Pulse Energy Limited ("**Pulse**")

This Acquisition Notice is given by Buller Electricity Limited ("**Buller**") in accordance with Rules 54 and 55 of the Takeovers Code. Any expression used but not defined in this Notice has the same meaning as in the Takeovers Code.

1. **Dominant owner**

On 13 November 2015, Buller made a takeover offer to:

- (a) all of the shareholders of Pulse for all the ordinary shares issued by Pulse (the "**Shares**");
- (b) all of the holders of employee share options issued by Pulse (the "**Options**"); and
- (c) all of the holders of mandatory convertible notes issued by Pulse (the "**MCNs**"),

(together, the "**Equity Securities**") that it did not already own (the "**Offer**").

On 8th January 2016, Buller became the holder or controller of 90% or more of the voting rights in Pulse and is accordingly the dominant owner in Pulse under the Takeovers Code. Pursuant to Part 7 of the Takeovers Code, Buller has the right to acquire all of the Equity Securities that it does not already hold or control.

2. **Purchase of Equity Securities**

All outstanding holders of Shares in Pulse must sell their Shares to Buller.

3. **Consideration for your Shares**

The consideration to be provided by Buller for the outstanding Shares is **NZ\$0.11** per Share in cash;

4. **Pulse shareholder rights**

As an outstanding Equity Security holder in Pulse, you have certain rights under Part 7 of the Takeovers Code in relation to the compulsory acquisition of your Shares. These are as follows:

- (a) You may, within 21 days after the date of this Acquisition Notice (being 5:00pm on 2nd February 2016), return to Buller the Transfer Form **enclosed** with this Acquisition Notice, duly signed by you. The Transfer Form should be sent to the address set out in paragraph 6 of this Acquisition Notice. If you return the completed Transfer Form by 5:00pm on 2nd February 2016, payment for your Equity Securities will be sent to you by Buller within 7 days after it has received your completed Transfer Form.
- (b) If you **do not** return the completed Transfer Form to Buller by 5:00pm on 2nd February 2016 then, on or before 9th February 2016 (being 7 days after the expiry of the 21 day period referred to above), Buller will deliver to Pulse:

- (i) the payment for your Shares; and
- (ii) a Transfer Form for your Shares, which Buller or its agent will have signed on your behalf, as permitted by the Takeovers Code.

You may then claim any payment sent by Buller to Pulse for the purchase of your Shares directly from Pulse, who will hold it on trust with a registered bank in an interest bearing trust account for your benefit until claimed by you.

Once you have been sent the payment for your Equity Securities (if paragraph 4(a) applies) or the payment for your Equity Securities has been delivered to Pulse (if paragraph 4(b) applies), the relevant Transfer Form will be registered by the directors of Pulse pursuant to the Takeovers Code, and Buller will become the legal owner of your Equity Securities.

5. Date of despatch of Acquisition Notice

This Acquisition Notice is dated 12th January 2016 and has been sent to you on this date.

6. Transfer Form and return address

Enclosed with this Acquisition Notice is a Transfer Form prepared to effect the transfer of all your Equity Securities to Buller.

Should you choose to sign and complete the Transfer Form, please place the signed Transfer Form in the enclosed reply-paid envelope and post to the address below, email the signed Transfer Form to the email address provided below or fax the signed Transfer Form to the number provided below, as soon as possible, but in any event so as to be received not later than 5.00pm New Zealand time on 2nd February 2016:

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 (please put "BEL Acceptance" in the subject line for easy identification)

Fax +64 9 375 5990

If you send your Transfer Form by fax or email, the original form should also be posted to the above address (although if you do not post the original form, your transfer will still be valid). Please clearly mark the original form "FAXED" or "EMAILED".

Please read this Acquisition Notice carefully and if you have any questions in relation to it, you should consult a financial or legal adviser or call Link Market Services Limited on +64 9 375 5998.

SIGNED for and on behalf of
BULLER ELECTRICITY LIMITED



Eamon Ginley
Chief Executive Officer

Copy To: Pulse Energy Limited
Level 1 East Carlaw Park
12-14 Nicholls Lane
Parnell
Auckland 1010

And To: NZX Limited
Level 2, NZX Centre
11 Cable Street
WELLINGTON 6011
announce@nzx.com

And To: The Takeovers Panel
Level 3, Solnet House
70 The Terrace
Wellington 6011
Attention: Rachael Watene
rachael.watene@takeovers.govt.nz

And To: Registrar of Companies
Level 18, ASB Centre
135 Albert Street
AUCKLAND 1010
Attention: Peter Weir
peter.weir@companies.govt.nz