



18 February 2010

Confirmation of New Board of Directors Mandate sought from Shareholders

Pyne Gould Corporation today advises that its board review process is now complete and a date has been set for a special shareholders' meeting to seek endorsement for new and existing appointments.

The review follows last year's successful \$273 million recapitalisation and included not only the Pyne Gould Corporation board but also the requirements of its subsidiaries Perpetual and in particular MARAC. It was conducted to ensure that the boards of these distinct businesses had directors with the requisite skills and experience needed to drive each of the businesses forward.

Among the changes is the intention after the shareholders' meeting to elect Bruce Irvine as chairman of Pyne Gould Corporation to replace Sam Maling who, after presiding over the recapitalisation and review process, will step down. Mr Irvine will preside over an initial five member team, which also includes one new appointment – George Gould*, who has extensive experience in financial and rural services.

The Pyne Gould Corporation board will also include George Kerr and Bryan Mogridge, plus Jeff Greenslade (in his new role of Managing Director).

A central focus of the review was the composition of the MARAC board. In determining its composition, Pyne Gould Corporation was mindful of the strategic goal to take this business through to being a registered bank. Pyne Gould Corporation has selected individuals who have appropriate experience, integrity and skills, and also included a suitable range of skills on the board (rather than a concentration in a particular area). These are attributes which are important to the Reserve Bank.

The board of MARAC will comprise two new independent directors in John Harvey* and Michelle Smith* as well as incumbents Messrs Irvine (Chairman), Mogridge and Greenslade.

John Duncan*, Chief Executive of Perpetual, has been appointed to the Perpetual board.

The new board of Perpetual (as already appointed by Pyne Gould Corporation) is: Messrs Kerr, Irvine, Mogridge, Greenslade and Duncan.

In addition, there is a separate corporate trust board. This separate corporate trust board is comprised of experienced professionals, and oversees the corporate trust business of Perpetual Trust. The members of this corporate trust board are independent from all other parts of the business. The members are: Keith Familton, Euan Abernethy and Keith Rushbrook.

Whilst the boards of MARAC and Perpetual will operate as separate entities they will ultimately report to the Pyne Gould Corporation board.

Messrs Irvine and Gould will be the company's appointees to the board of the listed rural services group PGG Wrightson. Pyne Gould Corporation holds an 18.30% stake in the company.

The special meeting of shareholders will be held on the 4th March 2010, at which the incumbent directors will seek confirmation of their continued appointment, and resolutions to elect the proposed new appointees to the Pyne Gould Corporation board will be put to shareholders for their consideration and vote. Additionally a presentation will be made on the interim results to 31 December 2009.

***George Gould**

George was previously a director of PGC from 1990 to 2004. He was Managing Director of Pyne Gould Guinness and led the merger with Reid Farmers, and was Managing Director of South Eastern Utilities from 1994 to 2001. He has extensive experience in the financial and rural services sectors and like George Kerr, George Gould is also a descendent of one of the founding families of PGC. He is currently a director of electricity lines company, Orion New Zealand and is the Crown appointee to the board of Christchurch International Airport.

***John Harvey**

John is a director with considerable financial services experience. He has 35 years of professional experience, including 23 as a partner of PricewaterhouseCoopers. He was Managing Partner in Auckland for 8 years and retired in June 2009 to concentrate on directorships.

He is currently a director of a number of listed companies.

***Michelle Smith**

Michelle is a professional director who previously held senior positions with Goldman Sachs and Ernst and Young in London. She has extensive experience in banking, particularly risk management and transactional processing.

***John Duncan**

John was appointed Chief Executive of Perpetual Asset Management in August 2009. John has had a long and successful career with the diversified international banking, financial advisory and investment services provider Macquarie Group, where he rose to the position of Executive Director.

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