



25 June 2010

Torchlight – Media Release

Below is a media release made today by Torchlight Investment Group, the subsidiary of PGC that manages the Torchlight group of funds. PGC believes it is helpful for PGC shareholders and the market generally to have access to this media release through the NZX platform given that it clarifies the extent of PGC's investment in the Torchlight group of funds.

CW Hair
Company Secretary

Media Release Update – 25 June 2010

In response to speculation, Torchlight Managing Director, John Duncan, today confirmed that the \$100m loan it arranged for South Canterbury Finance was unaffected by the statutory management of certain business interests of Allan and Jean Hubbard.

PGC has contributed \$15m to Torchlight with the balance of the fund provided by third parties.

The loan to SCF was syndicated by Torchlight amongst co-investors.

Torchlight's investment, which has the approval of the Trustee and of the Crown under SCF's Crown guarantee deed, ranks ahead of debenture holders.

Torchlight is managed by Pyne Gould Corporation subsidiary Torchlight Investment Group. Torchlight was established to meet a market requirement to provide funding for distressed credit opportunities outside the normal banking environment.

Torchlight considers the funding facility an excellent investment for the Fund. "Our facility, being secured ahead of other charges under the Trust Deed, is particularly robust, and our investment is well secured and profitable".

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