

NOTICE OF ANNUAL MEETING

Notice is given that the Annual Meeting of Shareholders of DNZ Property Fund Limited (**DNZ** or the **Company**) is to be held as follows:

Date of meeting:

Wednesday 15 August 2012

Time:

Commencing at 10.00 am

Venue:

The Remuera Room
Ellerslie Racecourse
80-100 Ascot Avenue
Greenlane, Auckland

Last day for receipt of proxy forms:

10.00 am (New Zealand time) on Monday 13 August 2012.

BUSINESS

At the Annual Meeting there will be presentations detailing the performance of the Company for the year ended 31 March 2012. Shareholders will have an opportunity to question the Board on the Company's performance and to consider any other business that may be properly brought before the meeting. Shareholders will be asked to vote on three resolutions at the Annual Meeting as set out in the agenda.

AGENDA

- A. Chairman's address
- B. Chief Executive's review
- C. Financial statements

To receive and consider the annual report and audited financial statements for the year ended 31 March 2012.

- D. Ordinary Resolutions

To consider and, if thought fit, pass the following ordinary resolutions:

Resolution 1 – Appointment of auditor

That PricewaterhouseCoopers be appointed as auditor of the Company on such terms as to fees and expenses as are determined by the directors of the Company.

Resolution 2 – Appointment of director

That Michael Peter Stiassny be re-elected as a director of the Company pursuant to clause 20.3 of the Constitution.

Resolution 3 – Appointment of director

That David Gregory van Schaardenburg be re-elected as a director of the Company pursuant to clause 20.3 of the Constitution.

The Board recommends that you **vote in favour** of each of the above resolutions. The resolutions will be binding on the Board and Company if passed.

Please ensure that you read and consider the resolutions together with the Explanatory Notes.

- E. General business

Shareholders may submit written questions to be considered at the Annual Meeting. See the Explanatory Notes on the next page for further information.

PLEASE TURN OVER >

This Notice of Meeting is an important document and requires your immediate attention. It should be read in its entirety. It has been prepared to advise you of the forthcoming Meeting and assist you in understanding the Resolutions to be put to Shareholders for consideration at the Meeting. The Directors encourage you to read this Notice of Meeting and exercise your right to vote.

If you do not understand any part of this document or are in doubt as to how to deal with it, you should consult your broker or other professional adviser as soon as possible.

Please call DNZ on **0800 436 977** (within New Zealand) or +64 9 912 2690 (outside New Zealand) if you have any queries about the Resolutions or this Notice of Meeting.

EXPLANATORY NOTES

Resolution 1 – Appointment of auditor

On 6 September 2011, the Board appointed PricewaterhouseCoopers as auditor of the Company to fill the casual vacancy following the resignation of the Company's previous auditor, Staples Rodway. At the time of the announcement of this appointment DNZ advised that Shareholders would be asked to confirm PricewaterhouseCoopers as the Company's new auditor at the Annual Meeting. PricewaterhouseCoopers have conducted the audit, and issued their opinion, in respect of the consolidated financial statements of the Company and its subsidiary for the year ended 31 March 2012. PricewaterhouseCoopers has indicated its willingness to continue as the Company's auditor. Consistent with its September 2011 announcement and section 196(1) of the Companies Act 1993, the Board now seeks Shareholder approval to the appointment of PricewaterhouseCoopers as the auditor of the Company.

Section 197(a) of the Companies Act 1993 provides that the fees and expenses of the auditor are to be fixed in such a manner as the Company determines at the Annual Meeting. The Board proposes that, consistent with commercial practice, the auditor's fees should be fixed by the Directors. Authority for the Directors to fix the fees and expenses of the auditor is provided by a resolution passed at each Annual Meeting of Shareholders of the Company.

Resolutions 2 and 3 – Appointment of directors

In accordance with NZSX Listing Rule 3.3.11, one third of directors (or the number nearest to one third) must retire at each annual meeting, but shall be eligible for re-election at that meeting. The directors required to retire at the Annual Meeting are those directors who have been longest in office since their last election or deemed election. Michael Stiassny and David van Schaardenburg will retire in accordance with these provisions and each offers himself for re-election. The Board has determined that both Michael Stiassny and David van Schaardenburg are independent directors.

No nominations for persons for appointment to the Board were received by the Company by 18 June 2012, being the closing date for such nominations as advised to the market pursuant to NZSX Listing Rule 3.3.5, and subsequently no other person is eligible to be elected as a director at the Meeting.



Michael Stiassny

Michael Stiassny has widespread experience in all matters financial. Michael is the senior partner of KordaMentha in New Zealand – a chartered accountancy firm specialising in financial consulting work. He is currently Chairman of Vector Limited and The New Zealand Racing Board, as well as a director

of a number of public and private companies. Michael is a Fellow of Institute of Directors in New Zealand (Inc) (FinstD) and a Council Member of Institute of Directors in New Zealand Inc.



David van Schaardenburg

David van Schaardenburg is a Principal of the investment firm, New Zealand Funds Management. David has worked in financial analysis and portfolio management roles for 25 years including three years in London. From 1994 he directed FundsSource Limited, New Zealand's leading investment research

group and from 1997 was Chief Investment Officer at NZ Funds, overseeing the management of \$1 billion across a variety of asset classes. David has a Bachelor of Commerce from the University of Auckland and holds a Chartered Accountant (CA) designation from the NZ Institute of Chartered Accountants.

General Business

Shareholders may submit written questions to be considered at the Annual Meeting. Written questions should be sent by post to "AGM Questions", Investor Services, DNZ Property Fund Limited, PO Box 6320, Wellesley Street, Auckland 1141 or by email to investor@dnzproperty.com. DNZ reserves the right not to consider any written question that, in the Board's opinion, is not reasonable in the context of an annual meeting or any question received fewer than five working days prior to the Annual Meeting (i.e., after 7th August 2012).

PROCEDURAL NOTES

Attendance and voting rights: All Shareholders entitled to attend and vote at the Annual Meeting may appoint a proxy to attend and vote in their stead. The proxy need not be a Shareholder of the Company. A proxy form is enclosed with this Notice of Meeting, with the details of the process for appointing a proxy. A body corporate Shareholder may appoint a representative to attend the Annual Meeting on its behalf in the same manner as that in which it could appoint a proxy.

If you wish to appoint a proxy, the enclosed proxy form must be completed and lodged at the office of the Company's Registrar:

Computershare Investor Services Limited
Level 2, 159 Hurstmere Road,
Private Bag 92119,
Victoria Street West, Auckland 1142,

no later than 48 hours before the time set for the Annual Meeting, being no later than 10.00 am (New Zealand time) on Monday 13 August 2012.

Eligible Shareholders: For the purposes of the 2012 Annual Meeting, shares will be taken to be held by the persons who are registered as Shareholders at 5.00 pm on Tuesday 14 August 2012. Registered Shareholders at that time will be the only persons entitled to vote at the Annual Meeting and only the shares registered in those Shareholders' names may be voted at the Annual Meeting.

Ordinary resolutions: Each of resolutions 1, 2 and 3 will be passed if approved by ordinary resolution. An ordinary resolution means a resolution passed by a simple majority of the votes of those Shareholders of the Company entitled to vote and voting on the resolution.

Joint holders: Where two or more persons are registered as the holder of a share, the vote of the person named first in the share register and voting on the matter will be accepted to the exclusion of the votes of the other joint holders.

Registration: Shareholders attending the Annual Meeting are requested to allow sufficient time for registration formalities at entry to permit the meeting to commence promptly at 10.00 am.

By order of the Board of DNZ Property Fund Limited

A handwritten signature in black ink, appearing to read 'Tim Storey'.

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Tim Storey

Chairman

25 June 2012

¹ The Chairman, Tim Storey, is willing to act as proxy for any Shareholder who wishes to appoint him for that purpose.