

KING COUNTRY ELECTRIC POWER TRUST
Minutes of the Annual General Meeting of Consumer
Beneficiaries held in the Senior Citizens rooms, Morero Terrace,
Taumarunui, on Thursday 30th August 2007 at 3.30pm.

ATTENDANCE:

Mr B. Gurney (Chairman), Mr G. Cosford, Mr M. Turner, Mr D. Sanders and Mr I. Dougherty (Trustees), Mrs T. Stewart (Secretary), and thirty five consumer beneficiaries.

APOLOGY:

An apology was received from Mr J. Stubbs and Mrs N. Dougherty.

Resolved ***"That the apology of Mr J. Stubbs and Mrs N. Dougherty is received"***

K. Malcolm / M. Turner

The Chairman noted that Mr N. Sanders has passed away and held a moment of silence to acknowledge all his work both with the Trust and within the electricity industry.

MINUTES OF THE PREVIOUS MEETING

The Secretary read minutes of the meeting of 13th September 2006.

Resolved ***"That the minutes of the meeting of 13th September 2006 be confirmed as a true and correct record of the meeting"***

G. Cosford / M. Turner

CHAIRMAN'S REPORT

The Chairman tabled his report on the performance and activities of the Trust for the year; it was noted that the energy efficiency promotion was a success.

Resolved ***"That the Annual Report of the Chairman for the year ended 31st March 2007 is adopted"***

B. Gurney / B. Needham

The Chairman read the beneficiary newsletter to the meeting; this informed beneficiaries of activities that have taken place since the end of our financial year. The Trust has now completed the sale to WESCT of 15% of TLC and purchased their 8% holding in KCE plus a further 2% of KCE shares from other shareholders. At the KCE AGM, Todd Energy failed to support the reappointment of two independent directors Messrs Palmer and Stubbs; this was not supported by Trustees but never the less, left the Trust to act decisively to fill the two vacancies; on 21st August, the Trust resolved to nominate Messrs Gurney and Needham to the board of KCE.

FINANCIAL ACCOUNTS

The Secretary tabled the financial accounts. It was noted that Trust expenses had increased as a result of the Trust responding to Todd Energy's takeover bid for KCE by conducting an ownership review. The Chairman noted that there has been an incredible workload on Trustees and Secretary during the year; Trustees have attended up to thirty meetings instead of the usual ten per year. Mr I. Dougherty noted that we will be required to move to the international financial reporting standards for next year's financial reporting so there will be a huge change in our presentation next year.

Resolved ***"That the annual accounts presented for the year ended 31st March 2007 are adopted"***

D. Sanders / R. Jordan

AUDITOR

The Chairman noted that our auditors have provided excellent service this year and recommended that Sewell and Wilson be appointed auditors for the next year.

Resolved ***"That Sewell and Wilson be appointed auditors for the period from the conclusion of this meeting until the next annual meeting of beneficiaries"***

Resolved ***"That the Trustees be empowered to fix the fees and expenses of the auditor for the period of appointment"***

M. Turner / D. Sanders

GENERAL BUSINESS

The meeting held general discussion on various matters. The Chairman noted that there are two key issues we will be addressing as we move forward: as per our agreement with WESCT, we have the right to nominate a director to the board of TLC; our distribution policy to beneficiaries taking into consideration fairness, tax implications and timing.

It was noted that the Trust should officially recognise Messrs Palmer and Stubbs for their contribution to the KCE board.

Resolved ***"That KCEPT write to Messrs Palmer and Stubbs acknowledging their work on the KCE board"***

K. Malcolm / M. Turner

Mr I. Dougherty noted that Trustee elections are coming up in January 2008; three places will be up for re-election, one must be filled by an Ohakune candidate. Mr M. Turner noted that the Trust has endeavoured to look after the interests of local beneficiaries throughout the year and thanked Mrs T. Stewart, Secretary, for all her hard work.

CONCLUSION

The Chairman thanked all present for their attendance and participation in the meeting, declaring the meeting closed at 4.15pm.

Confirmed.....Chairman

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