

Wellington Regional Council
8 5 JUN 2003

CentrePort
Wellington

RECEIVED
M. Shields
DIRECTOR
11 JUN 2003
Sent to: 11 JUN 2003
M Shields

4 June 2003

Margaret Shields
Chairperson
Greater Wellington Regional Council
PO Box 11-646
Wellington

Dear Margaret

CentrePort Board Composition

The purpose of this letter is to raise a number of matters in relation to the composition of the CentrePort Board of Directors.

As you will be aware, the Company has accepted the resignation of Ken Harris as Chief Executive and Managing Director and is also currently looking at how best we should structure our property activity which may result in recommendations to shareholders for change at Board level.

I have written to you separately about arranging a discussion with both shareholders to discuss this and other strategic issues currently affecting the Port Company.

However, a more pressing matter is the upcoming resignation of Howard Stone as Council General Manager. I wish to pass onto you the CentrePort Board's view that it is important to the Port Company that Howard is able to complete his term as a non-executive director through until the 2004 AGM. At that stage any renewal of his role beyond 2004 should be reconsidered by all parties.

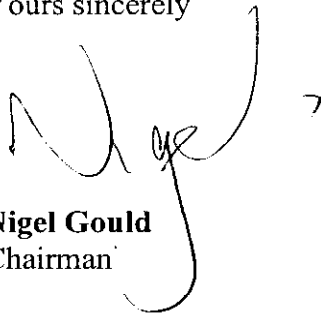
In making this request I note:

- (1) When Howard was originally appointed the shareholders readily acknowledged that the appointment was in respect of his experience and the contribution that he provided in ensuring an appropriate balance of capability around the Board table. Shareholders at that time acknowledged that the appointment was not directly linked to his responsibilities with your Council.

CentrePort Limited
PO Box 794
Wellington, New Zealand
Telephone +64 4 495 3300
Facsimile +64 4 495 3320
www.centreport.co.nz

- (2) We have, in the course of the past two years made two new appointments to the Board and I am now very comfortable that the collective skills and experience of the six non-executive directors provides a very good balance of capabilities.
- (3) The Port Company is currently at a very important stage in its development, now is not the time to be losing important intellectual capital at the Board level.
- (4) The Board has resolved that a new Chief Executive will not be appointed to the Board and accordingly we may recommend that a further non-executive appointment be made in due course.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Nigel Gould', with a large, sweeping flourish extending upwards and to the right.

Nigel Gould
Chairman