

16 March 2011

Dear Shareholder

DISTRIBUTION NOTICE

We are pleased to advise that the Pohutukawa Board has approved a distribution of **2.20 cents per share for payment on 18 March 2011**. The distribution comprises:

Portfolio Company	Total Distributed	Cents per share*
BioPacificVentures: Dividends (fully imputed)	\$430,617	0.81 cents
NZ King Salmon: Dividend (fully imputed)	\$260,825	0.49 cents
Stratex Group: Dividend (fully imputed)	\$157,204	0.30 cents
Triton Hearing: Dividend (fully imputed)	\$125,502	0.24 cents
Fishpond: Dividend (fully imputed)	\$11,315	0.02 cents
Express Logistics: Capital Return	<u>\$180,006</u>	<u>0.34 cents</u>
TOTAL	\$1,165,469	2.20 cents

(*Cents per Pohutukawa Share)

The record date for this distribution is 14 March 2011.

Pohutukawa shares are fully paid to \$1 per share. Pohutukawa has now distributed total net cash of 69.4 cents per share while the current net asset backing is around 78.6 cps before the 2.20 cents distribution.

Distribution Notes:

BioPacificVentures – (BPV)

Pohutukawa has a \$5.3 million (10%) investment commitment to BPV of which approximately 88% has been invested.

This is the first BPV distribution that Pohutukawa has paid out which relates to dividends paid to BPV from its investments in New Zealand Pharmaceuticals and New Zealand King Salmon. The distribution is fully imputed @ 30% and resident withholding tax has been deducted @ 3%.

New Zealand King Salmon

Stratex Group

Triton Hearing

Fishpond

Each of the portfolio companies has paid a dividend. These dividends are fully imputed @ 30% and resident withholding tax has been deducted @ 3%.

Express Logistics

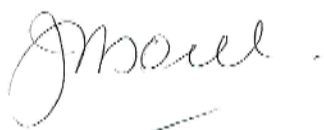
Express continues its voluntary winding up and will distribute additional surplus funds via a capital return totalling \$180,006 expected to be paid by 15 March 2011.

Full details of the distribution will be provided in the distribution summary issued by the Registry at the time of the distribution payment on 18 March 2011.

We are aiming to have Pohutukawa's 2010 Annual Report to you by late April 2011 and the annual shareholders meeting will be held on 17 May 2011.

Yours sincerely

POHUTUKAWA PRIVATE EQUITY LIMITED



JOHN MCDONALD

Chairman