

1 March 2012

CSN/Holder Number:

Dear Shareholder

Pohutukawa II Call Notice – payment due 2 April 2012

In early February we advised you of Pohutukawa II's recent investment activity including an investment in Hiway Group Limited, a further investment in Scales Corporation Limited (for its Turners and Growers share acquisition – please see the press release 17 February 2012 attached) and an expected follow-on investment in an existing portfolio company in the first quarter of this year.

We completed these investments using our remaining cash resources and drawing on our bank facility, requiring the need to make a further 10 cent call. Call notice details are provided below.

Call Notice

We now provide you with Notice of Call for 10 cents per share to be paid on or before 2 April 2012. Please send a copy of this Notice in the pre-paid envelope enclosed.

Enclose a cheque for immediate value drawn on a New Zealand bank, or bank draft in New Zealand currency, made payable to "**Pohutukawa Private Equity II Limited**".

OR

Have paid by direct credit to Link Market Services – Pohutukawa Private Equity
Bank Account: ANZ National Bank, Wellington Branch
Bank Account Number: 01-0505-0421433-19
and I have quoted my surname and CSN in the bank payment advice.

Your shareholding and call details are:

CSN/Holder Number	Holding of Partly Paid Shares	Call Amount per Share	Total Call Payment Due
		10 cents	\$

Your Pohutukawa II shares are currently paid to 37 cents per share with a commitment to meet the total subscription price of \$1 per share. Calls are subject to a 30-day call notice period. This 10 cent call will take your total capital payment to 47 cents per share. The Call will be applied to firstly repay our bank facility with the balance used for the further investment activity during 2012 and for ongoing working capital.

I ask you to read the terms of Investor Default on Call (overleaf) as contained in the Prospectus dated 21 November 2008, which you need to know, if for any reason you are unable to pay the Call.

If you have any queries relating to this Call, please contact Peter Lalor on 07 5774 727 or email to enquiries@pohutukawafund.co.nz.

We anticipate sending an annual report to you during April covering the 12 month financial reporting period to 31 December 2011. Our annual shareholders' meeting is scheduled to be held on Tuesday, 22 May 2012.

We thank you for your commitment to Pohutukawa.

Yours sincerely

Pohutukawa Private Equity II Limited



John McDonald
Chairman

**INVESTOR DEFAULT ON CALL
POHUTUKAWA PRIVATE EQUITY II
PROSPECTUS 21 NOVEMBER 2008**

If an Investor does not pay a call on committed funds on the due date the following consequences apply:

- The Investor will be liable to pay a default rate of interest on the amount that remains unpaid, at a rate of 4% per annum above the 90 day bank bill rate;
- The Board will give the Investor a further notice demanding payment after the date the notice is served;
- If the Investor fails to pay within 5 working days of such notice, the Board may resolve that the shares in respect of which payments have been called but are unpaid and the other partly paid Shares will be forfeited (forfeited shares);
- Pohutukawa II may (but is not obliged to) sell the forfeited shares. Pohutukawa II has no duty to the holder of the forfeited shares to seek a buyer for such shares or in respect of any consideration obtained, however any such consideration so received (less any costs of disposal) shall be returned to the holder of the forfeited shares; and
- Alternatively, Pohutukawa II may enforce the lien provided for in its constitution over all Shares held by the Investor and apply the proceeds towards the outstanding call and any interest on the outstanding call (with the Investor remaining liable for any shortfall after the sale or disposal of such Shares and any surplus proceeds of sale, less any costs of disposal, being returned to the Investor).

PRESS RELEASE
February 17, 2012

Scales Corporation Confirms Turners & Growers Stake

Scales has advised that it has completed the purchase of the 4.03% stake in Turners & Growers Limited (T&G) that it has held an option over since 22 December 2011. It has also purchased an additional 377,706 shares to lift the overall stake held in T&G to 10.3% (pre management options).

T&G is currently the subject of a takeover offer by German agricultural trading company, BayWa Aktiengesellschaft ("BayWa") which closes on March 7 2012.

Scales has reconfirmed its previously advised position that:

- It supports BayWa's proposed purchase of the controlling stake in T&G.
- Is supportive of T&G remaining listed on the New Zealand Stock Exchange with strong minority shareholder representation.
- Wants to work with T&G and Enza to identify efficiencies to improve returns to growers.
- Wants to explore opportunities for consolidation in the NZ apple industry.

Scales owns Mr Apple, New Zealand's largest integrated grower, packer and exporter of apples, which is also one of Enza's largest customers.

Andy Borland
Managing Director
Scales Corporation Limited
021 975 999