Pohutukawa

9 August 2010

Dear Shareholder

Pohutukawa II Call Notice - Due 8 September 2010

Further to our letter to you of 16 June 2010 outlining Pohutukawa II's investment in property services provider, Bayley Corporation Limited, and our intention to make a 10 cent call in August.

The Bayley's investment settled on 21 June 2010 utilising our bank credit line. The call monies, which are a capital contribution, will be applied to firstly clear this bank facility with the balance used for ongoing working capital.

Your Pohutukawa II shares are currently paid to 10 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.

We now provide you with Notice of Call for 10 cents per share to be paid on or before 8 September 2010. Please send a copy of this Notice with your cheque made out to Pohutukawa Private Equity II Limited in the pre-paid envelope enclosed to:

The Registrar
Pohutukawa Private Equity
Link Market Services Limited
PO Box 384
ASHBURTON, 7740

Set out below is the Call Notice as it affects your specific shareholding.

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 the Call, please contact Peter Lalor on 07 5774 727 or email to enquiries@pohutukawafund.co.nz.

We anticipate sending an interim report to you during September covering the 6 month financial report ending 30 June and also comment on the performance of the individual portfolio companies.

Thank you for your continued support

Yours sincerely
Pohutukawa Private Equity II Limited

John McDonald
Chairman

Shareholder No.	Holding of Partly Paid Shares	Call Amount per share	Total Call Payment Due
		10 cents	$

Pohutukawa Private Equity II Limited
PO Box 13155, Tauranga
Phone: (07) 5774 727 Fax: (07) 928 6443

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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).**

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