

Turners & Growers Limited – Distribution Plan

Dear Shareholder,

As you may be aware, the Board of Directors of Turners & Growers Limited (“**T&G**”) has adopted a new Distribution Plan (“**Plan**”) that alters the manner in which shareholders receive distributions from the company.

Under the Plan, shareholders will now receive distributions in respect of their shares in the form of bonus fully paid ordinary shares (“**Bonus Shares**”), together with an offer from T&G to buy back those Bonus Shares for cash. Shareholders who accept the buy back offer will receive a cash sum equal to the issue price of the Bonus Shares (less any applicable withholding tax). The new Plan is similar to the one introduced in 2008, however any bonus shares repurchased by T&G will be treated as a non-imputed dividend and withholding taxes will apply.

Full details of the Plan are set out in the document **enclosed**, including the mechanism for determining the number of Bonus Shares to be issued and the nature and terms of the buy back offer by T&G.

The first distribution to shareholders under the Plan has been declared by the Board at:

- 10 cents per share;
- payable to all shareholders on the register at the record date of 5pm on **19 April 2010**;
- with the bonus shares being allotted (and bought back by T&G if the shareholder so elects) on **26 April 2010**.

What are the reasons for the Plan being implemented?

The Board has decided to implement the Plan:

- (a) For capital management purposes, including a reduction in the amount of net cash outflow and maintenance of T&G’s equity base. Retention of cash will enable T&G to continue to pursue its strategy of growth and acquisition.
- (b) To provide a structure which accommodates the requirements of both shareholders who wish to retain their share of profits as an investment in T&G and shareholders who wish to receive their share of profits in cash.

What has happened to the previous Dividend Reinvestment Plan?

The Dividend Reinvestment Plan has been suspended while the Plan is in operation.

What are Bonus Shares?

The Bonus Shares are fully paid ordinary shares ranking equally with all other T&G ordinary shares on issue.

Who is eligible to receive Bonus Shares?

All shareholders who are recorded on the T&G share register, at 5pm on **19 April 2010** (“**Record Date**”), will receive Bonus Shares.

What do I need to do if I wish to retain my Bonus Shares?

All shareholders will automatically receive Bonus Shares. Therefore, you do not need to do anything to retain your Bonus Shares.

What do I need to do if I wish to sell my Bonus Shares under the T&G buy back offer?

If you wish to participate in the T&G buy back offer you will need to complete and return the enclosed Bonus Share Buy Back Offer Acceptance Notice by 5pm on **22 April** 2010.

On the Acceptance Notice you should nominate the percentage of Bonus Shares that you wish T&G to acquire. The number of Bonus Shares nominated will be acquired by T&G for cash at an amount equal to the issue price of those Bonus Shares (less any applicable withholding tax), which for New Zealand tax purposes is deemed to be a dividend. No imputation credits will attach to that dividend. The cash proceeds (less any applicable withholding tax) will be paid on the same day as the Bonus Shares are issued, being **26 April** 2010.

What happens if I am an 'Overseas Shareholder'?

Those shareholders who have an overseas address recorded on the share register ("Overseas Shareholder") will have their Bonus Shares issued to a nominee on their behalf. That nominee will elect to have all of the Bonus Shares issued to them bought back by T&G, and you will be paid cash at an amount equal to the issue price of those Bonus Shares (less any applicable withholding tax). The cash proceeds will also be paid on **Monday 26 April** 2010.

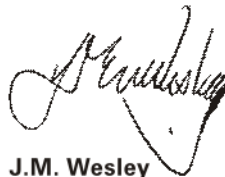
If you have any questions regarding the Plan please contact:

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Yours sincerely



A.I. (Tony) Gibbs
Chairman



J.M. Wesley
Managing Director