



NEWS RELEASE

13 January 2010

EASTERN BAY ENERGY TRUST SEEKS BENEFICIARIES' APPROVAL FOR HORIZON ENERGY TAKEOVER OFFER

Horizon Energy Distribution Limited's majority shareholder, Eastern Bay Energy Trust, said today it would be polling consumer beneficiaries to attain their approval for a full takeover of Horizon.

The trust today announced its intention to make an offer for all the shares in Horizon Energy Distribution Limited that it does not already own. The trust currently holds 77.3% of the shares in Horizon, which is listed on the NZSX.

Trust chairman David Bulley said: "Under the trust deed, the trust is required to poll the consumer beneficiaries in the Horizon distribution network area in order to make the acquisition and this process will begin immediately, with a view to approval being gained so that the offer can be made within a month of the notice being given. Consumer beneficiaries will be receiving their voting papers very soon and have until Friday 5 February to respond."

He said that a simple majority of votes cast, in excess of 50% support, was necessary for the offer to proceed.

Mr Bulley reiterated that, given a recent partial takeover offer and the possibility of other offers emerging, it was important that local ownership of what was a strategic local infrastructure asset was secured. This would protect local jobs and mean the retention of the local headquarters.

There would also be savings as a result of Horizon being delisted from the NZSX.

The trust was confident that Horizon would remain an excellent investment.

Eastern Bay Energy Trust intends to offer minority shareholders \$4 per share.

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