



25 August 2017

Dear Shareholder

New Zealand Social Infrastructure Fund Limited Call Notice

In the annual report issued in July, we indicated that the final call of 16 cents per share (cps) would be due in September 2017. This call is going towards the equity funding of construction costs for Auckland Prison, New Zealand Schools 2 and Stage 2 of the Wollongong University Student Accommodation, all of which are now well advanced.

We now provide you with 20 business day’s notice for a capital call of 16 cps which is due for payment on or before 21 September 2017.

Your NZSIF shares are currently paid to 84 cps with a commitment to meet the balance of the subscription price of \$1 per share. Payment of this final 16 cps call will mean you have paid the full \$1 subscription price, and net of the 2.8 cps returned in 2012, you will have 97.2 cps invested.

Call payment details

The total of your call payment is shown below. Payment can be made online direct to the Registry’s bank account, or by cheque.

Online payment by direct credit

Please credit your call payment detailed below to the bank account of:

Computershare Investor Services Limited 02 0192 0158987 **02**

Payments must quote the Deposit Reference, Name and Date of Payment as shown below to ensure the payment is identified.

<i>Deposit Reference (CSN number)</i>	<i>Name</i>	<i>Date of Payment</i>

Payment by cheque

Please send a copy of this notice with your cheque made out to New Zealand Social Infrastructure Fund Limited in the pre-paid envelope enclosed to:

*The Registrar
 New Zealand Social Infrastructure Fund Limited
 Computershare Investor Services Limited
 Private Bag 92119
 AUCKLAND 1142*

Below is the Call Notice as it affects your specific shareholding.

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

Annual Shareholder Meeting Update

The annual shareholders meeting was held in Auckland on 16 August 2017. Our Investment Managers provided an update on construction progress and an outlook for fund valuation and distributions. A copy of the Chairman's and Investment Manager's presentation is available on the NZSIF website www.nzsif.co.nz/Investor-Information/Shareholder-Notices.

- Melbourne Exhibition Centre expansion – progressing well and should be delivered in early 2018
- NZ Schools 2 – of the four schools only one, Wakatipu High School remains to be completed and is expected to open in time for term one 2018
- Auckland Prison progress has been slow and is now expected to be delivered in the first quarter of 2018, rather than December 2017
- University of Wollongong Student Accommodation making very good progress and expected to be delivered in October 2017, ahead of the original target delivery date of December 2017
- Based on the PIP Fund's forecasts, we anticipate the next distribution will be approximately 1.0 cps in the March 2018 quarter. With all investments operational by the second quarter of 2018, NZSIF distributions are expected to be 6-7 cents per annum pre-tax for the FY 2019 onwards. The valuations for the assets that have completed construction are also expected to increase in FY 2018.

I ask you to read the terms of Investor Default on Call (set out below) as contained in the Prospectus & Investment Statement dated 12 March 2010, which you need to be aware of, if for any reason you are unable to pay the Call.

If you have any queries relating to the Call payment, please contact Peter Lalor on 07 927 7927 or email to enquiries@nzsif.co.nz.

Thank you for your continued support.

Yours faithfully

New Zealand Social Infrastructure Fund Limited



Kim Ellis
Chairman

INVESTOR DEFAULT ON CALL

**New Zealand Social Infrastructure Fund Limited
Investment Statement & Prospectus dated 12 March 2010**

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 5% 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);
- NZSIF may (but is not obliged to) sell the forfeited shares. NZSIF 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, NZSIF 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).