NZSIF

New Zealand Social Infrastructure Fund Limited
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19 August 2010

Dear Shareholder

New Zealand Social Infrastructure Fund Limited Call Notice
Due 16 September 2010

The Board is pleased to announce the first investment for the New Zealand Social Infrastructure Fund (NZSIF) through the Public Infrastructure Partners LP Fund - the "PIP Fund".

In order to make this significant first-up investment we need to make a capital call of 20 cents per share (cps) and this letter serves the required 20 business day notice for this call.

Note your NZSIF shares are currently paid to 10 cps (on subscription) with a commitment to meet the total subscription price of $1 per share. Payment of this 20 cent call will mean you have paid 30 cents of the $1 subscription price.

Call

This call notice is for an amount of 20 cps to be paid on or before 16 September 2010.

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
		20 cents	$

The Investment

The PIP Fund's first investment is the Melbourne Convention & Exhibition Centre PPP*, (MCEC). (*Public Private Partnership)

The PIP Fund investment is for AU$31m (NZ$39m) comprising a 49.9% Ordinary Equity stake along with an investment in Preferred Equity. The PIP Fund will have appropriate governance rights and board representation. The PIP Fund's investment in the MCEC is subject to approval by the State of Victoria and the Foreign Investment Review Board.

NZSIF will initially hold approximately 28.4% of the PIP Fund's stake. This will represent approximately 27% of NZSIF capital invested at this time, although these ratios are likely to reduce as the PIP Fund completes its planned capital raising by 31 October 2010.

The MCEC investment is an established operational PPP asset, which mitigates the usual development risks (e.g. construction cost overruns)

- **Key MCEC facts:**
    - **Melbourne Convention Centre**
        - **A 5,000 seat hall, meeting and banquet rooms, six-star Green Star rated building**
    - **Melbourne Exhibition Centre**
        - **A pre-existing 30,000m^2 facility adjacent to the Melbourne Convention Centre**
    - **Concession runs for 25 years from Jan 2009 to 2034, with the State of Victoria as counterparty**

- **The PPP included construction of the Convention Centre (completed in 2009) and operation/maintenance of the Convention Centre and the adjacent pre-existing Exhibition Centre.**

The NZSIF Board considers the MCEC investment an ideal first investment for NZSIF.

- **The underlying revenue streams are highly secure being based on availability of the facility not event volumes or patronage;**

- **The asset is constructed and operating;**

- **While the MCEC is an Australian based asset rather than a New Zealand investment, opportunities for NZSIF in New Zealand remain infrequent at this time and this asset presents a very good opportunity. The NZSIF Board intends to maintain a preference for suitable investments in NZ as those opportunities arise.**

The Advisory Committee of the PIP Fund decided that the investment was sufficiently attractive to marginally exceed the concentration limit of 25% set out in the Limited Partnership Agreement for a short period. As further investors enter the PIP Fund between now and when it closes for subscription on 31 October 2010, this is expected to reduce the concentration factor below the 25% limit.

The indicative return on this asset is consistent with the Investment Manager's targets for an operational PPP asset with this risk profile. The investment is expected to generate positive cash flows from the outset. This is considered to be a lower risk social infrastructure investment with many positives apparent and the NZSIF Board was very supportive of this first deal.

As part of the media release announcing the investment the PIP Fund has provided a two-page question and answer sheet, a copy of which is attached to this notice for your further information.

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 5774 727 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).