

3 September 2020

Murray, Geoff

Thank you for your time last week taking the Trustees through the term sheet in regards to the convertible note proposed, as we have already communicated the trustees have agreed to the proposal in principle with one condition.

We understand RAL has significant financial challenges due the COVID 19 circumstances and 2019 outturn due to a poor ski season and that the company has had to seek external funds to progress urgent maintenance at Turoa.

The trustees understand that if NewCo was to progress there is not likely to be a Trustee arrangement required, to that end the trustees would like to communicate a number of principles that should be understood by the RAL and NewCO boards if any transaction proceeds.

- The constitution of NewCo should include the requirement to preserve skiing and other forms of recreation on the Maunga
- There should be complete transparency with shareholders around this transaction at the appropriate time
- A shareholder vote is required around any transaction
- Life Pass benefits and should be preserved in NewCo and where possible any future transaction
- Staff should be protected in any transaction
- Any equity introduced should be at fair value

We are cognisant of the amount of time you and the board have put into progressing this funds injection and appreciate the effort and challenges required to get the transaction to this point.

Thank you for your communication on this matter and as always we are open to discuss further.

Regards

Tomas Huppert
RAL Trustee chair