

Monday, May 16, 2022

Kia ora shareholders,

In the lead up to the Annual Shareholder Meeting (ASM) that is occurring at the Tūroa Ski Area, online and via telephone on Saturday 28th May we thought we would touch base on the following:

- Several questions that we have received since sending out the Notice of Meeting (NOM)
- An update from the Trustees of the RAL Trust
- Three further shareholder resolutions to be put forward at the ASM

As there are three further resolutions to vote on at the ASM, LINK Market Services will update the online voting and send an updated proxy/voting form later this week. The Notice of meeting has been updated on our website [here](#).

We hope that you join us for the ASM later this month.

Jessie Watling



Chief Financial Officer and Company Secretary
companysecretary@mtruapehu.com

Questions

As we have received several questions since sending out the Notice of Meeting, we thought it would be beneficial to provide clarification for all shareholders.

1. How many Directors are being appointed?

There are currently six Directors on the Board and in accordance with the Constitution, Geoff Taylor and John Foley have retired by rotation and are seeking reappointment.

In addition to the above Directors retiring by rotation, Robert Eller and Sam Clarkson have been nominated for appointment.

There are four candidates being put forward for only two Board positions. The Company's Constitution specifies that the number of Directors shall be not less than four nor more than six.

2. What can the Trust vote on?

The Trust can vote on all resolutions except for the resolutions relating to the Takeovers Code exemptions (resolution 6, 7 and 8).

3. Has the Board received a legal opinion on the Takeovers Code exemption?

Heimsath Alexander has been engaged throughout the process of RAL working through the Takeovers Code breaches and subsequent exemptions. We have attached their response in relation to the Takeovers Code and shareholder allegations.

10 May 2022

Board of Directors
Ruapehu Alpine Lifts Limited
Bruce Road
Whakapapa
MT RUAPEHU 3951

By Email:
companysecretary@mtruapehu.com

TAKEOVERS CODE RESPONSES TO SHAREHOLDER ALLEGATIONS

1. Introduction

- 1.1 In section 2 below, we respond with our view on the merits of the "Analysis of the Takeovers Code" (attached) prepared by, and we understand made available to shareholders of Ruapehu Alpine Lifts Limited (**RAL**) by fellow shareholders, Messrs Krebs and Eller.
- 1.2 The "Analysis" warns shareholders to "beware of approving the Takeover Exemption" – a reference to the exemptions granted to the Ruapehu Alpines Lift Trust (**Trust**) by the NZ Takeovers Panel in relation to historic breaches of the Takeovers Code. The exemptions lapse if not approved by the shareholders of RAL.
- 1.3 The Code which applies to companies with more than 50 shareholders, and which results in the need to comply with the Code, came into force in 2001, nearly 50 years after RAL was incorporated. RAL being in the nature of an incorporated society and philanthropic was not policy target of the Panel's Code, but being a company was captured for those purposes from 2001.
- 1.4 The increase in the Trust's shareholding, which represented a breach of the Code, arose from actions taken by RAL and not the Trust itself, at times when neither RAL nor the Trust, nor any of the shareholders were aware that the Takeovers Code applied to RAL.

2. Responses to the "Analysis"

- 2.1 The assertion made in the "Analysis" that shareholder approval of the exemptions removes the protections provided by the Takeovers Act and the Code is not correct.
- 2.2 Additionally, the "Analysis" submits that the Trust's increased shareholding over 45%, and in particular any increase over 55% means that the Trust has the voting power to "enable" a takeover. Whilst a large shareholding may be an advantage in a takeover bid, the making of a takeover offer (its "enabling") is not dependent on voting power held by a shareholder.
- 2.3 Any shareholder, and even a third party with no shareholding, may "enable" a takeover by making a takeover offer. Importantly, and reinforcing the point made in para 2.1, above, any

takeover offer, at whatever level of shareholding held by a bidder is subject to the rules and protections provided by the Code. A takeover offer once made is dependent for its success on its acceptance by shareholders, not the voting power of the bidder.

- 2.4 Relevantly, we are advised that the Trust (for whom we do not act) has no intention to, and has never held any intention to make a takeover offer for RAL. This point is made clear in the commentary accompanying the 2021 Annual Report.
- 2.5 Finally, we record that, in our view, due to the express and implied terms of the Deed establishing the Trust, it has no power at law either to accept a takeover offer made by a third party, or on its own initiative to make a takeover offer, and further it would be a breach of the duties of the Trustees to do so. This constraint addresses the concerns which shareholders otherwise might hold arising from the "Analysis".
- 2.6 Ironically, the increase of the Trust's shareholding from 45% to 55%, acquired passively as a consequence of the forfeiture of shares in 2019, has strengthened the intention of the original trustees in establishing the Trust, to ensure that the Trust possessed a holding sufficient to thwart any third party bid to takeover RAL.

3. **Conclusion**

- 3.1 In our view, RAL shareholders should have no concerns in approving the exemptions granted by the Takeovers Panel:
- (a) The shareholding of the Trust whether at 45% or 55% does not encourage a takeover offer for RAL.
 - (b) The assertion that shareholder approval of the exemptions removes the Code protections afforded to RAL shareholders and as a consequence exposes RAL to a takeover is not correct.
 - (c) As it has a lack of powers to do so, the Trust is not permitted to either:
 - (i) initiate a takeover itself; or
 - (ii) accept a takeover offer from a third party.

Yours faithfully
HEIMSATH ALEXANDER



DAVID O. JONES
Special Counsel

Direct Line: 021 630 815

Email: doj@halaw.co.nz

**RAL RISK MONITORING ASSESSEMENT PROGRAM – ANALYAIS OF THE TAKEOVER CODE
(RUAPEHU ALPINE LIFTS LIMITED) EXEMPTION NOTICE 2022**

RAL Trust has breached the Takeovers code rule 6 (1) due to increasing its original shareholding from 45% to 55%. This is due to the following:

- **Forfeiture by RAL of 4,277 shares on 31 July 2019**
- **Share acquisitions (approximately 54 shares between 2005 and 2015 per takeover exemption notice)**

RAL Trust hold 10,062 shares out of total of 18,241 shares per slide 18 of the RAL 26th November 2021 presentation

RAL Directors could have re-issued the 4,277 forfeited shares to avoid the RAL Trust being in breach of the Takeovers code.

- **Re-issuing forfeited shares to Life Pass holders would have been the logical option to prevent a breach!**
- **What are the RAL Trustees thinking? The mandate of their Trust deed is to prevent a takeover of RAL, not to encourage one by allowing their voting power to grow beyond their 45% holding!**

Takeovers code Rule 6 (1) (a)

20% or more of the voting rights in a code company **may not** become the **holder or controller** of an **increased percentage of the voting rights in the code company.**

Takeover Code (Ruapehu Alpine Lifts Limited) Exemption Notice 2022 was issued on the 27th January 2022

- This notice will exempt the RAL Trust from their breach of the takeovers code
- The exemption is conditional on **approval by majority of shareholders (excluding the RAL Trustees) on or before 31 May 2022**

Shareholders BEWARE OF APPROVING THE TAKEOVER EXEMPTION!

KEY RISKS AND DANGERS IF SHAREHOLDERS VOTE TO APPROVE THE TAKEOVER EXPEMPTION NOTICE:

RAL Trust are holding over 50% of the shareholding of RAL. If this exemption were to be approved, then there is an inherent risk that the RAL Trust could technically force a takeover to buyout existing RAL Shareholders

- Shareholders by approving the exemption would have removed the protections provided for in the Takeovers act 1993 and Takeover's regulation 2000

This would mean the following:

- **The RAL Trust can maintain and grow its 55% shareholding** (Legally should be 45% Shareholding), therefore have **voting power to enable a takeover.** This significantly **undermines the voting rights of A, B, & C Shareholders**
- **5% shareholding growth creep** is permitted each year over a **12-month period.** This means the RAL Trust can continue to grow its shareholding above its 55% and **gain further control of RAL**

Recommendation: RAL Shareholders should **vote NO!** against the Takeover exemption. Request that the **Directors re-issue shares to Life Pass holders** until the **Trust shareholding returns to its original 45%.** This will best protect shareholder rights to preserve RAL in its current form as philanthropic crowd funded business model - 69 years of success and counting!

4. How will the Chair vote on discretionary proxies received?

We want to clarify that the Chair will vote as follows for any discretionary proxies received:

Resolution	Vote
01 Re-elect Geoff Taylor to the Board of Directors	Abstain
02 Re-elect John Foley to the Board of Directors	Yes
03 Elect Sam Clarkson to the Board of Directors	No
04 Elect Robert Eller to the Board of Directors	No
05 Reappoint Deloitte as the auditor and determine remuneration	Yes
06 Approve past acquisitions of shares by the Ruapehu Alpine Lifts Trust (the "Trust")	Yes
07 Approve the increase in the Trust's control percentage of voting securities following the 2019 forfeiture of shares	Yes
08 Approve of historic changes in the Trustees of the Trust	Yes
09 Approve the restructure of the Assets and Business of the Company	Yes
10 Approve the cost of legal advice sought by the RAL Trust to be funded by the Company and to report on it annually.	Yes
11 Disclose the details of the Convertible Note as referenced in the letter of support by the RAL Trustees	No
12 That the Directors issue shares to Life Pass Holders until the RAL Trust shareholding returns to its original 45%	No
13 That the Directors issue shares under Regulation 7 of the RAL Constitution and amendments, until the RAL Trust shareholding returns to its original 45.5% AND that these shares be issued for a minimum share price of \$250 each and carry 1 vote, AND under Regulation 7.1 that these shares shall also be offered to all RAL Life Pass Holders	No
14 That the Directors advise what action they have taken in the last 24 months to refinance or restructure the short term ANZ debt with a long term facility or with another more committed lender. That the Directors advise when they will issue another round of Life Pass Sales.	No
15 That the Directors of RAL provide to all shareholders and Life Pass Holders, the alternative report dated 9 November 2021 titled Ruapehu Alpine Lifts Limited Financial and Operational Risk Monitoring Assessment Program by a Group of Shareholders and Life Pass Holders.	No
16 That this meeting complies fully with section 5.1(b) of Schedule 1 of the Ruapehu Alpine Lifts Limited Constitution or be adjourned.	No
17 That the "Special Resolution – Restructure of the Assets and Business of the Company" be delayed until the Directors provide full transparency as to how the rights.	No
18 That the RAL Directors issue the latest version of the Alternative report dates 9th May 2022 to shareholders and that the RAL Directors present monthly Profit and Loss Statements, Balance Sheet and Cash flow on the Ruapehu Alpine Lifts Entity and/or any other Subsidiaries Companies for which Ruapehu Alpine Lifts Holds ownership in.	No
19 As an Ordinary Resolution – That the RAL Directors lodge a complaint to the Banking Ombudsman for the actions the ANZ Bank have taken to restructure their debt 100% short.	No

5. Do all classes of shares have the same voting rights?

Yes, all classes of shares (A, B, C and D shares) have the same voting rights where one share equals one vote.

6. Why has the information around the legal structure and Constitution of the New Entity (resolution 9) not been provided?

As outlined in the explanatory notes to resolution 9 the Company is seeking approval to transfer all business assets, debts and obligations into a new entity that will be 100% owned by RAL. So, the transfer of all business assets, debts and obligations into this entity will mean the current positions of shareholders, creditors and staff remains the same.

If, we then have an offer to invest in the New Entity we will then go through a separate and normal process of seeking shareholder approval. That approval would include the legal structure and constitutional documents supporting the transaction.

7. When will the outcome of the votes at the ASM be announced?

The outcome of the polls on each resolution will be announced after the meeting via email and/or post to all shareholders once all votes are tallied.

8. How do I vote by proxy / online in advance of the meeting?

Using link provided in email - You would have received an email tailored to your individual shareholding. This includes an individualized link (as your shareholder name) in the section 'Ways to Vote'

Ways to Vote

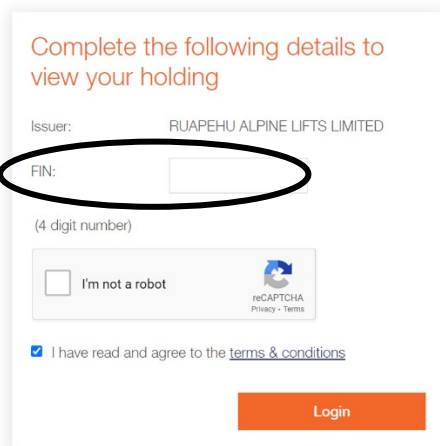
You may vote in the following ways:

1. Click on the Shareholder link below and enter your PIN for secure access:

[SHAREHOLDER NAME \(also link to vote / lodge proxy\)](#)

Your PIN is: XXXX

Select your 'Shareholder Name' and will open a window that looks like the following, enter your 'PIN' from the email in the 'FIN' section




Complete the following details to view your holding

Issuer: RUAPEHU ALPINE LIFTS LIMITED

FIN:

(4 digit number)

I'm not a robot 

I have read and agree to the [terms & conditions](#)

Login

Use the link on the proxy form - Use the following link:

<https://investorcentre.linkmarketservices.co.nz/voting/RALL> (also on top right of your proxy form)



SHAREHOLDER
NAME
SHAREHOLDER
ADDRESS

LODGE YOUR PROXY

Online:
<https://investorcentre.linkmarketservices.co.nz/voting/RALL>

Scan & email:
meetings@linkmarketservices.com

Deliver:
Link Market Services
Level 30, PwC Tower,
15 Customs Street West, Auckland 1010

Mail:
Use the reply paid
envelope or address to:
Link Market Services
PO Box 91976
Auckland 1142

Scan this QR code with your smartphone and vote online

This will open a window that looks like the following, enter your Shareholder Number and PIN from the email (or postal form). Note your shareholder number will start with an R e.g. R123456

Single Holding
View single holding by entering all your details.

Issuer: RUAPEHU ALPINE LIFTS LIMITED

Holder Number [input field]

PIN [input field]
(4 digit number)

I'm not a robot

I have read and agree to the [terms & conditions](#)

reCAPTCHA Privacy - Terms

Login

Once logged in you will see the following window. To vote in advance of the meeting OR to lodge a proxy you will need to select 'Vote' under 'Action'. If you want to submit questions for the meeting you can select 'Ask Question'

Voting

View: RALL SHAREHOLDER NAME

All upcoming meetings are displayed below. If an issuer is not displayed it does not have a current meeting. Some issuers do not provide online voting. Please note that votes lodged through the registrar manually may take up to 5 business days to appear.

Issuer	CSN/HRN	Meeting Name	Close Date	Notice of Meeting	Annual Report	Status	Action
RALL	Shareholder Number	ANNUAL SHAREHOLDER MEETING	26/05/2022	Download	Download	No Instructions	Vote Ask Question

Viewing 1 - 1 of 1

Once you select 'Vote' you will need to complete a declaration:

Voting



Meeting name:	RUAPEHU ALPINE LIFTS LIMITED - ANNUAL SHAREHOLDER MEETING		
Holder:	SHAREHOLDER NAME		
Meeting on:	28/05/2022 10:30 a.m.	Venue name:	UPSTAIRS IN THE ALPINE CAFÉ AT THE TŪROA SKI AREA
Cut-off date:	26/05/2022 10:30 a.m.	Address:	OHAKUNE MOUNTAIN ROAD MT RUAPEHU

Declaration

I/we agree that the holder validation information inserted by me/us on this website constitutes my/our signature for the purposes of authenticating my/our voting instructions under the appropriate authority.

You will then select whether you want to lodge a full, or partial vote and select 'Next':

Voting



Meeting name:	RUAPEHU ALPINE LIFTS LIMITED - ANNUAL SHAREHOLDER MEETING
Holder:	SHAREHOLDER NAME

Voting Type

Select whether you would like to lodge a full, or a partial vote

- I/We wish to vote ALL my/our securities on each resolution.
- I/We wish to specify the number of votes to be voted on for each resolution.

You will then get the option to vote for, against or abstain from all of the resolutions. If you leave these open then your appointed proxy will vote at his/her discretion (note you can appoint your proxy following this step). Select 'Next' once you have completed your votes.

Voting



Meeting name:	RUAPEHU ALPINE LIFTS LIMITED - ANNUAL SHAREHOLDER MEETING
Holder:	SHAREHOLDER NAME

Voting Directions

Your Vote: If you vote "OPEN" below, your appointed proxy will vote solely at his/her discretion.

Resolutions	For	Against	Abstain	Open
01 RE-ELECT GEOFF TAYLOR TO THE BOARD OF DIRECTORS.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
02 RE-ELECT JOHN FOLEY TO THE BOARD OF DIRECTORS.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

To submit a proxy, you can nominate them in the following view. You can select the Chair:

Meeting name: RUAPEHU ALPINE LIFTS LIMITED - ANNUAL SHAREHOLDER MEETING
Holder: SHAREHOLDER NAME

Proxy Appointment

- I/We wish to appoint the **CHAIR OF THE MEETING**.
- I/We wish to appoint another person to vote on my/our behalf at the meeting.

If you wish to appoint a second proxy holder please [contact us](#).

I/We appoint the nominated proxy holder stated above to act as my/our proxy, and vote on my/our behalf.
Or you can select another Director, a body corporate or individual.

Proxy Appointment

- I/We wish to appoint the **CHAIR OF THE MEETING**.
- I/We wish to appoint another person to vote on my/our behalf at the meeting.

You may appoint a proxy holder by either selecting a predefined proxy holder, or by entering the proxy holder's name or company name.

Select from either one of the pre-defined proxy holders below

- TERRENCE JAMES ALLEN
- ZOE NADIA DRYDEN
- JOHN AUSTIN FOLEY
- CHRISTOPHER GRANT SWASBROOK
- GEOFFREY DOUGLAS TAYLOR
- JAMIE GRANT DANIEL TUUTA

Or nominate alternate proxy holder

- Body Corporate Individual

First Name:

Last Name:

If you wish to appoint a second proxy holder please contact us.

I/We appoint the nominated proxy holder stated above to act as my/our proxy, and vote on my/our behalf.

Once selected (and once you've provided the relevant details if applicable) select 'next'. You will then need to confirm that you're comfortable in submitting your vote and / or proxy.



Nominating a proxy via post or email

You can also complete the proxy form that was attached to the email or sent via post and scan this back to the Company at companysecretary@mtruapehu.com or LINK Market Services at meetings@linkmarketservices.com

Alternatively, you can send this via post to:

Attn Company Secretary
Ruapehu Alpine Lifts Limited
Private Bag 71902
Mt Ruapehu 3951

Or
LINK Market Services
PO Box 91976
Auckland 1142



Update from the Trustees of the RAL Trust

The Trustees of the RAL Trust are seeking your support for resolutions 6, 7 and 8 at the ASM on 28 May 2022 which come about after recent rulings by the Takeovers Panel in relation to the cancellation of a number of RAL shares and the subsequent increase in the percentage of shares in RAL owned by the trust. As you may be aware the RAL Trust was formed in 1983 in order to block a potential takeover of RAL. At the time the trust purchased 10,000 class D shares which the Trustees paid for themselves and which represented approximately 45% of the shares in RAL and gave the trust the ability to effectively block any resolutions that were not considered by the trustees to be in the best interests of skiers and the company. The Trustees cannot personally benefit from their shareholding nor receive any compensation or be reimbursed for any costs incurred in running the Trust. [for details of the trust www.mtruapehu.com then go to Our Company and Annual Reports]

Resolution 6 concerns a small number of shares that have over the years has been gifted to the trust by existing shareholders and this increased the trusts shareholding by a very small percentage. The company has been advised by the Takeovers Panel that these shares should not have been gifted to the Trust without the approval of shareholders and resolution number 6 is seeking your approval for this after the event as recommended by the Takeovers Panel.

Resolution 7 concerns a larger increase in the percentage of shares held by the trust (not an increase in the number of shares held by the Trust) as a result of the recent process undertaken by the company to cancel a number of shares held by shareholders who were no longer able to be traced. An unintended consequence of this was that the percentage of the Trusts shareholding has increased to 55%. This was not the intention and as the Trusts constitution prevents it from selling any of its shares the Trust has asked the company to seek a solution that will return the Trusts effective shareholding to 45%. We expect that the board will update shareholders on this at the meeting. In the meantime, however, the Takeovers Panel has recommended that the company seek shareholders' approval for the increase in the Trusts percentage of shares controlled. The trust would like to point out to shareholders that the increase in the trust shareholding percentage from 45 to 55% does not change the effective voting power of the trust who had an effective majority prior to the cancellation of shares in the company in any event. It has been stated by some that the increase would allow the trust to take over the company which is simply not true. Regardless of whether the trust has a 45% or 55% shareholding in RAL it cannot force a takeover by itself or a third party and has no desire for this to happen. We ask that you support this resolution to ensure compliance with the Takeovers Panel recommendation and stress that the Trust intends its shareholding to be reduced to 45% as soon as a suitable solution is found to enable this.

Resolution 8 concerns some historic changes to the trust trustees which were not properly recorded and again we ask you to support this resolution so that the company can comply with the Takeover Panel's recommendation.

A vote against these resolutions will see the matters go back to the Takeovers Panel who will consider the matters further. This will cost the company time and money without providing any benefit.

Please read the Trustees Report contained in the company Annual Report and if you need to understand more about these resolutions please talk to one of the Trustees (contact details are below).

John Parker ph. 027 4421 854
Phil Royal ph. 021 437 358
Jo Bouchier ph. 021 892 203
Tomas Huppert ph 021 447 321
Duncan Fraser ph.027 248 9774

If you are unable to attend the meeting either in person or online we ask that you give your proxy to the meeting Chairman or someone you trust who is able to attend. Your vote is important.

Shareholder Resolutions

To The Company Secretary Ruapehu Alpine Lifts
Limited Dated 12 May 2022

That the following resolution be put to the Annual Shareholder Meeting for a vote by Shareholders under Section 12 of Schedule 1 of Ruapehu Alpine Lifts Limited Constitution.

Background

The Chair of RAL advised 9 November 2021

- *The RAL Trust, as the controlling shareholder of RAL, have been consulted on this process and have indicated that their support would be conditional on:*
 - *Transparency with shareholders*
 - *Life pass benefits being preserved*
 - *Any new capital being introduced at fair value*
 - *A shareholder vote being required*
 - *Staff being protected in any transaction*

Further

The Chair of RAL advised 9 November 2021

The date for which this transfer will occur, and the legal structure (and relevant constitutional documentation) of the new entity is yet to be determined.

The Notice of Annual Shareholders Meeting for Saturday 28 May 2022 still does not provide any further detail of the **legal structure (and relevant constitutional documentation) of the new entity**.

This lack of transparency regarding the legal structure of the new entity, cannot then meet the criteria set down for the RAL Trust to provide their support, if they are to act as prudent trustees.

This lack of transparency does not meet Clause 3(a) of Section 12 of Schedule 1 of the RAL Constitution which states the Notice of Meeting must state:

- *3.2 (a) The nature of the business to be transacted at the meeting in sufficient detail to enable a Shareholder to form a reasoned judgement in relation to it.*

Ordinary Resolution (To be voted on prior to the Directors Special Resolution for Restructure of the Assets and Business of the Company)

THAT the "Special Resolution - Restructure of the Assets and Business of the Company" be delayed until the Directors provide full transparency as to how the rights of existing shareholders in RAL in the New Company Constitution will be protected.

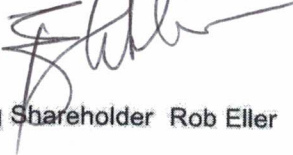
That the Directors were notified by leading Auckland law firm Wilson Harle Barrister and Solicitors letter of 22 November 2021 when the board proposed the similar resolution that

Without this information, we do not consider that the special meeting is validly able to proceed

on 26 November 2021. It should be adjourned until such time as a valid notice is given by the Board, including the Required Information. Failing to do so will mean that any votes cast at the special meeting will be invalid.

The existing shareholders be given 28 Days from the date this requested detail is provided, to perform due diligence on the proposal. The Directors are to provide a copy of the intended Constitution of the New Company showing the Classes of Share, the Rights of each share type, including those that may be issued to new investors.

Signed



Proposing Shareholder Rob Eller

Holder No 198330

Address

22 B Verbena Road Birkdale
Auckland 0626

Email Address robrips@gmail.com

Signed



Seconding Shareholder David Krebs

Holder No R299869

Address 130 Ranui Road RD3 Kawakawa

Email Address david.krebs.nz@outlook.com

To The Company Secretary Ruapehu Alpine Lifts Limited dated 12 May 2022

That the following resolution be put to the Annual Shareholders Meeting for a vote by Shareholders under Section 12 of Schedule 1 of Ruapehu Alpine Lifts Constitution.

Background

The Ruapehu Alpine Lifts 2021 Annual Report has become available to Shareholders on the 14th April 2022. The Alternative report released 9th of May 2022 has been updated to include the information contained in this report.

The narrative of The Ruapehu Alpine Lifts 2021 Annual Report stresses the need for a capital restructure due to the conditions of the lenders of the short term debt ANZ Bank and MBIE.

It is important given the financial stress the company is under that RAL shareholders are kept informed on the company's financial health on regular basis.

Ordinary Resolution

That the RAL Directors issue the latest version of the Alternative reported dated 9th May 2022 to all Shareholders

That the RAL Directors present monthly Profit and Loss Statements, Balance Sheet, and Cash flow on the Ruapehu Alpine Lifts Entity and/or any other Subsidiaries Companies for which Ruapehu Alpine Lifts holds ownership in.

Signed



Proposing Shareholder Robert Krebs

Holder No 512193

Signed



Seconding Shareholder David Krebs

Holder No R299869

To The Company Secretary Ruapehu Alpine Lifts Limited dated 12 May 2022

That the following resolution be put to the Annual Shareholders Meeting dated 28 May 2022 for a vote by Shareholders under Section 12 of Schedule 1 of Ruapehu Alpine Lifts Constitution.

Background

- **The ANZ banks change in support to a monthly basis due to the onset of the COVID-19 pandemic created a significant liquidity and insolvency risk to RAL.** This resulted in the Auditors qualifying the FY20 annual report to state a material uncertainty existed for RAL to operate as a going concern. The going concern of RAL was undermined because the bank could technically call upon their \$5.9m debt to be repaid at any time which would have made RAL insolvent unless they could secure other sources of financing
- ANZ Bank change in support to RAL on a month-to-month basis is vastly different to how banks have supported the New Zealand housing sector with mortgage repayment holidays.
- In FY20 RAL paid \$230k in banks fees (not including interest). This is significantly up from \$37k in FY19, yet the level of support and commitment was dramatically reduced
- The ANZ Bank continued support is based on a condition that RAL perform a capital restructure which is a breach of its constitution.
- **The ANZ Banks sudden change of financial support has placed other creditors at risk and placing RAL shareholders at risk. They are being forced to sell their company!**

Ordinary Resolution

That the RAL Directors lodge a complaint to Banking Ombudsman for the actions the ANZ Bank have taken to restructure their debt 100% short. This has placed the company into an insolvency risk position solely by their action to restructure the debt short. Secondly, the ANZ Bank conditions that the company restructure its assets and business into a new entity is unreasonable and in breach of the company constitution. This action will result in the company losing its Property Plant and equipment and its tax free status. This action is also inequity to shareholders who have foregone dividends for nearly 70 years to ensure the company remains financially viable.

Signed 

Proposing Shareholder Robert Krebs

Holder No 512193

Address 130 Ranui Road RD3 Kawakawa

Email Address: rkrebs007@gmail.com

Signed 

Seconding Shareholder David Krebs

Holder No R299869

Address 130 Ranui Road RD3 Kawakawa

Email Address: david.krebs.nz@outlook.com