

CIRCULAR TO CREDITORS

ARROW INTERNATIONAL (NZ) LIMITED (ADMINISTRATORS APPOINTED)

ARROW INTERNATIONAL GROUP LIMITED (ADMINISTRATORS APPOINTED)

CONSTRUCTION LABOUR AND RESOURCES LIMITED (ADMINISTRATORS APPOINTED)

(Together "the Companies")

Andrew Bethell, Andrew McKay and Colin Gower were appointed joint and several administrators of the Companies on 28 February 2019. Their appointment was confirmed at the respective Companies' first or adjourned first creditors meeting.

The purpose of this circular is to provide creditors with information about the business, property, affairs and financial circumstances of the Companies prior to the joint watershed meeting of creditors.

The joint watershed meeting is to be held on Thursday 6 June 2019 at 10.30am at the following locations:

Auckland	Hobson Room, Rydges Auckland Hotel, Level 1, 59 Federal Street, Auckland CBD (in person meeting)
Wellington	Wellington Board Room, BDO Wellington, Level 1, 50 Customhouse Quay, Wellington (audio visual connection)
Christchurch	Christchurch Boardroom, BDO Christchurch, Level 4, 287/293 Durham Street North, Christchurch (audio visual connection)
Queenstown	Wyndham Garden, 32 Red Oaks Drive, Remarkables Park, Queenstown (audio visual connection)

Creditors should arrive 30 minutes prior to the commencement of the meeting.

The following documents are attached to this circular:

1. Formal notice of the watershed meeting;
2. Creditors claim form - *if you have already lodged a claim form and the amount of your claim has not changed then you do not need to submit another claim form. If the amount of your claim has changed you can submit a revised claim form.*
3. Proxy / postal voting forms - *creditors who are unable to attend the meeting and wish to be represented should ensure that a proxy form, or evidence of appointment of a company representative, is validly completed and provided to the administrators prior to the meeting. Proxy forms must be received by the administrators by 10.30am Tuesday 4 June 2019.*
4. The Administrators' report.

The administrators' report to creditors is also available for downloading from the BDO website www.bdo.nz.

As detailed in the administrators' report, a DOCA (Deed of Company Arrangement) has not been submitted to or proposed by the administrators. Unless a creditor proposes a DOCA at the watershed meeting, this option does not need to be considered or voted on. In the event a DOCA is proposed by a creditor at the watershed meeting creditors will need to be present or have a proxy in attendance to vote on a resolution related to such a DOCA.

Accordingly, creditors of each of the Companies will be asked to vote at the watershed meeting to resolve one of the following outcomes:

- (a) That the Company be placed into liquidation; or
- (b) That the administration should end, and control of the Company be returned to the Company's directors.

The Administrators have recommended that the Companies be placed into liquidation because the Companies are insolvent and no DOCA has been proposed or is feasible.

Creditors may exercise their right to vote by being present in person, or by appointing a proxy or by postal vote. You are entitled to cast a postal vote by completing the attached voting paper in respect of the resolutions and returning it by mail to Andrew Stuart, BDO Auckland, PO Box 2219, Auckland 1140 so that it is received not later than 24 hours before the start of the meeting. Andrew Stuart, BDO Auckland, PO Box 2219, Auckland 1140, is authorised to receive and count postal votes in relation to the meeting.

As noted above we propose to hold a joint watershed meeting of creditors of the three Companies to which we have been appointed. We believe that holding a joint watershed meeting of the 3 Companies will be more efficient and cost effective than holding separate meetings however if any creditor wishes to object to the joint meeting they may do so by submitting an objection in writing to the administrators via postal, email or street address (as set out below). The Administrator must receive objections by midday on Tuesday, 4 June 2019. Unless any creditor objects in accordance with this notice, all creditors will be taken to have agreed to the joint meeting. Notwithstanding that the first creditors meeting may be a joint meeting, voting for the motions will be conducted separately for each of the Companies.