



Short Form Prospectus and **Investment Statement**

for a 1 for 2 issue by Kingfish Limited to holders of its Shares of up to 43,671,099 New Warrants

DATED: 10 AUGUST 2010 RECORD DATE: 30 AUGUST 2010



IMPORTANT

If you have sold all your Shares in Kingfish Limited on or before 5.00pm on 30 August 2010 please send this Offer Document to the purchaser or the agent (e.g., broker) through whom the sale was made, to be passed to the purchaser.

If you have any queries or concerns regarding this Offer you should contact Kingfish, a Primary Market Participant or your own legal or financial adviser.

IMPORTANT INFORMATION

(The information in this section is required under the Securities Act 1978.) Investment decisions are very important. They often have long-term consequences. Read all documents carefully. Ask questions. Seek advice before committing yourself.

CHOOSING AN INVESTMENT

When deciding whether to invest, consider carefully the answers to the following questions that can be found on the pages noted below:

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This Offer Document is a combined Short Form Prospectus and Investment Statement. In addition to the information referred to above, important information can be found in other sections of this Offer Document.

ENGAGING AN INVESTMENT ADVISER

An investment adviser must give you a written statement that contains information about the adviser and his or her ability to give advice. You are strongly encouraged to read that document and consider the information in it when deciding whether or not to engage an adviser.

Tell the adviser what the purpose of your investment is. This is important because different investments are suitable for different purposes, and carry different levels of risk.

The written statement should contain important information about the adviser, including:

- » relevant experience and qualifications, and whether dispute resolution facilities are available to you; and
- » what types of investments the adviser gives advice about; and
- » whether the advice is limited to investments offered by one or more particular financial institutions; and
- » information that may be relevant to the adviser's character, including certain criminal convictions, bankruptcy, any adverse findings by a court against the adviser in a professional capacity, and whether the adviser has been expelled from, or prohibited from joining, a professional body; and
- » any relationships likely to give rise to a conflict of interest.

The adviser must also tell you about fees and remuneration before giving you advice about an investment. The information about fees and remuneration must include:

- » the nature and level of the fees you will be charged for receiving the advice; and
- » whether the adviser will or may receive a commission or other benefit from advising you.

An investment adviser commits an offence if he or she does not provide you with the information required.

OFFER AT A GLANCE

The Issuer of the New Warrants:	Kingfish Limited
The Offer:	An issue of one New Warrant for every two Shares held by Shareholders on the Record Date
Eligible Shareholders:	Those persons with registered addresses in New Zealand who otherwise are registered Shareholders at 5.00pm on 30 August 2010
Issue Price:	Nil
Warrant Exercise Price:	\$0.95 per Share on the exercise of each New Warrant

OFFER TIMETABLE

Record Date for Entitlements:	30 August 2010
Allotment of New Warrants:	31 August 2010
Expected quotation date of New Warrants:	1 September 2010
Mailing of Warrant Statements of Holdings:	6 September 2010

This timetable is indicative only and Kingfish reserves the right to vary the dates contained in this timetable, subject to the requirements of NZX.

IMPORTANT DATES FOR THE EXERCISE OF THE NEW WARRANTS

Final Quotation Date:	3 September 2012
Exercise Dates:	The New Warrants may be exercised on the following dates: Tuesday 23 Nov 2010 Tuesday 22 Feb 2011 Tuesday 24 May 2011 Tuesday 23 Aug 2011 Thursday 27 Oct 2011 Tuesday 24 Jan 2012 Tuesday 24 Apr 2012 Tuesday 24 July 2012 Monday 3 Sep 2012
Final Exercise Date:	3 September 2012

YOU WILL RECEIVE BY SEPARATE MAIL A STATEMENT FROM THE SHARE REGISTRAR ADVISING OF THE NUMBER OF NEW WARRANTS THAT HAVE BEEN ISSUED TO YOU.

IMPORTANT INFORMATION

This Offer Document is a combined Investment Statement and Short Form Prospectus prepared for the purposes of the Securities Act 1978 and the Securities Regulations 2009 as at 10 August 2010. The purpose of the Investment Statement section of this Offer Document (under the section headed 'Answers to Important Questions' on page 10) is to provide certain key information that is likely to assist a prudent but non-expert person to decide whether or not to exercise the New Warrants allotted under this Offer Document. If you are in any doubt as to how to deal with this Offer Document, please consult a Primary Market Participant or another financial or legal adviser immediately.

YOUR ATTENTION IS DRAWN IN PARTICULAR TO THE PROSPECTS SECTION AT PAGE 8 AND "WHAT ARE MY RISKS?" AT PAGE 12 OF THIS OFFER DOCUMENT.

STATEMENTS REQUIRED BY THE SECURITIES ACT (RIGHTS, OPTIONS, AND CONVERTIBLE SECURITIES) EXEMPTION NOTICE 2002

Changes of circumstances occurring between the date of the allotment of the New Warrants and the date on which the New Warrants are exercised in return for Shares may have a material effect on the Shares (including their price) or on Kingfish.

Important information relating to the Shares (including their price) and Kingfish will be disclosed in accordance with the continuous disclosure provisions of the relevant NZX Listing Rules.

Kingfish will release a pre-conversion statement to NZX and on Kingfish's website (www.kingfishlimited.co.nz) between 5 and 10 working days before the earliest date on which the election to exercise the New Warrants may be made. The holders of New Warrants should consider the pre-conversion statement, the market price of the Shares, and all other information made available concerning the Shares and Kingfish, before an election to exercise the New Warrants is made. The pre-conversion statement will contain the following information:

- » a statement to the effect that the purpose of the pre-conversion statement is to assist registered

holders of convertible securities to decide whether to elect to convert those securities;

- » a description of any adverse circumstances (whenever they occurred) that make the investment statement false or misleading in a material particular by reason of failing to refer, or give proper emphasis, to those circumstances;
- » a description of the effect of any adverse circumstances, to the extent that the effect can be assessed, or, where the effect of the adverse circumstances cannot be assessed, a statement to that effect;
- » a list of any other documents that are, in the opinion of Kingfish, relevant to a decision about whether to elect to convert, in which case the documents must either be included in the pre-conversion statement or the pre-conversion statement must clearly indicate where those documents may be viewed and how they may be accessed; and
- » a statement by Kingfish that the pre-conversion statement is not known by Kingfish, or any director of Kingfish, to be false or misleading in a material particular by reason of failing to refer, or give proper emphasis, to adverse circumstances.

IMPORTANT DOCUMENT

This Offer Document contains an offer of New Warrants to Shareholders. Once the New Warrants are allotted to you, you may choose to hold, sell or exercise your New Warrants in accordance with their terms. If you decide not to sell or exercise your New Warrants before the Final Exercise Date the New Warrants will expire. If you are in any doubt as to how to deal with this Offer Document, please consult a Primary Market Participant or your financial or legal adviser immediately.

REGISTRATION

This Offer Document is dated 10 August 2010. A copy of this Offer Document, duly signed by or on behalf of the Directors, has been delivered to the Registrar of Companies for registration under the Securities Act 1978.

NO GUARANTEE

No persons named or referred to in this Offer Document, nor any other person, guarantees the

New Warrants to be issued pursuant to this Offer, or any return on the New Warrants. Nor do any of them guarantee the Shares that may be purchased by exercising the New Warrants, or any return on those Shares.

DEFINITIONS

A number of terms used in this Offer Document have defined meanings which appear in the Glossary on page 22 or within the relevant section of this Offer Document in which the term is used. Any reference to dollars or \$ in this Offer Document are to New Zealand dollars, unless specified otherwise. All references to time in this Offer Document are to New Zealand time.

NZX LISTING

Kingfish's Shares are currently quoted on the NZSX under the code 'KFL'. Application has been made to NZX for permission to quote the New Warrants and that the Shares, on exercise of the New Warrants, will be quoted on allotment. All the requirements of NZX relating thereto that can be complied with on or before the date of this Offer have been duly complied with. It is expected that the Warrants will trade on the NZSX under the code 'KFLWB'. However, NZX accepts no responsibility for any statement in this Offer Document.

FINANCIAL STATEMENTS

The audited financial statements of Kingfish for the year ended 31 March 2010 were sent to Shareholders, who are the persons who were, at the time the final statements were sent, holders of the same class of securities as those held by the persons to whom the Offer is made.

Copies of the financial statements referred to above can also be obtained free of charge on request by any person to whom the Offer is made at the registered office of Kingfish at Level 2, 95 Hurstmere Road, Takapuna, Auckland and are also available on Kingfish's website www.kingfishlimited.co.nz.

DETAILS OF THE OFFER

THE ISSUER:

The issuer of the New Warrants and the Shares to be issued upon exercise of the New Warrants is Kingfish Limited (“Kingfish”), a company incorporated in New Zealand. Kingfish’s registered office is at Level 2, 95 Hurstmere Road, Takapuna, Auckland.

THE OFFER:

Kingfish is offering a maximum of 43,671,099 New Warrants to the registered holders of Shares as at 5pm on the Record Date in the ratio of one New Warrant for every two Shares held on the Record Date. The holder of any Shares purchased after 5pm on the Record Date on the NZSX or otherwise will not qualify to participate in the Offer in respect of those Shares. Each new warrant entitles its holder to subscribe for one new Kingfish Share.

PRICE:

The New Warrants are offered by Kingfish at no cost to eligible Shareholders. Warrantholders will not be obliged to exercise the New Warrants. If Warrantholders choose to exercise their New Warrants they can do so by paying the Exercise Price per New Warrant at which point they will be issued with Shares.

REASON FOR ISSUE:

At Kingfish’s initial public offering (IPO) in March 2004, investors received one warrant for every share subscribed for. Those warrants (the A-Series Warrants) were offered at no cost and were regarded as providing an additional benefit to Shareholders who invested in Kingfish at the IPO. 26.7 million of the 58.5 million A-Series warrants issued were exercised by the final expiry date of 31 March 2008. Kingfish’s Board recognises that the share market down-turn leading up to 31 March 2008 prevented many Shareholders from benefitting from the A-Series Warrants and consider the issue of the New Warrants as an appropriate measure to recognise the loyalty of Kingfish’s Shareholders and to give them an opportunity to further participate in the growth of Kingfish.

ENTITLEMENT:

Each Shareholder’s entitlement is to one New Warrant for every two Shares held as at the Record Date. The

number of New Warrants allotted to each person will be rounded down to the nearest whole number.

NO RIGHTS TRADING:

No application is being made to have entitlements (i.e., the right to receive the New Warrants) traded on the NZSX. However, application has been made to quote the New Warrants on the NZSX after they are issued to Shareholders (see below).

QUOTATION OF WARRANTS:

Application has been made to NZX for permission to quote the New Warrants. All the requirements of NZX relating thereto that can be complied with on or before the date of this Offer have been duly complied with. Kingfish’s Shares are currently quoted on the NZSX under the code ‘KFL’. It is expected that the Warrants will trade on the NZSX under the code ‘KFLWB’. NZX accepts no responsibility for any statement in this Prospectus.

ALLOTMENT OF THE WARRANTS AND ISSUE OF STATEMENTS:

Allotment of the New Warrants issued pursuant to this Offer will be completed on 31 August 2010 and statements of holdings will be sent to Warrantholders on or prior to 6 September 2010.

MINIMUM HOLDINGS:

Some Shareholders will, because of the number of Shares held by them, receive less than the Minimum Holding of New Warrants required by the Listing Rules. It is anticipated that the initial Minimum Holding will be 500 Warrants. The Warrant Terms on page 18 of this Offer Document give Kingfish the authority to require Warrantholders who hold less than the Minimum Holding to sell the New Warrants or to acquire further New Warrants so that the Minimum Holding is held by that Warrantholder. Kingfish must give Warrantholders not less than 3 months notice of an intention to sell their less than Minimum Holding of New Warrants (if they do not acquire additional New Warrants and move to at least the Minimum Holding).

Kingfish does not have a present intention to require any Warrantholders to buy or sell New Warrants in order to comply with the Minimum Holding requirement.

OVERSEAS INVESTMENT CONSENT:

The Overseas Investment Act 2005 requires that an overseas person must, under certain circumstances, obtain the consent of the Overseas Investment Office before acquiring 25% or more of Kingfish's Shares. Any overseas person who, after taking into account any existing holding of Shares and the exercise of any New Warrants, will exceed the 25% threshold will accordingly need to establish whether it is required to obtain Overseas Investment Office consent and, if it is required, to obtain this consent prior to exercise.

TAKEOVERS CODE:

As provided in the Takeovers Code, no person may become a holder or controller of more than 20% of the voting rights of Kingfish, or increase an existing holding of 20% or more of the voting rights of Kingfish, without complying with the Takeovers Code. While the New Warrants are not voting securities, Shareholders who would, on exercise of the New Warrants, exceed this threshold, must comply with the Takeovers Code.

NO OFFER OUTSIDE NEW ZEALAND:

This Offer is only available to Shareholders with registered addresses in New Zealand. Kingfish is of the view that it is unduly onerous to make the Offer to Shareholders outside of New Zealand having regard to the low number of overseas Shareholders and the costs associated with complying with overseas legal requirements. New Warrants offered under this Offer which are attributable to overseas Shareholders will be issued to a nominee who will endeavour to sell those New Warrants, hold the proceeds on trust and account to those Shareholders on a pro-rata basis for the proceeds, net of costs.

ACTION TO BE TAKEN BY SHAREHOLDERS:

Shareholders need not take any action. Shareholders will automatically receive New Warrants based upon their Shareholding as at the Record Date. The number

of New Warrants allotted to each Shareholder will be detailed in a statement of holdings that will be mailed to each Shareholder shortly after the New Warrants are allotted. No payment is required from Shareholders on allotment date and there will be no opportunity for Shareholders to sell their entitlement prior to receiving the New Warrants. Subsequent to receiving the New Warrants, Shareholders are encouraged to take the advice of any Primary Market Participant or their financial adviser, before deciding whether to hold, sell or exercise their New Warrants. Warrant holders who wish to exercise their New Warrants are required to fill in the application form and pay the Exercise Price to Kingfish as described on page 11 under the heading "How Much Do I Pay?".

PROSPECTS AND FORECASTS

Kingfish invests in growing New Zealand companies which it believes have the potential to consistently increase earnings over the long-term.

Fisher Funds, Kingfish's Manager, employs a process that it calls STEEPP to analyse existing and new portfolio companies. This analysis gives each company a score against a number of criteria that Fisher Funds believes need to be present in a successful portfolio company. All companies are then ranked according to their STEEPP score, to determine how significant their weighting within the portfolio will be (or whether they make the grade to be a portfolio company in the first place). The STEEPP criteria are as follows:

S	<p>STRENGTH OF THE BUSINESS</p> <p>What is the company's competitive advantage? Is it sustainable? Is the company a market leader? Does it have a dominant position? A strong business is one that can maintain its profit margins by employing a unique strategy.</p>
T	<p>TRACK RECORD</p> <p>How has the company performed in the past? Has the company performed under the same management team? Has it grown organically or by acquisition? How did the company react during a downturn? We prefer to buy established companies that have executed well in the past.</p>
E	<p>EARNINGS HISTORY</p> <p>How fast has the company been able to grow its earnings in the past? How consistent has earnings growth been? We prefer to buy companies that exhibit secular growth characteristics where they have proven the ability to provide a high and improving return on invested capital.</p>
E	<p>FUTURE EARNINGS GROWTH FORECAST</p> <p>What is the company's earnings growth forecast over the next one to three years? What is the probability of achieving the forecast? What do we expect the company's earnings potential to be? We notice that too many analysts focus on short term earnings. As long term growth investors we think about where the company's earnings could be in three to five years.</p>
P	<p>PEOPLE/MANAGEMENT</p> <p>Who is the management team and how long have they been in their roles? Who are the directors, what is their history with the company, and what do they bring to the board? What is the depth of management in the organisation and is there a succession plan for the key executive roles? Does the management team own shares in the business and how are they rewarded? Has the board and management exhibited good corporate behaviour in the areas of environmental, social and governance considerations. For us, the quality of the company management and its corporate governance is of paramount importance.</p>
P	<p>PRICING/VALUATION</p> <p>How much of the future earnings growth is already reflected in the share price? Where does the current share price sit in relation to our worst to best case valuation range? A company will generate a higher score where the market price currently reflects little of that company's upside potential.</p>

Using this STEEPP analysis, the following portfolio comprising 14 securities was held at 30 June 2010:

COMPANY	% HOLDING¹
Abano Healthcare	4.0%
Delegat's	5.2%
Freightways	7.0%
Kathmandu	2.1%
Mainfreight	18.3%
Metlifecare	7.5%
Michael Hill	4.1%
NZX	6.5%
Opus International	4.4%
Pumpkin Patch	7.4%
Ryman Healthcare	14.2%
Tower Limited	2.2%
Wakefield Health	4.1%
Waterman Holdings	1.4%
Total Securities	88.4%
Total Cash	11.6%
Total	100.0%

All of the companies within the Kingfish portfolio except Waterman Holdings are listed on the NZSX. Kingfish has emerged from the global financial crisis by recording a net operating profit after tax of \$24.5m for the year ended 31 March 2010. While share markets have retreated in the few months prior to the date of this Offer Document following further global uncertainty, the Kingfish Board and Manager consider that any resolution of this uncertainty will enable Kingfish to recover, and enhance recent performance. Companies with a competitive moat and a sustainable advantage, such as those within the Kingfish portfolio, are well placed for the next stage in the economic cycle to deliver solid returns over a long-term.

¹These percentages represent Kingfish's shareholdings in these companies as a proportion of assets in Kingfish's portfolio.

ANSWERS TO IMPORTANT QUESTIONS

The information in this section is required by the Securities Act 1978. It should be read in conjunction with details set out under 'Important Information' at the front of this document.

WHAT SORT OF INVESTMENT IS THIS?

New Warrants

Each New Warrant entitles the holder to subscribe for and be allotted one Kingfish Share upon the payment of the Exercise Price. The Exercise Price is \$0.95. The New Warrants are exercisable in whole or in part subject to a minimum exercise of 500 New Warrants by the holder lodging with the Share Registrar the Exercise Notice of Warrant in writing together with a cheque for the aggregate Exercise Price for all new Shares taken up.

New Warrants may be exercised on any of the Exercise Dates specified in the Glossary on page 22. Any Warrants not exercised by or on 3 September 2012 will expire.

The complete Warrant Terms can be found on pages 18 and 19 of this Offer Document.

Shares

Shares issued upon exercise of the New Warrants will be credited as fully paid and will rank equally in all respects with all other Shares. Kingfish will allot shares on the exercise of the New Warrants in accordance with the Listing Rules and other regulatory requirements. The Shares are currently quoted on the NZSX under the code 'KFL'. Each Share confers on the holder:

- a. the right to vote on a poll at a meeting of Kingfish on any resolution, including, but not limited to any resolution to:
 - i. appoint or remove a director or auditor;
 - ii. alter Kingfish's constitution;
 - iii. approve a major transaction;
 - iv. approve an amalgamation under section 221 of the Companies Act 1993; and
 - v. put Kingfish into liquidation;
- b. the right to an equal share with other holders of Shares in any distribution, including dividends, if any, authorised by the Directors of Kingfish; and

- c. the right to an equal share with the other holders of Shares in the distribution of the surplus assets of Kingfish.

No share certificates will be issued for the New Warrants or Shares.

The full rights and conditions are contained in Kingfish's constitution, which is available on Kingfish's website at www.kingfishlimited.co.nz.

WHO IS INVOLVED IN PROVIDING IT FOR ME?

The Issuer

Kingfish Limited is the offeror and issuer of the New Warrants and the Shares. Its registered office is:

Level 2, 95 Hurstmere Road
Takapuna, Auckland
Ph +64 9 489-7094
Fax +64 9 489-7139

The names of the Directors of Kingfish are listed in the directory on page 23.

No person or entity guarantees the New Warrants or the Shares offered in this Offer Document. There is no promoter of this Offer.

Activities

Kingfish was listed on the NZSX on 31 March 2004 following an initial public offering that raised \$58.5 million. Kingfish was set up to invest in small, growing New Zealand companies and seeks to create shareholder value through growing its investment assets. With the growth in the initial investments, Kingfish's portfolio now includes a number of mid cap stocks and the Manager may in the future increase exposure to larger growth companies listed on the NZSX. The investment portfolio of Kingfish is managed by Fisher Funds Management Limited, an investment manager with a track record of successfully investing in small company shares. The key investment objectives of Kingfish are to:

- » Achieve a high real rate of return, comprising both income and capital growth, within risk parameters acceptable to the Directors;
- » Deliver investors a regular and growing income stream in the form of dividends; and
- » Provide a portfolio of securities that allows investors access to a number of growing companies through a single investment.

HOW MUCH DO I PAY?

New Warrants

The New Warrants are being offered at no cost to eligible Shareholders. No amount is therefore payable by Shareholders for the New Warrants on allotment.

Shares

Warrantholders who wish to exercise their New Warrants are required to pay Kingfish the Exercise Price in order to exercise each New Warrant on or before any of the Exercise Dates to receive Shares on the relevant Exercise Date. One New Warrant is exercisable into one Share. The Exercise Price is \$0.95 for each New Warrant and the terms on which the New Warrants are issued are set out in full on pages 18 and 19 of this Offer Document and discussed under the heading “Can the investment be altered?” on page 14. If this payment is not made by the Final Exercise Date then the New Warrants will lapse and be of no value. Warrantholders are not obliged to make this payment, in which case no Shares will be issued.

New Warrants are exercisable on each Exercise Date in whole or in part subject to a minimum exercise of 500 New Warrants by the holder lodging with the Share Registrar the Exercise Notice of Warrant in writing together with a cheque for the aggregate Exercise Price for all new Shares taken up. Notwithstanding this, if a Warrantholder holds less than a Minimum Holding it may exercise that entire holding. The form of Exercise Notice of Warrant may be obtained from Kingfish or the Share Registrar.

WHAT ARE THE CHARGES?

There are no charges payable by subscribers for the New Warrants, other than the Exercise Price for the New Warrants, which is payable on exercise of each New Warrant for the issue of Shares. Warrantholders should note that New Warrants sold or purchased through a stock exchange transaction and the subsequent sale of Shares through a stock exchange transaction may incur brokerage costs. No brokerage will be incurred on the exercise of New Warrants and the subsequent issue of the Shares. The Exercise Price of each New Warrant is \$0.95 and the terms on which the New Warrants are issued are as set out in full on pages 18 and 19 of this Offer Document.

WHAT RETURNS WILL I GET?

No specific amount of returns is promised in respect

of the New Warrants or the Shares to be issued on any exercise of the New Warrants.

New Warrants

New Warrants do not have any entitlement to dividends or other payments unless and until they are exercised and a Share in Kingfish has been issued.

Warrantholders may choose to exercise their right to subscribe for Shares on any of the Exercise Dates specified in the Glossary on page 22 of this Offer Document, or sell some or all of the New Warrants on the NZSX at any time prior to the Final Quotation Date. The New Warrants will lapse and be of no value if they are not exercised before the Final Exercise Date. The return, if any, from selling New Warrants will depend on the trading price of those New Warrants on the market operated by NZX at the time of sale. Shareholders should also be aware that the market price of New Warrants may decline. The trading price of the New Warrants will be influenced, among other things, by the price of the Shares. Accordingly, Kingfish cannot give any assurance that a Warrantholder will receive a positive return. If, on the Final Exercise Date, the Share price is below the Exercise Price it is expected that the New Warrants would have nil or close to nil value. Key factors that determine the price of Shares are discussed in the following paragraph.

Shares

Shares issued upon exercise of the New Warrants will receive the same dividends or other distributions (excluding dividends or distributions in respect of which the entitlement date occurred prior to the relevant exercise date), and have the same entitlements on the liquidation of Kingfish as all other Shares. When and as declared, Kingfish is the person legally liable to pay dividends or other distributions in respect of Shares.

Kingfish will process Exercise Notices on the Exercise Day following receipt of the notice and, provided payment of the Exercise Price for each New Warrant is also received by that date, Shares will be issued by the third Business Day following the relevant Exercise Day.

The Shares are currently quoted and traded on the NZSX. It is anticipated that any Shares issued on the exercise of the New Warrants will similarly be quoted. Following the exercise of the New Warrants and the issue of Shares, if Shareholders sell their Shares they >>

may benefit from any increase in the market price of the Shares. Shareholders should also be aware that the market price of Shares may decline. Accordingly, Kingfish cannot give any assurance that a Shareholder will receive a positive investment return.

Further details about risks and key factors that may affect returns are set out under the heading “What are my risks?” on page 12.

Dividend Policy

Kingfish announced a new long-term dividend policy on 24 June 2009. Under this policy Kingfish pays Shareholders 2% per quarter of Kingfish’s average net asset value. Payments are made in March, June, September and December. To meet these payments, the Directors of Kingfish may elect to liquidate part of its capital base.

Investors should note however, that the Directors of Kingfish have the discretion to change Kingfish’s dividend policy at any time.

Taxation – New Warrants

Advice sought from Kingfish’s tax advisers indicates that the issue of the New Warrants should not amount to a dividend for tax purposes.

The statement below relating to the taxation of gains on the sale of shares, applies equally to the New Warrants.

Taxation – Shares

As of 10 August 2010 Kingfish is registered for the Portfolio Investment Entity tax regime. As a result, natural person Shareholders or Trustees in New Zealand do not have to include dividend income from Kingfish in their tax return. Other Shareholders only have to include fully imputed dividends in their income, in which case the imputation credits will usually fully offset any tax liability.

In general terms, Kingfish’s Portfolio Investment Entity registration means that New Zealand based Shareholders whose incomes are taxed at a higher marginal tax rate than 30% (reducing to 28% from the start of the 2011-2012 income year) are not required to pay tax at their marginal rate on dividends from Kingfish. New Zealand based Shareholders whose marginal tax rate is lower than 30% (reducing to 28% from the start of the 2011-2012 income year) are able to have Kingfish dividends taxed at their lower personal marginal tax rate. New Zealand based

Shareholders will be taxable on any gain made on the subsequent sale of Shares only where they acquire the Shares with the purpose of disposing of them or carry on a business of dealing in those Shares. However, the taxation treatment of dividends and other dealings in the Shares will vary between Shareholders. Shareholders are encouraged to seek professional advice regarding how this investment is likely to be treated for taxation purposes in their individual circumstances.

No Guarantee of Securities

None of the New Warrants, the Shares or payments or returns thereunder are guaranteed or promised by any person whatsoever.

WHAT ARE MY RISKS?

The issue of New Warrants in and of itself does not carry with it any risk. While the value of the New Warrants may go up or down, the New Warrants are issued for no consideration. Having received the New Warrants, Warrant holders face various risks associated with holding equity securities in the nature of a warrant or option, including those that follow:

- » If the price of the Shares is less than Exercise Price at the Final Exercise Date then it is likely that the New Warrants will have no value at that time.
- » A decline in the price of the Shares may cause a proportionately greater fall in the value of the New Warrants.
- » Kingfish’s Net Asset Value may decline due to circumstances beyond Kingfish’s control and for reasons that are not specific to Kingfish, including economic activity or macro-economic reasons. Examples of this may include a recession in New Zealand or a change in the relative value of certain currencies against the New Zealand dollar. This may cause a decline in the market price of the New Warrants.
- » The market for the New Warrants may become illiquid or cease to exist. The illiquidity risk is greater for the New Warrants than for the Shares because there will be fewer on issue and they will have a considerably lower overall market capitalisation.

Warrant holders who exercise their New Warrants face additional risks. No investment is risk free and Shares

purchased by exercising the New Warrants are no exception. The principal risk for investors is that of being unable to recoup their original investment. This could happen for a number of reasons, including in the event that:

- » the price at which investors are able to sell Shares purchased by exercising the New Warrants is less than the price they have paid due to market volatility or for other reasons;
- » they are unable to sell their Shares at all; or
- » Kingfish is placed in receivership or liquidation.

If Kingfish's operational and financial performance is worse than investors expect, the future market price of the Shares purchased by exercising the New Warrants may be less than the price paid for them and returns on the Shares may be less than anticipated.

There are a number of factors which may have a significant impact on the future performance of Kingfish. This Offer Document does not take account of the personal circumstances, financial position or investment requirements of any one person in particular. It is therefore imperative that before making any investment decisions, investors give consideration to the suitability of Kingfish in light of their investment needs, objectives and financial circumstances.

The following matters should be carefully considered in evaluating Kingfish and its prospects:

Company-Specific Risks

Performance of the Manager

- » The past investment performance of the Manager is not necessarily a guide to the future performance of Kingfish. Similarly, the past performance of companies in which Kingfish invests is not necessarily a guide to the future performance of the companies.
- » The success and profitability of Kingfish will in part depend on the ability of the Manager to invest in well-managed companies which have the ability to increase in value over time.
- » Given the Manager's investment philosophy and process, the returns of Kingfish may differ significantly from benchmarks such as NZX share market indices.

- » The Manager may have competing investment mandates. In such circumstances, the Manager will generally invest on a proportionate basis based on respective fund size and mandate restrictions.
- » There is no guarantee that Kingfish will achieve its investment objectives. While these establish the goals for the fund they should not be interpreted as an assurance or guarantee.
- » Changes in legislation or the operating environment in New Zealand could adversely affect the performance of the underlying investments.
- » Changes to taxation legislation in New Zealand could adversely affect returns to investors.

Performance of Underlying Investments

- » The returns to investors in Kingfish will be influenced by the performance of the underlying investments and hence the factors influencing the financial performance of those entities.

Smaller Companies and Unquoted Companies

- » The Manager, as part of its portfolio development, may make investments in smaller companies and unquoted companies in line with the prescribed investment mandate. Investments in smaller companies and unquoted companies may be relatively difficult to realise should investment fundamentals alter. The value of an investment can be adversely affected if the Manager is not able to readily exit investments.

Dependence on Key Personnel

- » The success of the Manager depends to a significant extent upon the continued employment and performance of a number of key personnel. The loss of the services of one or more of these key personnel could have a materially adverse effect on Kingfish.

Borrowing and Interest Rate Risk

- » Investors should be aware that, whilst the use of borrowings should enhance the Net Asset Value of Kingfish Shares where the value of Kingfish's underlying asset is rising, it will have the opposite effect where the underlying asset value is falling. >>

- » Increases in interest rates will increase the borrowing costs incurred by Kingfish. Kingfish's value and the value of companies in which Kingfish invests, will be sensitive to interest rate movements.

Currency Risk

- » Kingfish holds assets denominated in New Zealand dollars. It is therefore not directly exposed to currency risk. The portfolio companies that Kingfish invests in may be affected by currency risk that in turn has an impact on the market value of the underlying portfolio company.

Ability to Invest

- » Kingfish has a diversified portfolio across a range of companies. A number of factors influence Kingfish's ability to achieve its desired portfolio compositions, including market conditions, availability of stock and regulatory restrictions such as those contained in the target companies' constitutions or New Zealand Company and Securities Law.

General Risk Factors

- » There are risks associated with any investment in share markets. Investors should be aware that the value of Kingfish Shares or Warrants may go down as well as up.
- » The market price of the Shares or New Warrants following the Offer may be volatile. Factors such as competition, regulatory changes, operating surplus and cash flow factors affecting local and international markets, general trends in interest rates and currencies, New Zealand and international equity markets and the New Zealand economy, as well as other factors, could cause the market price of the Shares or New Warrants to fluctuate. Such fluctuations may have a material adverse effect on the market price of the Shares or New Warrants. As a result, no guarantee can be given in respect of the future earnings of Kingfish or the earnings and capital appreciation of Kingfish's investments. The Manager and the Directors can give no guarantee as to Kingfish's future performance.
- » Variations in taxation laws and other legislation could materially affect the operating results of Kingfish and impact on investor returns.

- » The price at which the Shares are traded on the NZSX may be below the net asset backing of those Shares.
- » Future sales of substantial numbers of Shares and/or the New Warrants in the market following the Offer could adversely affect market prices prevailing from time to time.
- » The future earnings of Kingfish and the value of the investments of Kingfish may be affected by the general economic climate, commodity prices, currency movements, changing government policy and other factors beyond the control of Kingfish. As a result, no guarantee can be given in respect of the future earnings of Kingfish or the earnings and capital appreciation of Kingfish's investments. The Manager and the Directors can give no guarantee as to Kingfish's future performance.

Consequences of Insolvency

In the event of the insolvency of Kingfish, no Warrant holder or Shareholder will be liable to pay any further amounts to Kingfish or any other person in respect of such New Warrants or Shares. In the event of Kingfish being wound up or put into liquidation:

- » Warrant holders who do not exercise their New Warrants and subscribe for Shares prior to Kingfish's liquidation or winding up will have no claim whatsoever on the assets of Kingfish.
- » Shareholders will rank behind all creditors, both secured and unsecured, in claims on the assets of Kingfish.
- » Holders of Shares issued upon exercise of the New Warrants will rank equally with all other Shareholders.

Investors are strongly advised to regard any investment in Kingfish as a long term proposition and to be aware that, as with any equity investment, substantial fluctuations in the value of their investment may occur.

CAN THE INVESTMENT BE ALTERED?

Alteration of the New Warrants

Kingfish may, in the circumstances provided below and in accordance with the Warrant Terms vary the terms of exercise for the New Warrants. Other than as provided below and in the Warrant Terms,

the rights of Warranholders may not be altered without the approval (by a 75% majority of votes of those entitled to vote and voting) of each “interest group”. In broad terms, an “interest group” is a group of Warranholders whose rights are affected by the proposed alteration in the same way (where the alteration affects the rights attaching to shares, Shareholder consent will also be required, see “Alteration of Shares” below). For these purposes:

- » the issue of further Shares, warrants or other securities which rank equally with the New Warrants, whether as to voting rights, distributions, dividends or otherwise;
- » the amendment of the Warrant Terms to comply with the requirements of the NZX Listing Rules or any legislation;
- » the amendment of the Warrant Terms that are of an administrative or technical nature having no material adverse effect on Warranholders; or
- » the exercise of any power or discretion under the Warrant Terms,

are each deemed not to be an action affecting the rights of Warranholders and therefore do not need the approval of Warranholders. The Warrant Terms may not be altered in any way by a Warranholder.

Under the Warrant Terms, the Board of Kingfish may alter the Exercise Price and the number of Shares over which a New Warrant is exercisable without the consent of Warranholders or of Shareholders under the following scenarios:

- » if Kingfish makes any rights issue of Shares to Shareholders before the Final Exercise Date, the Exercise Price may be adjusted in accordance with the formula provided in the Warrant Terms;
- » if Kingfish makes any bonus issue to holders of Shares, or there is a consolidation or a subdivision of the Shares, the number of Shares to be issued on exercise of a New Warrant may be altered (increased or decreased) by the number of Shares which the holder of the New Warrant would have received if that New Warrant had been exercised before the record date for the bonus issue, consolidation or subdivision in accordance with the Warrant Terms;
- » if Kingfish’s capital is restructured, including by

a rights issue or bonus issue as described above, and the Board of Kingfish considers, based on the advice of an Independent Expert, that any adjustment to the Exercise Price or to the number of Shares over which a New Warrant is exercisable could produce a result that is prejudicial or unduly advantageous, or that an alternative adjustment could be made that is neither prejudicial or unduly advantageous to Warranholders is available, then subject to the Listing Rules, the Board may alter the Exercise Price or the number of Shares over which a New Warrant is exercisable in a manner determined by the Board.

If the Board resolves to vary the terms of exercise for the New Warrants it will promptly announce particulars of such variation to the market on NZX and on Kingfish’s website (www.kingfishlimited.co.nz). Warranholders are encouraged to check for any such announcements prior to filing an Exercise Notice of Warrant.

The full Warrant Terms are set out on pages 18 and 19 of this Offer Document.

Alteration of Shares

In accordance with the Listing Rules, Kingfish’s constitution and sections 116 and 117 of the Companies Act 1993, the rights of Shareholders may not be altered without the approval (by a 75% majority of votes of those entitled to vote and voting) of each “interest group”. In broad terms, an “interest group” is a group of Shareholders whose rights are affected by the proposed alteration in the same way. For these purposes, the issue of further Shares or other securities which rank equally with, or in priority to, the Shares, whether as to voting rights, distributions, dividends or otherwise, is deemed not to be an action affecting the rights of Shareholders.

Alteration of the Offer

The Directors may alter the terms and conditions or terminate the Offer by providing written notice to the Shareholders and Warranholders.

Minimum Holdings

Some Shareholders will, because of the number of Shares held by them on the Record Date, receive less than the Minimum Holding of New Warrants required by the Listing Rules. It is anticipated that the initial Minimum Holding will be 500 Warrants. The terms >>

of the New Warrants give Kingfish the authority to require Warrantheolders who hold less than the Minimum Holding to sell those New Warrants or to acquire further New Warrants so that the Minimum Holding is held by that Warrantheolder. Kingfish must give Warrantheolders not less than three months notice of an intention to sell their less than Minimum Holding of Warrants (if they do not acquire additional Warrants and move to at least the Minimum Holding).

Kingfish does not have a present intention to require Warrantheolders to either buy or sell New Warrants in order to comply with this Minimum Holding requirement.

HOW DO I CASH IN MY INVESTMENT?

New Warrants

Application has been made to NZX for permission to quote the New Warrants and that the Shares, on exercise of the New Warrants, will be quoted on allotment. Investors who do not wish to exercise their New Warrants in exchange for Shares may generally cash in their New Warrants by selling them through a sharebroker. No charges are payable to Kingfish in respect of any sale, although brokerage may be payable to the broker. Kingfish considers that there will be an established market for the sale of New Warrants while the Exercise Price of the New Warrants is lower than the market price of the Shares. In any other event there may not be an established market for the sale of New Warrants. For further information see the section titled "What Are My Risks?" on page 12. New Warrants that are not exercised or sold before the Final Exercise Date will lapse and be of no value.

Shares

Under the Companies Act 1993, Kingfish can cancel its Shares under a reduction of capital, share buy-back or other form of capital restructuring. Subject to this, neither the Shareholders, Kingfish, nor any other person has any right to terminate, cancel, surrender, or otherwise make or obtain payment of the returns from the Shares, other than as referred to in this Offer Document under the section titled "What Returns Will I Get?" on page 11.

Investors can generally cash in their share investments by selling them through a sharebroker. All of the ordinary Shares in Kingfish are quoted on the NZSX and are tradeable subject only to compliance with

Kingfish's constitution, applicable securities law and regulations and the development and continuation of an active trading market. Application has been made to NZX for permission to quote the New Warrants and for the Shares, on exercise of the New Warrants, to be quoted on allotment. Because the Shares are quoted on the NZSX, Kingfish considers that there will be an established market for sales of them. No charges are payable to Kingfish in respect of any sale, although brokerage may be payable to the broker.

Warrantheolders who currently hold Kingfish Shares through the Registrar will have their Shareholder and FIN numbers applied to new Shares obtained by exercising the New Warrants. Investors who do not currently have a Common Shareholder Number or FIN number will receive both numbers by mail within five Business Days of the allocation of the Shares. Both numbers can be obtained after allocation, but prior to their receipt by mail, by contacting Computershare Investor Services Limited (see below for contact details).

WHO DO I CONTACT WITH INQUIRIES ABOUT MY INVESTMENT?

Enquiries should be directed to any NZX Primary Market Participant, or to Kingfish at:

Corporate Manager

Kingfish Limited

PO Box 33-549

Takapuna

Auckland 0740

Telephone: +64 9 489 7094

Fax: +64 9 489 7139

E-mail: enquire@kingfishlimited.co.nz

Internet Address: www.kingfishlimited.co.nz

IS THERE ANYONE TO WHOM I CAN COMPLAIN IF I HAVE PROBLEMS WITH MY INVESTMENT?

The Share Registrar:

Computershare Investor Services Limited

Level 2, 159 Hurstmere Road

Takapuna

Private Bag 92119

North Shore City 1142

Telephone: +64 9 488 8777

Fax: +64 9 488 8787

E-mail: enquire@computershare.co.nz

Internet Address: www.computershare.co.nz

The Issuer:

Corporate Manager
Kingfish Limited
PO Box 33-549
Takapuna
Auckland 0740
Telephone: +64 9 489 7094
Fax: +64 9 489 7139
E-mail: enquire@kingfishlimited.co.nz
Internet Address: www.kingfishlimited.co.nz

There is no ombudsman for this type of investment and therefore no complaints can be made to an ombudsman.

WHAT OTHER INFORMATION CAN I OBTAIN ABOUT THIS INVESTMENT?**Registered Prospectus and Financial Information**

Other information about the New Warrants and the Shares is contained or referred to elsewhere in this Offer Document. This Offer Document, Kingfish's latest annual report and financial statement and other documents of, or relating to, Kingfish (including Kingfish's constitution) may, on request, be inspected for free during business hours at Kingfish's registered office at Level 2, 95 Hurstmere Road, Takapuna, Auckland. In addition, these documents are filed on a public register are available for public inspection on request and payment of the relevant fee, by telephoning the Ministry of Economic Development Business Service Centre on 0508 266 726, or on the Companies Office's website www.business.govt.nz/ business under Kingfish's reference.

Ongoing Reports

Shareholders and Warrantholders will be sent annually a copy of Kingfish's annual report and half yearly report and all other shareholder communications required by New Zealand legislation. Shareholders and Warrantholders may elect to receive such communications electronically.

On Request Information

A request for any of the information referred to above can be made (free of charge) in writing, by email or by telephone to:

The Corporate Manager
Kingfish Limited
PO Box 33-549
Takapuna
Auckland 0740
Telephone: +64 9 489 7094
Fax: +64 9 489 7139
E-mail: enquire@kingfishlimited.co.nz
Internet Address: www.kingfishlimited.co.nz

Copies of this Offer Document and the latest and previous annual and half year reports can also be viewed and downloaded from Kingfish's website: www.kingfishlimited.co.nz.

WARRANT TERMS

Each New Warrant entitles the holder to subscribe for and be allotted one ordinary share in the capital of Kingfish, credited as fully paid, upon the payment of the Exercise Price. The Exercise Price is \$0.95. New Warrants are exercisable in whole or in part subject to a minimum exercise of 500 New Warrants (or such lesser number if that is the holder's entire holding) by the holder lodging with the Share Registrar the Exercise Notice of Warrant in writing together with payment of the Exercise Price for each new Share taken up.

Kingfish may require Warrantheolders who hold less than the Minimum Holding to sell the New Warrants or to acquire further New Warrants so that the Minimum Holding is held by that Warrantheolder. Kingfish must give Warrantheolders not less than 3 months notice of an intention to sell their less than Minimum Holding of New Warrants (if they do not acquire additional New Warrants and move to at least the Minimum Holding).

New Warrants may be exercised on any of the Exercise Dates specified in the Glossary on page 22. Any New Warrants not exercised by or on 3 September 2012 will expire.

Kingfish will allot shares on the exercise of New Warrants in accordance with the Listing Rules and other regulatory requirements.

A New Warrant does not entitle the holder to:

- » vote at a meeting of the Company's Shareholders;
- » participate in any dividends declared by the Board of Directors; or
- » participate with any other securities in the residual assets of the Company upon liquidation of the Company.

Each Warrant does entitle the holder to:

- » certain information from the Company, including its annual and half yearly reports and notices of meeting;
- » any other rights conferred by the Company's constitution, the Companies Act 1993 or the Listing Rules; and
- » attend (but not vote at) any general meetings of the Company.

If before the exercise or lapse of the New Warrants Kingfish makes a pro-rata bonus issue of ordinary shares or other securities to existing Shareholders (other than an issue in lieu of dividends or an issue from retained earnings), shares or securities will be reserved for issue to Warrantheolders on the date the Warrantheolder exercises the New Warrant. Bonus securities will be reserved on the basis that each New Warrant held on the relevant date of entitlement was one share in the Company. In the event that a Warrantheolder does not exercise a New Warrant held, then the Warrantheolder's right to the bonus shares and securities will lapse.

If before the exercise or lapse of New Warrants a pro-rata cash issue of shares or other securities is made to existing Shareholders, Kingfish will make a corresponding offer to Warrantheolders on the basis that each Warrant held on the relevant date of entitlement was one share in the Company.

The Exercise Price may be varied at any time before the Final Exercise Date in the following circumstances:

1. If Kingfish makes a rights issue of Shares to its Shareholders before the Final Exercise Date (a "Rights Issue"), then the Exercise Price of any unexercised New Warrants shall (subject to alternative adjustments in accordance with clauses 2 and 3) be adjusted in accordance with the following formula:

$$EP_{\text{new}} = EP_{\text{old}} - \frac{E[AP - (S + D)]}{N + 1}$$

- EP_{new}** = the new Exercise Price of the New Warrants
- EP_{old}** = the old Exercise Price of the New Warrants
- E** = the number of Shares in which one New Warrant is exercisable
- AP** = the average market price per Share (weighted by reference to volume) during the five Business Days ending on the day before the Rights Issue
- S** = the subscription price for a Share under the Rights Issue
- D** = any dividend due but not yet paid on the existing Share (except dividends to be issued under the Rights Issue)
- N** = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.

The necessary adjustment shall be determined by the Directors by applying the above formula. The Director's determination shall, in the absence of manifest error, be binding on all Warrantheolders and other persons. Any adjustment so determined shall be made, and take effect, on the Business Day following the record date for the Rights Issue.

2. If there is a bonus issue to Shareholders or a consolidation or subdivision of the Shares, then the Board may resolve that the number of Shares over which a New Warrant is exercisable be increased or decreased (as the case may be) by the number of Shares which the Warrantheolder would have received if that New Warrant had been exercised before the record date of the bonus issue, consolidation or subdivision.
3. If, notwithstanding the adjustment procedures permitted by clauses 1 and 2 above, Kingfish's capital is restructured (including a rights issue, bonus issue, convertible securities issue, warrants issue, options issue, consolidation, subdivision, cancellation or Share buyback) and the Board determines, upon the advice of an Independent Expert, that:
 - 3.1 the application of the formula in clause 1 above, an adjustment permitted by clause 2 above or the non-applicability of both such clauses may produce a result which is prejudicial or unduly advantageous (based on reasonable grounds) to Warrantheolders; or
 - 3.2 an alternative adjustment that is not envisaged in clauses 1 or 2 could be applied,

then the number of New Warrants held, the number of Shares over which a New Warrant is exercisable, and the Exercise Price, or any combination thereof, may, to the extent necessary (subject to the Listing Rules), be altered by the Board in a manner determined by the Board, upon the advice of an Independent Expert and subject always to the Listing Rules or relief therefrom, to ensure that Warrantheolders are not prejudiced (nor unduly advantaged or disadvantaged) by the reconstruction of capital, and in all other respects the terms of the New

Warrants shall remain unchanged. Any such adjustment shall be final and binding on all Warrantheolders.

Kingfish will issue Shares to Warrantheolders who exercise their New Warrants by the second Business Day following an Exercise Date, provided the Exercise Notice and payment of the Exercise Price for each New Warrant exercised are received prior to the relevant Exercise Date. Shares issued on the exercise of New Warrants will participate in dividends declared after the date of the exercise and will otherwise rank *pari passu* with the ordinary shares in the capital of Kingfish on issue at the date of exercise of the New Warrants.

Warrants may be transferred at any time before expiry. Warrants are transferable on any common form of transfer. Directors have the same powers in respect of registration of transfers of New Warrants as they have in respect of Shares.

STATUTORY INFORMATION

(Information Required by Securities Regulations 2009)

The following information is required by Schedule 7 to the Securities Regulations 2009 (the "Regulations") and by section 13 of the Securities Act (Rights, Options, and Convertible Securities) Exemption Notice 2002 and forms part of this Offer Document.

1. MAIN TERMS OF OFFER

Kingfish Limited, a duly incorporated New Zealand company having its registered office at Level 2, 95 Hurstmere Road, Takapuna, Auckland (also referred to as "Kingfish" and the "Company") is the issuer of the New Warrants which are the subject of this Offer Document.

The securities offered are 43,671,099 warrants (the "New Warrants") at an issue price of nil and an Exercise Price of \$0.95 per Share. The New Warrants confer on the holder the right to exercise any or all of the New Warrants held (subject to certain minimum parcel requirements) for the Exercise Price and receive one ordinary share in Kingfish (a "Share") for every New Warrant exercised. Each Share confers on the holder:

- a. the right to vote on a poll at a meeting of Kingfish on any resolution, including, but not limited to any resolution to:
 - i. appoint or remove a director or auditor;
 - ii. alter Kingfish's constitution;
 - iii. approve a major transaction;
 - iv. approve an amalgamation under section 221 of the Companies Act 1993; and
 - v. put Kingfish into liquidation;
- b. the right to an equal share with other holders of Shares in any distribution, including dividends, if any, authorised by the Directors of Kingfish; and
- c. the right to an equal share with the other holders of Shares in the distribution of the surplus assets of Kingfish.

No share certificates will be issued for the New Warrants or Shares.

2. PROSPECTS AND FORECASTS

Kingfish is essentially an equity markets play on selected growing New Zealand companies. The prospects of these entities will reflect a number of factors, which may include the industries they operate in, but are also influenced by general New Zealand macro-economic and capital markets factors. The prospects and forecasts of Kingfish together with information regarding the risks associated with the Offer are discussed on pages 8 and 9, and 12 to 14 of this Offer Document.

3. ISSUE EXPENSES

Issue expenses (including printing costs, share registry expenses, legal costs, accounting, NZX issuer fees and financial advisory and issue management expenses) are estimated at \$80,000 and are payable by Kingfish. No commission is payable to any person in respect of this Offer.

4. OTHER TERMS OF OFFER AND SECURITIES

All terms of the Offer, all terms of the New Warrants and all terms of the Shares which will be received if a Warrantholder exercises their New Warrants, are set out in this Offer Document, except those implied by law or set out in Kingfish's constitution or other document that is registered with a public official, available for inspection as referred to in this Offer Document.

5. FINANCIAL STATEMENTS

The audited financial statements of Kingfish for the 12 months ended 31 March 2010 were sent to Shareholders, who are the persons who were, at the time the final statements were sent, holders of the same class of securities as those held by the persons to whom the Offer is made.

Copies of the financial statements referred to above can also be obtained free of charge on request by any person to whom the Offer is made at the registered office of Kingfish at Level 2, 95 Hurstmere Road, Takapuna, Auckland and are also available on Kingfish's website www.kingfishlimited.co.nz.

7. DIRECTORS' STATEMENT

Subsequent to 31 March 2010 and up to the date of registration of this Offer Document, Kingfish's unaudited Net Asset Value has fallen by approximately

four percent. This constitutes an adverse change in asset values and trading and profitability since 31 March 2010. The Directors do not consider this loss to be unusual in the life-cycle of a long term investment company. In addition, a dividend of 2.26 cents per share was paid on 24 June 2010 and this further reduced the Net Asset Value by two percent.

After due enquiry, the Directors advise that in their opinion Kingfish's ability to pay its liabilities due within the next 12 months has not materially and adversely changed in the period since 31 March 2010.

13. STATEMENTS REQUIRED BY THE SECURITIES ACT (RIGHTS, OPTIONS, AND CONVERTIBLE SECURITIES) EXEMPTION NOTICE 2002

Changes of circumstances occurring between the date of the allotment of the New Warrants and the date on which the New Warrants are exercised in return for Shares may have a material effect on the Shares (including their price) or on Kingfish.

Important information relating to the Shares (including their price) and Kingfish will be disclosed in accordance with the continuous disclosure provisions of the relevant NZX Listing Rules.

Kingfish will release a pre-conversion statement to NZX and on Kingfish's website (www.kingfishlimited.co.nz) between 5 and 10 working days before the earliest date on which the election to exercise the New Warrants may be made. The holders of New Warrants should consider the pre-conversion statement, the market price of the Shares, and all other information made available concerning the Shares and Kingfish, before an election to exercise the New Warrants is made. The pre-conversion statement will contain the following information:

- » a statement to the effect that the purpose of the pre-conversion statement is to assist registered holders of convertible securities to decide whether to elect to convert those securities;
- » a description of any adverse circumstances (whenever they occurred) that make the investment statement false or misleading in a material particular by reason of failing to refer, or give proper emphasis, to those circumstances;
- » a description of the effect of any adverse

circumstances, to the extent that the effect can be assessed, or, where the effect of the adverse circumstances cannot be assessed, a statement to that effect;

- » a list of any other documents that are, in the opinion of Kingfish, relevant to a decision about whether to elect to convert, in which case the documents must either be included in the pre-conversion statement or the pre-conversion statement must clearly indicate where those documents may be viewed and how they may be accessed; and
- » a statement by Kingfish that the pre-conversion statement is not known by Kingfish, or any Director of Kingfish, to be false or misleading in a material particular by reason of failing to refer, or give proper emphasis, to adverse circumstances.

GLOSSARY

A-Series Warrants

Warrants issued by Kingfish pursuant to a Prospectus and Investment Statement dated 26 February 2004. A-Series warrants not exercised by 31 March 2008 have expired.

Board

Board of Directors of Kingfish

Business Day

Any day (other than a Saturday, Sunday or a public holiday) on which registered banks are open for business in Wellington and Auckland

Company

Kingfish Limited

Directors

Directors of Kingfish

Exercise Dates

The New Warrants may be exercised on the following dates:

Tuesday 23 Nov 2010

Tuesday 22 Feb 2011

Tuesday 24 May 2011

Tuesday 23 Aug 2011

Thursday 27 Oct 2011

Tuesday 24 Jan 2012

Tuesday 24 Apr 2012

Tuesday 24 July 2012

Monday 3 Sep 2012

Exercise Notice

The form that must be used to exercise New Warrants and which is attached to this Offer Document and available from Kingfish

Exercise Price

\$0.95 per Share on the exercise of each New Warrant

Final Exercise Date

3 September 2012

Fisher Funds

Fisher Funds Management Limited

Kingfish

Kingfish Limited

Listing Rules

The NZSX Listing Rules, as amended from time to time

Manager

Fisher Funds Management Limited

Minimum Holding

500 New Warrants, subject to change in accordance with the NZSX Listing Rules

New Warrant

Warrants issued by Kingfish pursuant to this Offer Document

NZX

NZX Limited

Offer

The offer to Shareholders of one New Warrant for every two Shares held on the Record Date

Offer Document

This combined Short Form Prospectus and Investment Statement dated 10 August 2010

Primary Market Participant

Any company, firm, organisation or corporation designated as a Primary Market Participant from time to time by NZX pursuant to the NZX Participant Rules

Record Date

30 August 2010

Shareholder

A person who holds Shares in Kingfish

Shares

Ordinary shares in Kingfish

Warrant

The right, but not the obligation, to purchase a Share for the Exercise Price on any of the Exercise Dates

Warrantholders

Persons who hold New Warrants

Warrant Terms

The warrant terms contained on pages 18 and 19 of this Offer Document

Independent Expert

An investment banker, chartered accountant or other financial advisor selected by the Board and in each case, being appropriately qualified and independent of Kingfish (having regard to the purpose of the appointment) in the reasonable opinion of the Board.

DIRECTORY

DIRECTORS

Robert Lanham Challinor (Independent Chairman)

Annabel Mary Cotton (Independent Director)

Carmel Miringa Fisher (Director)

Ian Robert Hendry (Independent Director)

COMPANY SECRETARY

Nivedita Findlay

REGISTERED OFFICE

Kingfish Limited

Level 2, 95 Hurstmere Road

Takapuna

North Shore City 0740

Telephone: +64 9 489 7094

Facsimile: +64 9 489 7139

Website: www.kingfishlimited.co.nz

E-Mail: enquire@kingfishlimited.co.nz

SHARE REGISTER

Computershare Investor Services Limited

Level 2, 159 Hurstmere Road

Takapuna

Private Bag 92119

North Shore City 1142

Phone: +64 9 488 8777

Fax: +64 9 488 8787

SOLICITORS

Chapman Tripp

Level 35, 23 Albert Street

PO Box 2206

Auckland 1010

AUDITORS

PricewaterhouseCoopers

Level 22, 188 Quay Street

Private Bag 92162

Auckland 1010



www.kingfishlimited.co.nz