



## **MEDIA RELEASE**

**18 December 2009**

***For Immediate Release***

### **Pulse Utilities Secures Major Investors**

**Pulse Utilities New Zealand Limited has secured a major coup in their recent capital raising venture attracting more than \$4 million from new investors.**

Pulse Utilities Acting Chairman Joseph van Wijk made the announcement earlier today to the New Zealand Stock Exchange expressing his delight with the outcome of the capital raising process and assuring shareholders this will greatly assist the company in achieving its objectives and creating significant value.

“We are extremely pleased and believe the monies raised will provide a solid platform for future growth as Pulse Utilities builds its electricity retailing arm Pulse Energy and deploys its smart meter technology into customers’ homes.”

Mr van Wijk says “Since the company was listed in 2007, company growth has been constrained by a lack of capital, we can now enter 2010 with confidence that we can implement our business plan and deliver value to both our shareholders and customers.”

A total of 18 persons invested in the private capital raising process. The total amount of funds raised was \$4,256,500 at \$0.50 per share. Allotment of all new shares will occur on or before 22 December 2009.

Given this significant fundraising process is now completed, says Pulse Utilities Acting Chairman Joseph van Wijk, “is to actively seek a permanent Chairman to join the Board who will help guide the company through this significant growth phase”.

”While it is likely that Pulse Utilities will need further funds for growth in the medium term, the Board feel that the most likely source of these funds will be debt so as not to dilute shareholdings further. Debt funding will become increasingly more logical and obtainable as Pulse Utilities gains traction and success in the medium term. Most importantly, we can now work towards strong growth in 2010.”

The Board expresses its thanks to all of the investors in the offer.

Full details of allotments under the offer will be announced next week when allotment procedures are completed.

### ***SIGNIFICANT INVESTORS: Background Information***

As noted in the pre-break announcement, interests associated with Pulse’s Chief Executive Officer and Director of Pulse, Mr Dene Biddlecombe, invested \$500,000 into the offer.

In addition, Pulse Utilities welcomes the significant shareholders as follows:

#### **Mr Malcolm Dick**

Interests associated with Malcolm Dick have invested \$500,000 in the offer and Malcolm has been appointed as Dene Biddlecombe’s alternate director on the Pulse Utilities’ Board.

While Mr Dick’s existing business commitments mean he was unable to take up a full directorship on the Pulse Utilities’ Board, Acting Chairman Joseph van Wijk explained that the company would still benefit through Mr Dick’s knowledge and expertise in his alternate role.

Mr Dick co-founded Call Australia in 1992 building the business into one of Australia's top telecommunications providers, with 200 staff and an annual turnover in excess of \$100 million. After selling Call Australia in 1997, Mr Dick returned to New Zealand to establish CallPlus, which is New Zealand's fourth largest full service telecommunications company.

### **Mr Robert Famularo**

Interests associated with Mr Robert Famularo have invested \$1.2 million into the offer, thereby, becoming one of Pulse Utilities' largest shareholders. Given this level of commitment by Mr Famularo to Pulse Utilities, the Board intends to grant to Mr Famularo 250,000 options. The options will have a nine-month term and be exercisable into shares on a 1:1 basis for \$0.50 per option.

### **Buller Electricity Limited**

Pulse Utilities is delighted to announce that Buller Electricity Limited (BEL) is also a new significant shareholder. BEL has invested \$1.2 million in the offer and their investment represents an exciting opportunity for Pulse Utilities to partner with another electricity industry participant.

BEL operates an electricity lines distribution business in the Buller region and a contracting business that performs electrical maintenance and capital works. BEL is wholly owned by Buller Electric Power Trust, an energy consumer trust.

Under the present Electricity Industry Restructuring Act, the level of investment that BEL may make in Pulse Utilities is restricted to no more than 10% of the company's issued shares. With the Electricity Industry Bill being introduced in Parliament last week, this 10% restriction looks likely to be removed in the second half of 2010. Accordingly Pulse Utilities has agreed to grant a total of 1 million options to BEL subject to this law change occurring.

In addition, Pulse Utilities has agreed to work with BEL to seek relief from the Commerce Commission to allow a BEL nominee to be appointed to the Pulse

Board and also work towards a launch of Pulse Energy in the Buller region in 2010.

Pulse CEO Dene Biddlecombe said he looks forward to working with BEL in what he considers will be a mutually beneficial arrangement.

***Background: Pulse Energy***

*Pulse Energy is the trading name of Pulse Utilities New Zealand. Incorporated in 2004, Pulse Utilities New Zealand Limited developed unique and patented technology to easily and efficiently measure utility usage through their Smart Meter device.*

*In 2007, the company was listed on the NZAX ensuring accountability to both its shareholders and public. The same year, Pulse Utilities also gained approval by the Electricity Commission to retail electricity (appointed as an “Electricity Commission Certified Reconciliation Participant”). This approval entails developing and adopting stringent technology standards including meeting international ISO9001 quality standards.*

**ENDS**

*For further information please contact:*

**Mr Joseph van Wijk**

Acting Chairman

Pulse Utilities New Zealand Limited

*Phone*        09 378 9981

**Mr Dene Biddlecombe**

Chief Executive Officer

Pulse Utilities New Zealand Limited

*Phone*        09 378 9981