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Lodge your proxy

By Mail

Computershare Investor Services Limited
Private Bag 92119
Auckland 1142
New Zealand

By Fax

+64 9 488 8787

General enquiries

If you have any questions in relation to the Booklet or the Demerger, please call the Telebonds Information Line on 0800 767 556 (within New Zealand) or 1800 134 068 (within Australia) or +61 2 8280 7732 (outside New Zealand and Australia) on Business Days between 9am and 7:30pm (NZ time).

For enquiries regarding this proxy form contact:

0800 737 100 (within NZ)
+64 9 488 8777 (international)
enquiry@computershare.co.nz

Proxy Form

Instructions

After completing this Proxy Form please arrange for it to be deposited at:

Computershare Investor Services Limited
Private Bag 92119
Auckland 1142

In order to be effective, this Proxy Form must be received by the Registrar, Computershare Investor Services Limited ("Computershare") **no later than 10am on 28 September 2011** ("Proxy Closing Time"). Any Proxy Form received after the Proxy Closing Time may, in the Trustee's discretion, be accepted and treated as valid.

The signature of a Holder who is an individual is not required to be witnessed.

If the Holder is a corporation, the Proxy Form should be executed by a duly authorised officer or attorney, and proof of authorisation sent with the Proxy Form.

Joint Holders should all sign the Proxy Form.

A proxy does not need to be a Holder.

Where this Proxy Form has been completed under a power of attorney or other authority, it must be deposited with Computershare no later than the Proxy Closing Time together with (if applicable) either a copy of the signed power of attorney or other authority under which the Proxy Form is signed.

No proxy will be effective (otherwise than in the Trustee's discretion) unless the appropriate Proxy Form is completed and returned in accordance with the instructions above.

The Chairman of the Meeting is able to act as your proxy. All proxies in favour of the Chairman of the Meeting will, unless the form directs otherwise, be voted in favour of the resolution.

Turn over to complete the form

Perforation

Proxy/Corporate Representative Form

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If you wish to vote but do not wish to attend the Meeting:

Step 1: Appoint a proxy to vote on your behalf

I/We, being a Holder/s of Stock ("**Stock**") issued pursuant to the trust deed dated 25 October 1988 between Telecom Corporation of New Zealand Limited ("**Telecom**") and The New Zealand Guardian Trust Company Limited

hereby appoint[1] ____________________ of ____________________

or failing him / her ____________________ of ____________________

as my/our proxy to vote for me/us and on my/our behalf at the Meeting of Holders of Stock to be held on 30 September 2011, and at any adjournment thereof, for the purposes of considering and voting on the Extraordinary Resolution below:

Step 2: Items of business – voting instructions/ballot paper (if a poll is called)

EXTRAORDINARY RESOLUTION

	DIRECTION FOR HOW TO VOTE (PLEASE TICK ONLY ONE)	
	VOTE FOR	VOTE AGAINST
THAT this meeting of holders of all classes of Stock (as defined in the Trust Deed) issued by TCNZ Finance Limited currently outstanding constituted by the trust deed dated 25 October 1988 (as amended from time to time) ("**Trust Deed**") originally made between Telecom Corporation of New Zealand Limited and The New Zealand Guardian Trust Company Limited ("**Trustee**") for the Holders of Stock, hereby:	☐	☐

1. Authorises and directs the Trustee to approve the terms of the High Court approved scheme of arrangement providing for the demerger of Telecom Corporation of New Zealand Limited in accordance with clause 14.1.2(i) of the Trust Deed.
2. Authorises and directs the Trustee, upon request by Telecom, to take all action necessary, desirable or appropriate to implement, or facilitate the implementation of, the demerger referred to in paragraph 1 above.

In connection with the above extraordinary resolution, I/we authorise and direct my/our proxy to vote on the resolution as indicated with a (✓) in the appropriate box[2].

1. You may appoint the Chairman as your proxy by writing "The Chairman" in the space provided for insertion of the proxy's name.
2. Where the Chairman is appointed as proxy, if neither "Vote For" nor "Vote Against" is indicated, the Chairman will vote in favour of the resolution.

Sign: signature of Holder(s) This section must be completed.

Signed this ____________ day of ____________ 2011

Holder 1	Holder 2	Holder 3

Contact Name ____________________ Contact Daytime Telephone ____________________ Date ____________

For instructions on completing this form please see the reverse side.

If you wish to attend the Meeting:

Bring this form with you to the meeting.

Perforation

Attendance record card

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telecom[nz]

Telecom Corporation of New Zealand Limited

Stockholders' Meeting

Friday 30 September 2011 at 10am at
Level 2, Telecom, 167 Victoria Street West
Auckland 1142, New Zealand