

Minutes of the 2010 Annual Meeting of Shareholders of Telecom Corporation of New Zealand Limited (the "Company")

<u>Date:</u>	30 September 2010
<u>Time:</u>	10.00am
<u>Venue:</u>	Hall C, Christchurch Convention Centre, 95-97 Kilmore Street, Christchurch
<u>Apologies:</u>	None

Preliminary

The Chairman, Mr Boyd:

- Welcomed the shareholders to the meeting and declared the meeting open;
- Introduced the Company Secretary, Group General Counsel, outgoing Chief Financial Officer, incoming Chief Financial Officer, Chief Executive Officer and Directors;
- Noted that the notice of meeting had been duly given to all shareholders and to all other persons entitled to receive the notice of meeting;
- Noted that the Company's constitution prescribes a quorum requirement of two shareholders and that a quorum was present;
- Announced that proxies had been appointed in respect of approximately 1.3 billion shares representing approximately 67% of total shares;
- Noted that the Chairman would vote proxies for which he was given discretion in favour of resolutions 1, 2 and 3; and
- Noted that the financial statements for the 12 month period to 30 June 2010 together with the Auditors' Report were set out in the Company's Annual Report which was made available electronically to all shareholders on 20 August 2010.

The Chairman addressed the meeting, advising shareholders of the financial position of the Company and explaining the Company's dividend policy. The Chairman addressed the subject of executive remuneration and the composition of the Company's Board. The Chairman went on to outline the Company's position in relation to the government's ultra fast broadband initiative, including details of the proposal the Company had submitted to Crown Fibre Holdings and a summary of progress to date.

The Chief Executive Officer, Dr Reynolds, addressed the meeting on pertinent events in the previous financial year including the Company's response to the Christchurch earthquake. Dr Reynolds outlined the challenging regulatory environment in which the Company operates and noted the operational separation milestones and financial targets that the Company had achieved. Dr Reynolds addressed the strategy refresh, the culture throughout the Company and noted that, despite the initial issues, the XT mobile network is now performing at a world class level. He noted the achievements of the Company's ICT business, progress of the fibre to the node programme and the resultant average broadband speeds for customers. Dr Reynolds then addressed the future of the Company and the opportunities and challenges posed by the government's ultra fast broadband initiative.

The Chairman then moved to address each of the resolutions in the order set out in the notice of meeting and said that a poll on each resolution would be conducted at the conclusion of the meeting.

Resolution 1: That the directors are authorised to fix the Auditors' remuneration.

The resolution that the directors be authorised to fix the auditors' remuneration was put to the meeting and the Chairman enquired if there were any matters for discussion or questions concerning the motion.

There were no matters for discussion or questions.

Resolution 2: That Murray Horn be re-elected as a director of the Company.

The Chairman presented the Board's view of the resolution.

Dr Horn briefly addressed the meeting on his proposed re-election.

The resolution that Dr Horn be re-elected as a director of the Company was put to the meeting by the Chairman and he enquired if there were any matters for discussion or questions concerning the motion.

There were no matters for discussion or questions.

Resolution 3: That Sue Sheldon be elected as a director of the Company.

The Chairman presented the Board's view of the resolution.

Ms Sheldon briefly addressed the meeting on her proposed election.

The resolution that Ms Sheldon be elected as a director of the Company was put to the meeting by the Chairman and he enquired if there were any matters for discussion or questions concerning the motion.

There were no matters for discussion or questions.

Shareholder Discussion

The Chairman advised the meeting that Telecom had given shareholders the opportunity to submit questions to the Board prior to the meeting.

The Chairman noted that a number of the questions had related to the UFB process, the possibility of de-merger, executive remuneration and the regulatory framework. He noted that he and Dr Reynolds had addressed those issues in their respective addresses.

The Chairman invited questions from the floor. There were no questions.

Polls

At the end of formal business, the Chairman asked for the polls on all resolutions to proceed, with the Company's Auditors, KPMG, acting as scrutineers. The Chairman announced that the meeting would be closed following the completion of the voting procedures.

The meeting (except for the vote counting and scrutineering) finished at approximately 11.15 am.

The results of the polls were announced to the Exchanges later that day. Resolutions 1,2 and 3 were passed.

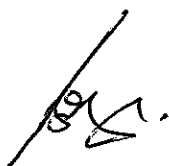
Details of the total number of votes cast in person or by the proxy on the poll were:

Resolution	For	Against	Abstain
1. That the directors are authorised to fix the remuneration of the Auditors	1,238,419,676 99.67%	4,150,061 0.33%	52,974,060
2. That Murray Horn be re-elected as a Director of the Company.	1,240,460,536 99.76%	3,028,938 0.24%	52,054,323
3. That Sue Sheldon be elected as a Director of the Company.	1,238,411,199 99.60%	4,966,557 0.40%	52,166,041

Details of the manner in which shareholders directed the proxy to vote at proxy close (and included above):

Proxies	For	Against	Abstain	Proxy Discretion
1. That the directors are authorised to fix the remuneration of the Auditors	1,236,202,835	4,150,061	52,910,894	1,770,422
2. That Murray Horn be re-elected as a Director of the Company.	1,238,256,132	3,015,901	52,047,956	1,714,223
3. That Sue Sheldon be elected as a Director of the Company.	1,236,215,891	4,920,233	52,160,474	1,737,614

Confirmed as a correct record



Mr W Boyd – Chairman of the Meeting

Dated: 4 November 2010