



Penrice Soda Holdings Limited

A.C.N 109 193 419

3 June 2009

ASX RELEASE: Shareholder letter re EGM

Penrice Soda Holdings Limited (ASX: PSH) advises that a letter to shareholders regarding the forthcoming EGM will be dispatched today, June 3, 2009.

A copy of the letter is attached below.

Frank Lupoi
Company Secretary





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A.C.N 109 193 419

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Dear Fellow Shareholder,

As you may be aware, a Penrice Soda Holdings Limited (ASX:PSH) shareholder - London City Equities (ASX:LCE) - has requested a meeting of your Company's shareholders to consider resolutions to:

- remove existing Directors - Mr John Heard (Chairman of Penrice) and Mr David Trebeck - from the Board of Penrice; and
- appoint LCE nominees Mr Peter Murray and Mr Glenn Turner.

The composition of the Penrice Board is a matter for shareholders and your Directors will provide you with information to enable you to make an informed decision on any proposed changes to the Company's Board. To manage the process of convening the meeting, Penrice has established a Sub-Committee of non-executive Directors comprising of Mr Andrew Fletcher, Ms Barbara Gibson and Mr John Hirst.

For Penrice and its shareholders, your Directors see this event as untimely and unwelcome. During recent confidential discussions between LCE and Penrice, LCE requested that at least two Penrice Directors be replaced by LCE nominees. While Penrice Directors rejected this request, they offered to appoint one LCE nominee to the Board as this would provide LCE with appropriate representation given its 9.6 percent shareholding.

Your Board felt that LCE having two of Penrice's six directors (33.3 percent Board representation) would be disproportionately representative of LCE's 9.6 percent. LCE rejected the Penrice proposal and has proceeded to request a meeting of shareholders.

Penrice will send to you a Notice of Meeting in coming weeks. Included in the Notice of Meeting will be additional information concerning this matter, such as details about the proposed LCE nominees.

Meanwhile, you do not need to take any action in relation to your shares in Penrice.

On behalf of the Directors, I assure you that dealing with LCE's request will not distract the current Directors and Management of Penrice from progressing the company's current three-year plan that is already yielding positive results.

Your Penrice Board – along with our Management team – remains committed to guiding and managing your Company, building shareholder value and acting in the best interests of all shareholders.

We will keep you informed of all developments as they arise.

Yours sincerely,

Chairman of the Sub-Committee
Mr Andrew Fletcher

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