

Disclosure of beginning to have substantial holding***Section 22, Securities Markets Act 1988***

To: New Zealand Stock Exchange

And: Chorus Limited

Date this disclosure made: 29 July 2014

Substantial security holder(s) giving disclosure

Names: Allan Gray Australia Pty Ltd (Allan Gray Australia) and its related bodies corporate as set out in Table 1 of Annexure A (together Allan Gray Group), as investment manager for the funds or investment mandates listed at Table 2 of Annexure A (3)

Contact details: Eugene Tan, +612 8224 8627, e.tan@orbis.com

Date on which substantial security holder(s) began to have substantial holding: 22 July 2014

Summary of substantial holding to which disclosure relates

Class of listed voting securities: Ordinary shares

Summary for: Allan Gray Group

For this disclosure,—

- (a) total number held in class: 19,839,411
- (b) total in class: 396,369,767
- (c) total percentage held in class: 5.00%

Details of relevant interests currently in substantial holding

Details for: Allan Gray Group

Nature of relevant interest(s): As investment manager for the funds or investment mandates listed at Table 2 of Annexure A

For that relevant interest,—

- (a) number held in class: 19,839,411
- (b) percentage held in class: 5.00%
- (c) current registered holder(s) of securities: Unknown
- (d) registered holder(s) of securities once transfers registered: See Table 2 of Annexure A and Annexure B

Details of transactions and events giving rise to person beginning to have substantial holding

Details of the transactions or other events requiring disclosure under the instructions to this form: Purchases of 44550 shares by Allan Gray Group on 22 July 2014 and the aggregation of interests in Chorus Limited held by the Group.

Additional information

Nature of connection between substantial security holders: As investment manager for the funds or investment mandates listed at Table 2 of Annexure A that hold Chorus Limited ordinary shares as set out in Annexure B

Address(es) of substantial security holder(s): G/- Allan Gray Australia, Level 2 Challis House, 4 Martin Place Sydney, NSW 2000

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Act in relation to the securities to which this disclosure relates: - N/A

Declaration

I, Simon Marais, Director of Allan Gray Australia, declare that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.

Chorus Limited**THIS IS ANNEXURE A OF 1 PAGE REFERRED TO IN THE ABOVE FORM****Table 1 – Related bodies corporate**

The following entities are associates of Allan Gray Australia and each other by virtue of being related bodies corporate.

Orbis Holdings Limited	Orbis Mansfield Street Properties Ltd
Orbis World Limited	Orbis Investment Management (BVI) Limited (OIMLBVI)
Orbis Investment Management Limited (OIML)	Orbis Investment Advisory Pty Limited
Orbis Asset Management Limited (OAML)	Allan Gray (Holdings) Pty Ltd
Orbis Administration Limited	Orbis Investment Advisory (Hong Kong) Limited
Orbis Investment Research Limited	Orbis Client Services (Canada) Limited
Orbis Investment Management (MIS) Limited	Orbis Holdings (UK) Limited
Triple Blue Holdings Limited	Orbis Investment Management (Europe) LLP
Pictet Overseas Trust Corporation and Pictet Trustee Company SA	Orbis Investment Management (Luxembourg) S.A

Table 2 – Funds

An entity within the Group acts as investment manager for some or all of the assets in the following funds.

No	Fund name	Manager	Code	Registered holder	Persons entitled to be registered holder
1.	Allan Gray Australia Equity Fund	AGA	SMEF	Citibank N.A., Sydney Branch as SMEF's custodian	Equity Trustees Limited as SMEF's responsible entity
2.	Allan Gray Australia Opportunity Fund	AGA	SMSF	Citibank N.A., Sydney Branch as SMSF's custodian	Equity Trustees Limited as SMSF's responsible entity
3.	Warakirri Endeavour Fund	AGA	SMWK	ANZ Nominees Ltd as SMWK's custodian	Warakirri Asset Management Pty Ltd as SMWK's trustee
4.	Warakirri Australian Equities Pensions and Charities Fund	AGA	SMWA	ANZ Nominees Ltd as SMWA's custodian	Warakirri Asset Management Pty Ltd SMWA's trustee
5.	Ibbotson Australian Shares High Alpha Trust	AGA	SMIA	JP Morgan Nominees Australia Ltd as SMIA's custodian	Ibbotson Associates Australia Ltd SMIA's trustee
6.	Construction and Building Unions Superannuation Fund	AGA	SMCB	NAB Custodial Services as SMCB's custodian	United Super Pty Ltd as SMCB's trustee
7.	HESTA Superannuation Fund	AGA	SMHT	JP Morgan Nominees Australia Ltd as SMIA's custodian	H.E.S.T. Australia Ltd as SMHT's trustee
8.	Hostplus Superannuation Fund	AGA	SMHP	Citibank N.A., Sydney Branch as SMHP's custodian	Host Plus Pty Ltd as SMHP's trustee
9.	Russell Australian Opportunities Fund	AGA	SMRI	State Street Australia Ltd as SMRI's custodian	Russell Investment Management Ltd as SMRI's responsible entity
10.	Catholic Superannuation Fund	AGA	SMCS	NAB Custodial Services as custodian for SMCS	CSF Pty Ltd as SMCS's trustee
11.	Qantas Superannuation Plan	AGA	SMQS	JP Morgan Nominees Australia Ltd as SMQS's custodian	Qantas Superannuation Ltd as SMQS's trustee
12.	Maritime Super	AGA	SMMS	NAB Custodial Services as custodian for SMMS	Maritime Super Pty Ltd as SMMS's trustee
13.	Non-Government Schools Superannuation Fund	AGA	SMNG	State Street Australia Ltd as SMNG's custodian	Non-Government Schools Superannuation Fund Pty Ltd as SMNG's trustee
14.	REST Superannuation Fund	AGA	SMRT	State Street Australia Ltd as SMRT's custodian	Retail Employees Superannuation Pty Ltd as SMRT's trustee
15.	Government Employees Superannuation Board	AGA	SMGB	NAB Custodial Services as SMGB's custodian	Government Employees Superannuation Board
13	Australian Super Fund	AGA	SMAU	JP Morgan as nominee of SMAU	JP Morgan Nominees Australia Ltd as nominee of SMAU
16.	Orbis Global Equity Fund (Australia Registered)	OIML	GAPL	Citibank N.A., Hong Kong Branch, as GAPL's custodian	Equity Trustees Limited as GAPL's responsible entity
17.	Orbis Global Equity Fund Limited	OIMLA	OGEF	Citigroup Fund Services Canada, Inc (Citi Canada) as OGEF's custodian	OGEF
18.	Orbis Optimal SA Fund Limited	OIML	OSAP	Citi Canada as OSAP's custodian	OSAP
19.	Orbis International Equity LP	OAML	IELP	Citi Canada as IELP's custodian	IELP
20.	Orbis SICAV – Global Equity Fund	OIML	SGPL	Citibank International plc (Luxembourg Branch) (Citi Lux) as SGPL's custodian	SGPL
21.	Orbis SICAV – Asia- Ex Japan Fund	OIMLBVI	XJPL	Citi Lux as XJPL's custodian	XJPL
22.	Orbis SICAV – Global Balanced Fund	OIML	GBSA	Citi Lux as GBSA's custodian	GBSA
23.	Orbis SICAV – International Equity	OIML	SNPL	Citi Lux as SNPL's custodian	SNPL

THIS IS ANNEXURE B OF 1 PAGE REFERRED TO IN THE ABOVE FORM

Reference Code	Total no of securities
SMCB	2,510,862
SMCS	1,108,192
SMEF	3,188,194
SMGB	2,130,768
SMHP	1,774,955
SMHT	2,040,147
SMIA	197,779
SMMS	925,345
SMNG	429,341
SMQS	1,148,534
SMRI	373,565
SMRT	3,654,305
SMSE	173,639
SMWA	156,725
SMWE	4,460
SMWK	22,800
Total	19,839,411