



REFINING NZ
**NOTICE OF
ANNUAL
MEETING
2016**



REFINING NZ
Your Energy Hive

Notice is hereby given that the fifty-fifth Annual Meeting of The New Zealand Refining Company Limited ("Company" and "Refining NZ") will be held at the Pullman Hotel, Corner Waterloo Quadrant & Princes Street, Auckland, on Wednesday, 4 May 2016 commencing at 2:00pm.

Shareholders are invited to join the Directors for afternoon tea following the meeting.

BUSINESS

PRESENTATIONS

- (a). Chairman's Address
- (b). Chief Executive Officer's Review
- (c). Statutory Accounts and Reports for the Financial Year Ended 31 December 2015

To receive and consider the Annual Report, including the Financial Statements and the Auditor's Report, for the year ended 31 December 2015.

RESOLUTIONS

Item 1: Auditor's fees and expenses

To consider and, if thought fit, to pass the following ordinary resolution:

"That Directors be authorised to fix the fees and expenses of PricewaterhouseCoopers as auditors to the Company for the financial year ending 31 December 2016."

Item 2: Re-Election of Directors

In accordance with Clause 8.9 of the Constitution, Ms V.C.M. Stoddart, and Messrs M. Tume and A.T. Warrell retire by rotation and being eligible, offer themselves for re-election. Accordingly it is proposed that the shareholders consider and, if thought fit, pass the following ordinary resolutions for the purposes of NZX Listing Rules 3.3.11:

2(a). Re-election of Ms V.C.M. Stoddart as a director of the Company.

"That Ms V.C.M. Stoddart, who retires by rotation in accordance with clause 8.9 of the Constitution, be re-elected as a director of the Company."

2(b). Re-election of Mr M. Tume as a director of the Company.

"That Mr M. Tume, who retires by rotation in accordance with clause 8.9 of the Constitution, be re-elected as a director of the Company."

2(c). Re-election of Mr A.T. Warrell as a director of the Company.

"That Mr A.T. Warrell, who retires by rotation in accordance with clause 8.9 of the Constitution, be re-elected as a director of the Company."

Item 3: Constitution Change

To consider and, if thought fit, to pass the following special resolution:

"The Company's constitution be amended, with effect from the close of the Annual Meeting, as set out in Appendix One to the notice of meeting."

BY ORDER OF THE BOARD



D.M. Jensen
Company Secretary
18 April 2016

PROCEDURAL NOTES

PERSONS ENTITLED TO VOTE

The persons who will be entitled to vote at the Meeting are those persons (or their proxies or representatives) registered as holding Ordinary Shares on the Company's share register at 2:00pm on Monday, 2 May 2016.

POSTAL VOTING

Shareholders who are entitled to attend and vote at the Meeting may cast a postal vote instead of attending in person or appointing a proxy.

A Proxy/Voting Form is enclosed with this Notice of Meeting. If used to cast a postal vote, it must be deposited with the Company in accordance with the instructions on the form not less than 48 hours before the time for holding the meeting (i.e. before 2:00pm on 2 May 2016).

PROXIES

A shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of the shareholder. A proxy need not be another shareholder of the Company. A shareholder may appoint "The Chairman of the Meeting" as Proxy. The Chairman intends to vote any undirected proxies held by him in favour of resolutions 1, 2(a), 2(b), 2(c) and 3.

A Proxy/Voting Form is enclosed with this Notice of Meeting. If used to appoint a proxy, it must be deposited with the Company in accordance with the instructions on the form not later than 48 hours before the time for holding the meeting (i.e. before 2:00pm on 2 May 2016).

ONLINE APPOINTMENT OF PROXIES AND VOTING

A shareholder of the Company entitled to attend and vote at the Meeting may appoint a proxy online or may vote online on the website of the Company's share registry, Computershare Investor Services Limited: www.investorvote.co.nz

To appoint a proxy or vote online shareholders will be required to enter their CSN/Securityholder Number, postcode/country of residence and the secure access Control Number that appears on the front of their Voting/Proxy Form. Proxies and votes submitted in this way must be received before 2:00pm on 2 May 2016.

The Company Secretary, Denise Jensen, has been authorised by the Board to receive and count postal votes, including online votes, at the Meeting.

RESOLUTIONS

Resolutions 1, 2(a), 2(b) and 2(c) are to be considered as separate ordinary resolutions. To be passed, those resolutions require the approval of a simple majority of the votes cast by holders of securities of the Company entitled to vote and voting.

Resolution 3 is to be considered as a special resolution. To be passed, this resolution requires the approval of a majority of 75% of the votes of those shareholders entitled to vote and voting.

RIGHTS TO VOTE

All shareholders of the Company are entitled to vote on resolutions 1, 2(a), 2(b), 2(c) and 3.

NZX REGULATION

NZX Regulation has reviewed and approved this Notice of Meeting. NZX Regulation takes no responsibility for any statement in the Notice of Meeting or Explanatory Notes accompanying the Notice of Meeting.

EXPLANATORY NOTES

AGENDA ITEM 2: RE-ELECTION OF DIRECTORS

Item 2(a) Re-election of Ms V.C.M. Stoddart
B.Com/LLB (Hons), PG Dip Professional Ethics
Appointed 20.05.13

Vanessa Stoddart is a director of The Warehouse Group Ltd, Paymark Ltd and Alliance Group Ltd, Commissioner for The Tertiary Education Commission and member of MBIE and DOC Audit and Risk Committees amongst other positions. Previously Ms. Stoddart was Group General Manager Engineering and People Air New Zealand Limited and Chief Executive of the Australian Packaging Division of Carter Holt Harvey Ltd. Ms Stoddart is an Independent Director as defined in the NZX Listing Rules.

The Board is supportive of the re-election of Ms. Stoddart as a Director of the Company.

Item 2(b) Re-election of Mr M. Tume
BBS
Appointed 01.08.07

Mark Tume is a professional director with experience in the infrastructure, energy and financial sector. Mr Tume is chairman of Infratil Limited and other directorships include NZ Oil and Gas Ltd, and Guardians of New Zealand Superannuation. Mr Tume is an Independent Director as defined in the NZX Listing Rules.

The Board is supportive of the re-election of Mr Tume as a Director of the Company.

Item 2(c) Re-election of Mr A.T. Warrell
BE (Mech) Hons, MIE Aust, MBA
Appointed 14.03.12

Andrew Warrell is manager Refining Australia and New Zealand for ExxonMobil. Mr Warrell joined ExxonMobil in 1991 and has extensive international experience in Refining, Supply, Strategic Planning, Investor Relations and Environmental Management areas. Mr Warrell is chairman of Australian Institute of Petroleum and Director of ExxonMobil's Australian operating companies. Mr Warrell is not an Independent Director as defined in the NZX Listing Rules.

The Board is supportive of the re-election of Mr Warrell as a Director of the Company.

AGENDA ITEM 3: AMENDMENTS TO CONSTITUTION

Changes to board composition requirements

Clause 8.2 of the Company's constitution currently requires, amongst other things, the board to have no fewer than eight and no more than twelve members.

Following the resignation of Mr. Dean Gilbert as a result of Chevron New Zealand selling its shares in Refining NZ and taking into account feedback from shareholders with regard to the size of the Board, the Board proposes a change to clause 8.2 Appointment and number of Directors to create the flexibility to move to a smaller number of seats on the Board while continuing to safeguard minority shareholder interests.

Therefore, the Board proposes to lower the minimum size of the Board to three, being the minimum required under the NZX Listing Rules and require no maximum. This would bring the Constitution into line with the minimum requirements of the NZX Listing Rules. It is expected that the Board will comprise three representatives of the respective major oil company shareholders and four Independent Directors, of which one will act as an Independent Chairman.

Clause 8.18 is also proposed to be amended to make the quorum for a Board meeting a majority of directors, rather than a fixed number. This change has been proposed so that the quorum requirements are practical with a smaller board. Clauses 8.7 and 8.8 are also proposed to be amended to reflect that the minimum number of directors must always be three and that there is no maximum number of Directors.

Otherwise, the provisions relating to the Directors in clause 8 remain unchanged.

The amendments proposed to be made to the constitution have been approved by NZX under NZX Listing Rules 6.1.1 and 6.1.2(c).

A copy of the existing constitution of the Company, a clean copy of the amended constitution (should the changes proposed at the meeting of shareholders be passed) and a marked up copy showing all changes to the existing constitution by the proposed changes may be reviewed on the Company's website: www.refiningnz.com.

The actual proposed changes to the constitution are set out in Appendix One.

APPENDIX ONE

- (1) Amend clause 8.2 of the Company's constitution by deleting the text and replacing with the following:

"The number of Directors (other than Alternate Directors) shall not be fewer than three and there will be no maximum number. At least two Directors shall be ordinarily resident in New Zealand and the minimum number of Independent Directors on the Board shall be three. In addition, if there are eight or more Directors, one-third of the Directors must be Independent Directors (rounded down to the nearest whole number of Directors) provided that there must always be, at least, three Independent Directors."

- (2) Amend clause 8.7 of the Company's constitution by deleting the current clause and replacing with:

"Directors may be appointed in general meeting

The Company in general meeting may, subject to the provisions of this Constitution, from time to time appoint new Directors."

- (3) Amend clause 8.8 of the Company's constitution by deleting the words "but so that the total number of Directors shall not at any time exceed the maximum number fixed pursuant to clause 8.2 hereof".
- (4) Amend clause 8.12 of the Company's constitution by deleting reference to "or 8.7".
- (5) Amend clause 8.18.1 of the Company's constitution by deleting the reference to "six" on line 4 of that clause and replacing with "a majority of" and deleting the reference on line 5 to "are not six" to "is not a number of".



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