

26 November 2018

Refining NZ announces indicative issue margin for subordinated note offer

Further to the announcement by The New Zealand Refining Company Limited ("**Refining NZ**") of an offer of up to \$75 million of unsecured, subordinated notes ("**Subordinated Notes**"), Refining NZ today announced the indicative issue margin and minimum interest rate to be used in setting the interest rate to apply to the Subordinated Notes for the period until the first election date on 1 March 2024 (the "**initial interest rate**").

The initial interest rate will be set as the sum of the swap rate (for the period from the issue date to 1 March 2024) plus the issue margin, subject to a minimum interest rate of 5.10% per annum. The indicative issue margin has been set at 2.50% to 2.80% per annum.

An announcement of the initial interest rate for the Subordinated Notes will be made following a bookbuild process, which is expected to be completed on or about Thursday, 29 November 2018. Interest payments may be deferred at Refining NZ's discretion, as described in the product disclosure statement ("**PDS**").

The offer is expected to open on Friday, 30 November 2018 and to close on Wednesday, 12 December 2018 at 5pm (New Zealand time).

There is no public pool for the Subordinated Notes, with all of the Subordinated Notes under the Offer being reserved for clients of the joint lead managers, and other approved financial intermediaries.

The Subordinated Notes are expected to be quoted on the NZX Debt Market.

Further details of the offer are contained in the PDS for the Subordinated Notes. The PDS is available through <https://www.refiningnz.com/investor-centre/notes/> or by contacting a joint lead manager, and must be obtained by investors before they decide to acquire any Subordinated Notes.

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