

20 November 2018

Dear shareholder,

Refining NZ launches subordinated note offer

The New Zealand Refining Company Limited (“**NZR**”) has announced today that it is making an offer of unsecured, subordinated, fixed rate notes (“**Subordinated Notes**”). The term of the Subordinated Notes will be for approximately 15 years (1 March 2034), with Election Dates five years (1 March 2024) and 10 years (1 March 2029) after the first interest payment date.

Under the offer (“**Offer**”), NZR is seeking to raise up to \$75 million of Subordinated Notes. The Offer is expected to open on Friday, 30 November 2018, and is expected to close on Wednesday, 12 December 2018 at 5pm (New Zealand time).

An announcement of the interest rate for the Subordinated Notes for the initial period will be made following the bookbuild process, which is expected to be completed on Thursday, 29 November 2018.

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

The net proceeds of the Offer are expected to be applied towards repaying a portion of Refining NZ’s existing bank debt. The Offer will also provide Refining NZ with diversification of funding sources and greater financial flexibility.

Full details of the Offer are included in the product disclosure statement, which can be downloaded at the link below:

<https://www.refiningnz.com/investor-centre/notes>

There is no public pool for the Subordinated Notes. If you would like advice in respect of participating in the Offer or additional information, we suggest that you contact your financial adviser or one of the joint lead managers of the Offer listed below.

ANZ Bank New Zealand Limited	0800 269 476
Bank of New Zealand	0800 284 017
First NZ Capital Securities Limited	0800 005 678
Forsyth Barr Limited	0800 367 227

For more information on the Offer, please visit our website: <https://www.refiningnz.com/investor-centre/notes>

Kind regards,



Simon Allen
Chairman, The New Zealand Refining Company Limited