



MARKET ANNOUNCEMENT

Date: 18 June 2018

NZX: GNE / ASX: GNE

Genesis Energy Limited Capital Bond Offer

Genesis Energy Limited ("**Genesis**") confirmed today that it is offering up to NZ\$240 million of 30 year subordinated unsecured capital bonds ("**Capital Bonds**") to New Zealand retail and certain institutional investors.

The offer opens today and will be made pursuant to the Financial Markets Conduct Act 2013 as an offer of debt securities of the same class as existing quoted debt securities. The notice required by the Financial Markets Conduct Regulations 2014 has been provided to NZX and is attached. The Capital Bonds are expected to be quoted on the NZX Debt Market.

The offer consists of a General Offer and a Reserved Offer:

- The **General Offer** is for up to NZ\$200 million of Capital Bonds and will be reserved on a firm allocation basis for clients of the Joint Lead Managers, market participants and other approved financial intermediaries involved in the bookbuild process. There is no public pool for the General Offer.
- The **Reserved Offer** is for up to NZ\$40 million of Capital Bonds and is only available to holders of GPLFA Bonds. Further details concerning the Reserved Offer will be sent to holders of GPLFA Bonds. Should any Capital Bonds be available from a shortfall under the Reserved Offer, Genesis may at its sole discretion, offer any such Capital Bonds to participants under the General Offer.

The offer will open with an indicative margin range of 1.95% p.a. to 2.15% p.a. for the Capital Bonds, which mature on 16 July 2048 (subject to a minimum rate of 4.65% p.a.). An announcement of the actual margin (which may be above or below the indicative margin range mentioned above) and the interest rate on the Capital Bonds will be made following the bookbuild process, expected to be completed on 26 June 2018 ("**Rate Set Date**"). The terms sheet for the offer will be updated to include the interest rate and will be released on the same day.

Subject to a successful bookbuild process for the offer occurring, Genesis intends to redeem the GPLFA Bonds by giving a redemption notice to holders of GPLFA Bonds on or shortly after the Rate Set Date. Eligible holders of the GPLFA Bonds who do not wish to participate in the offer (holders of GPLFA Bonds may participate in both the General Offer and the Reserved Offer) will have their GPLFA Bonds redeemed for cash.

The Reserved Offer is expected to close on 4 July 2018 and the General Offer is expected to close on 9 July 2018.

Full details of the offer are contained in the terms sheet which has been prepared for the offer and is also attached, as is a presentation on the offer. The Capital Bonds are expected to be assigned a long term credit rating of **BB+** by Standard & Poor's.

Interested investors, including holders of GPLFA Bonds, should contact Bank of New Zealand, Deutsche Craigs Limited, Forsyth Barr Limited (as Joint Lead Managers), or their usual financial adviser for more details.

For further information please contact:

BNZ
0800 284 017

Deutsche Craigs
0800 226 263

Forsyth Barr
0800 367 227

Ends

Dan Dillane

Group Manager Capital Structure

Genesis

021 501 235

About Genesis

Genesis (NZX: GNE, ASX: GNE) is a diversified New Zealand energy company. It sells electricity, reticulated natural gas and LPG through its retail brands of Genesis Energy and Energy Online. It is New Zealand's largest energy retailer with around 500,000 customer accounts. Genesis generates electricity from a diverse portfolio of thermal and renewable generation assets located in different parts of the country. Genesis also has a 46% interest in the Kupe Joint Venture, which owns the Kupe Oil and Gas Field offshore of Taranaki, New Zealand. Genesis had revenue of NZ\$2bn during the 12 months ended 30 June 2017. More information can be found at www.genesisenergy.co.nz