

STOCK EXCHANGE LISTINGS: NEW ZEALAND (MCY) / AUSTRALIA (MCY)

NEWS RELEASE

Notice of Annual Shareholders' Meeting 2017

29 September 2017 – The following materials relating to Mercury's 2017 Annual Shareholders' Meeting are today being sent to Mercury shareholders:

- > Notice of Meeting 2017
- > Voting/Proxy Form 2017
- > Email to Shareholders – FY2017 Final and Special Dividends
- > Information sheet about buying and selling shares

Mercury's Annual Shareholders' Meeting will be held on Tuesday 7 November 2017 at 10.30 am at the Vodafone Events Centre, 770 Great South Road, Manukau, New Zealand.

For further information:

Investors
Tim Thompson
Head of Investor Relations
0275 173 470

Media
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Head of Communications
021 615 663

ENDS

ABOUT MERCURY NZ LIMITED

At Mercury we're thinking boldly about the possibilities with energy and inspiring New Zealanders with our renewable electricity and ideas – making energy wonderful. Energy from Mercury's hydro and geothermal stations will power a brighter future for our country.

Visit us at: www.mercury.co.nz





OUR ANNUAL SHAREHOLDERS' MEETING

As an owner of Mercury NZ Limited, you are invited to our Annual Shareholders' Meeting.

Venue: Vodafone Events Centre, 770 Great South Road, Manukau, New Zealand

Date: Tuesday 7 November 2017

Time: 10.30am

BUSINESS

A. CHAIR'S WELCOME AND STRATEGIC OVERVIEW

B. CHIEF EXECUTIVE'S REPORT ON FINANCIAL AND BUSINESS PERFORMANCE

C. ORDINARY RESOLUTIONS

The following ordinary resolutions will be voted on at the meeting:

Resolution 1: Re-election of Andy Lark

That Andy Lark, who retires by rotation and is eligible for re-election, be re-elected as a director of the company.

Resolution 2: Re-election of Patrick Strange

That Patrick Strange, who retires by rotation and is eligible for re-election, be re-elected as a director of the company.

Resolution 3: Election of Scott St John

That Scott St John (appointed by the Board as a director on 1 September 2017), who retires and is eligible for election, be elected as a director of the company.

D. SPECIAL RESOLUTION

The following special resolution will be voted on at the meeting:

Resolution 4: Amendments to the company's constitution

That Mercury NZ Limited's constitution be revoked and a new constitution, in the form presented at the 2017 Annual Meeting, be adopted, as specified in this Notice of Annual Meeting, with effect from the close of the Annual Meeting.

E. OTHER BUSINESS

To consider any other matter raised by a shareholder at the meeting.

By order of the Board

HOWARD THOMAS
COMPANY SECRETARY

29 SEPTEMBER 2017

EXPLANATORY NOTES

RESOLUTIONS 1 AND 2: RE-ELECTION OF ANDY LARK AND PATRICK STRANGE AS DIRECTORS

Under our company's Constitution, and as required by the NZX Main Board Listing Rules, at least one third of Mercury's directors (or the number nearest to one third) retire by rotation at our Annual Shareholders' Meeting each year, and are eligible for re-election at that meeting. Those retiring by rotation are the directors who have been longest in office since they were last elected or deemed elected.

Andy Lark and Patrick Strange are the directors retiring by rotation in 2017. Andy Lark and Patrick Strange are both eligible and are seeking re-election.



>> APPOINTED JULY 2014
Last re-appointed 6 November 2014

Andy Lark joined the Mercury Board in July 2014. He has a background in entrepreneurship, marketing and digital technologies. Andy is currently the Chair of Group Lark, an accelerant for brand and digital transformations, and a director of SLI Systems. Prior roles include Chief Marketing & Online Officer for the Commonwealth Bank of Australia, Chief Marketing Officer for Dell's Large Enterprise and Public Group, and Chief Business Officer for Xero.

The Board has determined that Andy Lark is an Independent Director (as defined in the NZX Main Board Listing Rules) and he stands for re-election with the unanimous support of the Board.



>> APPOINTED FEBRUARY 2014
Last re-appointed 6 November 2014

Patrick Strange joined the Mercury Board in February 2014. He was previously a director of the company in 2006-2007 before being appointed Chief Executive of New Zealand's transmission owner and operator, Transpower New Zealand, a position he held for more than six years. Patrick Strange is currently Chair of Chorus and a director of NZX Limited, Auckland International Airport and Essential Energy, Australia.

The Board has determined that Patrick Strange is an Independent Director (as defined in the NZX Main Board Listing Rules) and he stands for re-election with the unanimous support of the Board.

RESOLUTION 3: ELECTION OF SCOTT ST JOHN AS A DIRECTOR

Under our company's Constitution, and as required by the NZX Main Board Listing Rules, any person appointed as a director by the Board must retire at our next Annual Shareholders' Meeting, but shall be eligible for election at that meeting.

Scott St John was appointed as a director by the Board on 1 September 2017 and is therefore required to retire at the 2017 Annual Shareholders' Meeting. He is eligible and is seeking election.

The Board has determined that Scott St John is an Independent Director (as defined in the NZX Main Board Listing Rules) and he stands for re-election with the unanimous support of the Board.



>> SCOTT ST JOHN

>> APPOINTED 1 SEPTEMBER 2017

Scott St John joined the Mercury Board in September 2017. He has an extensive background in investment advisory and capital markets. Mr St John is Chancellor of University of Auckland and has directorships with Fisher & Paykel Healthcare Corporation and Fonterra Cooperative Group. He is also a board member of Next Foundation, and a former member of the Capital Markets Development Taskforce and the Financial Markets Authority Establishment Board. He was the Chief Executive of First NZ Capital from 2002 to 2017.

RESOLUTION 4: AMENDMENT TO CONSTITUTION

Our company's Constitution was last amended in 2013 at the time of our initial public offering. Since then, our name has changed, a number of changes have been made to applicable New Zealand legislation and we have shifted to a foreign exempt ASX listing in Australia. This special resolution seeks shareholder approval to revoke our company's Constitution and to adopt a new Constitution. The amendments in the new Constitution are procedural in nature and reflect the following:

- Updating the Constitution throughout to reflect the change in name of the company from Mighty River Power Limited to Mercury NZ Limited.
- Updating references to the Securities Act 1978 to refer to the Financial Markets Conduct Act 2013, the Public Finance Act 1989 or by inserting the relevant definition that previously applied under the Securities Act 1978.
- Removal of clause 11 (using the numbering in the current Constitution) which states the number of shares as at the time of adoption of the Constitution, to avoid confusion in the event the company were to issue further shares.
- Removal of clauses 56 and 57 (using the numbering in the current Constitution) which relate to the provision of notices and are otherwise addressed in New Zealand legislation or the NZX Main Board Listing Rules, so these changes will assist in future proofing the Constitution against any changes to these provisions.
- Removal of a number of references to the ASX Rules that are no longer considered necessary or desirable, given the change to a foreign exempt ASX listing in Australia.

If any of the proposed amendments are inconsistent with the NZX Main Board Listing Rules, the NZX Main Board Listing Rules (as amended by any waiver or ruling granted to the company) will prevail. A copy of the NZX Main Board Listing Rules is available at www.nzx.com.

The proposed amendments are set out in a marked-up copy of the Constitution that will be tabled at the Annual Shareholders' Meeting and is available for inspection at the company's registered office, Level 3, 109 Carlton Gore Road, Newmarket, 1023, New Zealand, and on our website at www.mercury.co.nz. The proposed amendments have been approved by NZX Limited in accordance with NZX Main Board Listing Rule 6.1. However, NZX Limited does not take responsibility for any statement contained in this Notice of Meeting.

The proposed amendments to our company's Constitution do not impose or remove a restriction on the activities of Mercury NZ Limited, and accordingly no rights arise under section 110 of the Companies Act 1993.

The Board unanimously recommends shareholders vote in favour of revoking our company's Constitution and adopting an amended Constitution as outlined above.

WEBCAST

If you are unable to attend the meeting, and would like to follow proceedings, please visit: www.media-server.com/m/go/MCYASM2017

Shareholders following proceedings by webcast can vote either by postal or proxy vote (online or by post).

IMPORTANT INFORMATION

VOTING

Voting entitlements for the meeting will be determined as at 5pm (NZ time) on Friday 3 November 2017. Registered shareholders at that time will be the only persons entitled to vote at the meeting and only the shares registered in those shareholders' names at that time may be voted at the meeting.

PROXIES AND CORPORATE REPRESENTATIVES

Any shareholder who is entitled to attend and vote at the meeting may appoint a proxy (or representative in the case of a corporate shareholder) to attend and vote on their behalf. A proxy need not be a shareholder of the company. You may appoint the Chair of the meeting as your proxy. The Chair of the meeting intends to vote any discretionary proxies in favour of the resolutions.

If your named proxy does not attend the meeting or you have ticked the proxy discretion box but not named a proxy, you will be deemed to have appointed the Chair of the meeting as your proxy. The Chair will vote in accordance with your voting instructions as indicated on your Voting/Proxy Form.

POSTAL VOTING

Shareholders entitled to attend and vote at the meeting may cast a postal vote instead of attending in person or appointing a proxy to attend. Howard Thomas, the Company Secretary, has been authorised by the Board to receive and count postal votes at the meeting.

PROXY AND POSTAL VOTING FORM

A Voting/Proxy Form accompanies this Notice of Meeting. Completed Voting/Proxy Forms must be received at the office of the company's share registrar, Computershare Investor Services, no later than 10.30am (NZ time) on Sunday 5 November 2017.

Any Voting/Proxy Form received after that time will not be valid for the meeting. Please see the Voting/Proxy Form on how to return your proxy or postal vote.

ONLINE PROXY AND POSTAL VOTING

Shareholders can elect to lodge their proxy appointment or postal vote online on the website of the company's share registry, Computershare Investor Services, by visiting www.investorvote.co.nz

To vote online you will be required to enter your CSN/Securityholder number and Postcode/Country of Residence and the secure access Control Number that is located on the front of your Voting/Proxy form or advised in the email notification you received.

To cast a postal vote or appoint a proxy, select your preferred voting method and follow the prompts online.

RESOLUTIONS

Resolutions 1, 2 and 3 are ordinary resolutions. An ordinary resolution is a resolution approved by a simple majority (being more than 50%) of the votes of those shareholders entitled to vote and voting on the resolutions. Resolution 4 is a special resolution and will be passed if approved by 75% of votes of those shareholders entitled to vote and voting on the resolution. Motions will not be allowed from the floor.

VOTING RESTRICTIONS

There are no voting restrictions on the resolutions proposed in this Notice of Meeting.

RSVP

ANNUAL SHAREHOLDERS' MEETING

To help with our planning, please let us know if you would like to attend our Annual Shareholders' Meeting. All you need to do is tick the boxes below and send this form back to us in the free-post envelope enclosed. The meeting is being held at the Vodafone Events Centre, 770 Great South Road, Manukau on Tuesday 7 November 2017 starting at 10.30am.

Please tick:

☐ Yes I will attend the meeting

☐ I wish to be accompanied by my spouse, partner or companion (only one guest per shareholder)

Shareholder name:

>> HOW TO GET TO THE VODAFONE EVENTS CENTRE



BY ROAD FROM AUCKLAND CBD AND THE NORTH:

- >> From the Southern Motorway SH1, take exit 448, Redoubt Road;
- >> Turn right on Redoubt Road;
- >> Turn left on Great South Road;
- >> The Vodafone Events Centre is 700m on your left.

BY ROAD FROM PAKAPURA AND THE SOUTH:

- >> From the Southern Motorway SH1, take exit 449A-B, Great South Road;
- >> Turn left on to Great South Road (direction Manurewa);
- >> The Vodafone Events Centre is 400m on your left.

BY ROAD FROM THE WEST:

- >> From the South-Western Motorway SH20, take exit 2, Lambie Drive;
- >> Keep right to continue towards Great South Road, Urban Route 3;
- >> Turn right at first crossroad to Great South Road;
- >> The Vodafone Events Centre is 700m on your left.

Enter through Gate 3 via Great South Road.

BY TRAIN/BUS:

If you are traveling by train, the Vodafone Events Centre is a 15 minute walk or short taxi ride from Manukau train station, on the Eastern Line. The Events Centre is also served by the following buses: 001, 055, 33, 360x, 361, 362 and 366. You should get off either at stop 2144 or stop 6030.



» **MERCURY NZ LIMITED**

LEVEL 3, 109 CARLTON GORE ROAD, NEWMARKET, AUCKLAND 1023
PHONE +64 9 308 8200 FAX +64 9 308 8209

MERCURY.CO.NZ

SAMPLE ONLY

Lodge your postal vote or proxy



Online
www.investorvote.co.nz



By Mail
Computershare Investor Services
Private Bag 92119, Auckland 1142, New Zealand



By Fax
+64 9 488 8787

For all enquiries contact



+64 9 488 8777



By Email
corporateactions@computershare.co.nz

The Annual Shareholders' Meeting of Mercury NZ Limited will be held on **Tuesday 7 November 2017 at 10.30am at the Vodafone Events Centre, 770 Great South Road, Manukau, New Zealand.**

Voting/Proxy Form



www.investorvote.co.nz

Lodge your proxy online, (24/7 access) by 10.30am on 5 November 2017

Your secure access information

Control Number:

CSN/Securityholder Number:

To vote online you will need the above Control Number, your CSN/Securityholder Number and postcode/or country of residence if you reside outside of New Zealand.

Smartphone?

Scan the QR code to vote now.



For your vote to be effective by postal vote or proxy, the Voting/Proxy Form must be received by 10.30am on 5 November 2017

VOTING

You are entitled to one vote for every fully paid share in Mercury NZ Limited held as at 5pm on Friday 3 November 2017. Voting at the meeting will occur by way of a poll. The Chair will demand a poll at the start of the meeting.

HOW TO VOTE

If you propose to attend the meeting, please bring this Voting/Proxy Form intact to the meeting so we can scan the barcode to register you.

If you propose not to attend the meeting but wish to vote by postal vote or appoint a proxy, please complete and post this form or complete either process online.

If you cast a postal vote, you may also appoint a proxy to attend the meeting on your behalf by completing the YES box under the heading "Other Matters" in Step 1 overleaf. Please read the instructions below before completing this form.

Postal Vote (refer to Step 1 overleaf)

As a shareholder entitled to vote at the Annual Shareholders' Meeting you are entitled to vote by postal vote. The Company Secretary has been authorised by the Board to receive and count postal votes at the meeting. You can cast your postal vote online or by other methods in accordance with the instructions below.

If you return your postal vote without indicating on any resolution how you wish to vote, you will be deemed to have abstained from voting on that resolution.

Appointment of Proxy (refer to Steps 1 & 2 overleaf)

A shareholder entitled to attend and vote at the Annual Shareholders' Meeting is entitled to appoint a proxy or, in the case of a corporate shareholder, a representative to attend and vote instead of them. A proxy need not be a shareholder. If you direct your proxy how to vote, the person you appoint as your proxy will be entitled to attend the meeting to represent your interests and must be present at the meeting for your vote to be counted. Should the shareholder/s wish to direct the proxy how to vote, the boxes overleaf should be completed. If you mark the "Proxy Discretion" box for any resolution, you are directing your proxy to vote as they think fit.

You may appoint the Chair of the meeting or any director as your proxy.

To appoint the Chair or a director, enter "the Chair" or the director's name in the space allocated in "Step 2" of this form. The Chair of the meeting and the directors intend to vote proxies marked "Proxy Discretion" in favour of the resolutions. If you appoint the Chair or any director as your proxy, and you mark the "Proxy Discretion" box, you acknowledge that they may exercise your proxy even if they have an interest in the outcome of the resolutions.

If your named proxy does not attend the meeting or you have ticked the "Proxy Discretion" box but not named a proxy, you will be deemed to have appointed the Chair of the meeting as your proxy. The Chair will vote in accordance with your voting instructions as indicated on your Voting/Proxy Form.

SIGNING INSTRUCTIONS

Individual

Where a shareholder is an individual, this Voting/Proxy Form must be signed by the shareholder or his or her duly authorised attorney.

Companies

Where a shareholder is a company, this Voting/Proxy Form must be signed by a duly authorised attorney or officer.

Trusts

Where a shareholder is a trust, this Voting/Proxy Form should be signed as above by at least one trustee in accordance with the relevant trust deed (using the rules for an individual or a company, depending upon whether the trustee is an individual or a company).

Partnerships

Where a shareholder is a partnership, this Voting/Proxy Form should be signed as above by at least one partner in accordance with the rules governing the partnership (using the rules for an individual or a company, depending upon whether the partner is an individual or a company).

Joint Shareholders

At least one joint shareholder should sign this Voting/Proxy Form (on behalf of all joint shareholders). In the case of joint shareholders, if the shareholders appoint different voting proxies, the vote of the proxy appointed by the shareholder named first in the share register will be counted.

Power of Attorney

If this Voting/Proxy Form is completed by an attorney, the power of attorney or a certified copy must, if not previously produced to Mercury NZ Limited, accompany the Voting/Proxy Form together with a completed certificate of non-revocation of authority.

Body Corporate

A body corporate shareholder may appoint a representative on its behalf in the same manner as if it were appointing a proxy, provided that the Chair of the meeting, the Board, or the persons checking the entitlement of people to attend the meeting, shall waive any time limit for prior notice in respect of a corporation in favour of a person who at the meeting can produce reasonable evidence of their authority to represent the corporation.

>>TURN OVER TO COMPLETE THE FORM TO VOTE

>> STEP 1: VOTING INSTRUCTIONS/VOTING PAPER

(For postal and proxy voting – tick one box only in respect of each resolution)

Cast a postal vote, or instruct a proxy to vote, by placing a tick in the relevant box. If you are appointing a proxy and want them to decide how to vote on the resolution, please mark the box "Proxy's Discretion".

Proxy's discretion is not applicable in the case of a postal vote.

Resolutions	For	Against	Abstain	Proxy's Discretion
1. To re-elect Andy Lark as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. To re-elect Patrick Strange as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. To elect Scott St John as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. To revoke the current constitution and adopt a new constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Other Matters	No	Yes
I wish to appoint a proxy to attend the meeting on my behalf	<input type="checkbox"/>	<input type="checkbox"/>

>> STEP 2: APPOINTMENT OF A PROXY

(To use if you will not submit this form as a postal vote and will not attend the meeting but wish to appoint someone to represent you and vote on your behalf at the meeting).

If you mark any of the PROXY DISCRETION or YES boxes above you must also appoint a proxy. If you mark FOR, AGAINST or ABSTAIN boxes, your vote will be counted as a postal vote. In addition to casting a postal vote, you may also appoint a proxy to attend the meeting on your behalf by selecting YES above. This may be the Chair of the meeting or any director if you so wish.

I/We

the above named shareholder/shareholders of Mercury NZ Limited

hereby appoint: _____ of _____
(full name of proxy) (full address) *Note: Leave blank if appointing the Chair or a director as your proxy*

Or failing that person _____ of _____
(full name of proxy) (full address)

as my/our proxy to vote for me/us on my/our behalf as directed above and on any other matter to be put to the Annual Shareholders' Meeting of Mercury NZ Limited to be held on Tuesday 7 November 2017, 10.30am and at any adjournment or postponement of this meeting.

>> SIGNATURE OF SHAREHOLDER(S) THIS SECTION MUST BE COMPLETED

Shareholder 1	Shareholder 2	Shareholder 3
<input type="text"/>	<input type="text"/>	<input type="text"/>

Contact Name _____ Daytime Telephone _____ Date _____

ATTENDANCE SLIP



The Annual Shareholders' Meeting of Mercury NZ Limited will be held on Tuesday 7 November 2017 at 10.30am at the Vodafone Events Centre, 770 Great South Road, Manukau.



DEAR SHAREHOLDER,

FY2017 Final and Special Dividends

We are pleased to confirm the payment of your Final and Special Dividends for the 2017 financial year. Your statement is now available to view here, or you can paste the following address into your web browser:

<http://www.computershare.com/nzpurlp1/?p=ZHN3EZBP0EAF42C9B53NPJQL901®systemcode=RMNZ>

Enter your New Zealand postcode or country (if outside New Zealand) as recorded in your shareholding. Then follow the prompts and click 'Login'. Your electronic statement can be accessed via the 'Document' column.

Attending our Annual Meeting

Your Board and the Mercury leadership team are pleased to invite you to our Annual Shareholders' Meeting to be held at the Vodafone Events Centre (770 Great South Road, Manukau, Auckland) on Tuesday 7 November 2017.

The meeting will start at 10.30am. The formal Notice of Meeting is available here, showing the order of business and resolutions relating to the re-election of directors.

To assist with catering, please register online [here](#) if you are planning to come to the meeting. On the day, it helps make registration quick and simple if you bring your CSN/Securityholder number, and show it to the team at the Computershare desk.

Can't make it to the meeting?

If you are unable to attend the meeting, you can follow it online at:

www.media-server.com/m/go/MCYASM2017

Your vote is important to us

Whether or not you attend the meeting, you can vote by 'postal' vote (a direct vote) or appoint a proxy to vote on your behalf. Both of these options are available online by following the instructions below.

1. To access InvestorVote please click [here](#). Or you can paste the following address into your web browser:

<http://www.computershare.com/nzpurlp1/?p=ZHN3EZBP0EAF42C9B53NPJQL901®systemcode=RMNZ>

2. Enter your New Zealand postcode or country (if outside New Zealand) and click the 'Login' button.

3. Follow the prompts to lodge your vote online. For your vote to be effective it must be received by 10:30am (NZ Time) on 5 November 2017.

How do I buy or sell shares?

We are often asked about buying and selling shares in Mercury. You can find information about this, including who to contact to help you get the right advice [here](#).

If you need any help, please call Computershare +64 9 488 8777 Monday to Friday 8.30am - 5pm, or email corporateactions@computershare.co.nz.



Howard Thomas | Company Secretary, Mercury NZ Limited

####Visit our website#### or view our ####privacy policy####.

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HOW DO I BUY OR SELL SHARES?

Our shareholders often ask us about buying and selling shares in Mercury. Here is some helpful information about this, including who to contact to help you get the right advice.

STEP 1: Get financial advice and understand your decision

Nothing in this document constitutes financial advice. Before making any investment decision you need to consider, with or without the assistance of an adviser, whether the investment is appropriate in light of your particular investment needs, objectives and financial circumstances.


- > An Authorised Financial Advisor can help you decide whether buying or selling shares is right for you. The Financial Markets Authority (FMA) provides a full list of Authorised Financial Advisors at <https://fma.govt.nz/consumers/getting-financial-advice/>
- > After getting financial advice, you can also use educational online resources to help you understand share trading:


 **ASB Securities:** www.asb.co.nz/asb-securities/learn-about-share-markets-guide.html

 **ANZ Securities:** www.anzsecurities.co.nz/DirectTrade/static/educationalarticles.aspx


STEP 2: Pick a licensed sharebroker to arrange the transaction


- > There are many sharebrokers that you may choose from with a full list included on the NZX website at: www.nzx.com/investing/find_a_participant
- > Setting up an account can be made easier if you have an existing banking relationship with ASB or ANZ:

 **ASB Securities** can help you set up an account. Call 0800 272 732 or visit them online at: www.asb.co.nz/asb-securities/open-an-account.html

 **ANZ Securities** can help you set up an account. Call 0800 805 777 or visit them online at: <https://onlinestore.anz.co.nz/get/securities>

- > If you are looking to sell your shares and aren't looking to trade again in the future, one-off trade services are also available:

 **Computershare's Investor Trade** is an alternative one-off share trade service which can help you quickly sell up to NZD10,000 of shares. Visit Investor Trade online at: www.investortrade.co.nz

 **ASB Securities** can help you sell your shares if you are an existing ASB banking customer. Call 0800 272 732 or visit them online at: www.asb.co.nz/banking-with-asb/one-off-sales-nz-shares-bonds.html

One-off trade brokerage fees are typically higher than those through an existing account.