



DEAR SHAREHOLDER

Provision of Financial Assistance in connection with Genesis Energy Limited's Executive Long Term Incentive Plan

Under section 78(5) and 79 of the Companies Act 1993, Genesis Energy Limited ("Genesis Energy" or the "Company") is required to make the following disclosure to all shareholders in respect of financial assistance to be provided by Genesis Energy in relation to an invitation to Senior Management of the Company to participate in Genesis Energy's Executive Long Term Incentive Plan ("Executive LTI Plan").

Executive LTI Plan

The Executive LTI Plan was implemented by the Company in conjunction with the listing of Genesis Energy on the NZX and ASX in April 2014 and formalised through a trust deed dated 13 March 2014. The intent of the Executive LTI Plan is to enhance the alignment between shareholders and those executives most able to influence the financial results of the Company.

Under the Executive LTI Plan, executive participants ("Participants") on the invitation of the Board, purchase shares funded by an interest-free loan from the Company, with the shares held on trust by the trustee of the Executive LTI Plan.

Each Participant's shares will be beneficially owned by the Participant for a three-year vesting period and held in accordance with the rules of the Executive LTI Plan and the trust deed entered into by the trustee and the Company.

The vesting of shares at the conclusion of a three-year vesting period is dependent on:

- Continued employment of the Participant through the three year vesting period;
- The Company's absolute total shareholder return being positive;
- The Company's total shareholder return, relative to a benchmark peer group, meeting certain criteria.

Board Resolutions

In relation to the Executive LTI Plan offer, the Directors of Genesis Energy have authorised the Company to provide financial assistance for the acquisition of the Company's shares to the Participants identified in this disclosure notice, in an amount of up to \$850,000 in aggregate (which includes the general operating costs for the trustee).

The text of the Genesis Energy Board resolutions passed on 24 August 2015 approving the giving of the financial assistance is set out below:

1. The Genesis Energy Executive Long Term Incentive Plan offer (“**LTI Plan Offer**”) be approved.
2. The Company should provide financial assistance to Participants in the LTI Plan Offer and the financial assistance will take the form of payment of the operating costs of the plan and the payment of money to the trustee of the Executive LTI Plan to acquire Genesis Energy shares for Participants, in accordance with the LTI Plan Offer (“**Financial Assistance**”).
3. The giving by the Company of the Financial Assistance is in the best interests of the Company and is of benefit to those shareholders not receiving the assistance.
4. The terms and conditions under which the Financial Assistance is to be given are fair and reasonable to the Company and those shareholders not receiving the assistance.
5. The Company will, immediately after giving the Financial Assistance, satisfy the solvency test set out in section 4 of the Companies Act.
6. The reasons for the Directors’ conclusions are:
 - (a) Giving the Financial Assistance is in the best interests of the Company, and is of benefit to those shareholders not receiving the Financial Assistance, because it increases the alignment of the interests of the Participants with the interests of the Company and, therefore, creates incentives for the Participants to strive to ensure that the Company performs for the benefit of all its shareholders. It also seeks to incentivise the Participants to remain with the Company.
 - (b) The terms and conditions are fair and reasonable to the Company and to those shareholders not receiving the assistance because the costs of providing the Financial Assistance are relatively small and are outweighed by the benefit of the alignment of interests that is achieved under the Executive LTI Plan.
 - (c) The Board believes, after considering the following matters, that immediately after payment of the proposed Financial Assistance, the Company will be able to pay its debts as they become due in the normal course of business, and the value of the Company’s assets will be greater than the value of its liabilities (including contingent liabilities):
 - (i) the most recent audited financial statements of the Company for the year ended 30 June 2015 that comply with the Financial Reporting Act 1993;
 - (ii) the Company’s internal financial forecasts for the period following 30 June 2015, and all circumstances of which the Board is aware that affect, or may affect, the value of the Company’s assets and liabilities (including contingent liabilities).
7. In accordance with section 78(5) of the Companies Act, the Company will send to each shareholder of the Company a disclosure document complying with section 79 of the Companies Act before providing the Financial Assistance.

Participants

Chief Executive Officer
Chief Financial Officer
General Counsel and Company Secretary
General Manager Strategy and Corporate Affairs
General Manager Generation
General Manager Corporate Services
General Manager Portfolio Management
General Manager Retail

Shareholder Rights

Section 78(7) of the Companies Act confers on shareholders certain rights to apply to the Court to restrain the proposed assistance being given. The financial assistance to be given by the Company no less than 10 working days nor more than 12 months after this document has been sent to each shareholder.

Yours sincerely

A handwritten signature in dark ink, consisting of a large, stylized 'A' followed by a long horizontal stroke that tapers off to the right.

Albert Brantley
Chief Executive