



MARKET RELEASE

Date: 19 OCTOBER 2016

Genesis Energy Limited (GNE) –Annual Shareholder Meeting 2016

Genesis Energy's Annual Shareholder Meeting will be held today, at Eden Park, P5 - Reimers Avenue, Mt Eden, Auckland, on Wednesday 19 October 2016, at 10.00am.

Please see the **attached**:

- Chairman's Address;
- Chief Executive's Address;
- 2016 Annual Shareholder Meeting Presentation.

For more information visit our website on www.genesisenergy.co.nz

ENDS

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About Genesis Energy

Genesis Energy (NZX: 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 645,000 customer accounts. The Company generates electricity from a diverse portfolio of thermal and renewable generation assets located in different parts of the country. Genesis Energy also has a 31% interest in the Kupe Joint Venture, which owns the Kupe Oil and Gas Field offshore of Taranaki, New Zealand. Genesis Energy had revenue of \$NZ2bn during the 12 months ended 30 June 2016.

Dame Jenny Shipley, Chairman**Slide 3: Dame Jenny Shipley – Chairman (portrait)**

Kia ora koutou katao.

Good morning ladies and gentlemen. My name is Jenny Shipley and I have the privilege of chairing your company, Genesis Energy.

On behalf of your Directors, the Chief Executive, the Executive Management, and all of the Genesis Energy team I welcome you here today to Eden Park, for this Annual Shareholder Meeting. A very warm welcome also, to those shareholders following this meeting online from our webcast.

As you know Health and Safety is a priority for Genesis Energy, so for those in the room in the unlikely event of an emergency during the meeting we want to ensure everyone's safety.

If the building needs to be evacuated for any reason a long alarm will sound.

Please follow the instructions of the Eden Park staff. They will point you to the nearest exit.

Our assembly area is by Gate G on Reimers Ave.

Staff will direct you to this area once you exit the building.

The bathrooms are located on this floor on the opposite side of the Arcade to the auditorium. Please note that Eden Park is a non-smoking venue.

If we can be of any assistance to you please approach one of our team.

I am pleased to confirm that we have a quorum. I therefore declare the 2016 Annual Shareholder Meeting of Genesis Energy Limited open.

This is our second shareholders' meeting in Auckland. The Genesis Energy Board and the Genesis Energy team are delighted to be able to talk directly with such a large number of our Auckland-based shareholders and share with you our confidence in this Company.

Before I introduce the Board, I would like to introduce our new Chief Executive, Marc England.

Our former Chief Executive Albert Brantley announced his resignation from the Company in 2015 and at last year's meeting, I highlighted that a key priority for the Board was the recruitment of a new Chief Executive, to replace Albert. On behalf the Board, staff and shareholders, I would again like to thank Albert for the leadership and service he provided Genesis Energy for 8 years.

As the Board looked at the changing environment, driven by technology advancements, and policy and competition changes, and observed that globally revenues from traditional energy services are declining and are increasing in new areas such as distributed generation and 'beyond the meter' services it was critical to secure the right person to lead in the next phase of the evolution of Genesis Energy..

Marc was the stand out candidate from a global search undertaken, and is seen by the Board as the right person to drive and deliver shareholder value, as a future focused leader at this time of industry change. Since joining the Company on 2 May he has brought energy and momentum to the organisation in every aspect of our work. I know he is looking forward to outlining some of this to you shortly.

Slide 4: Your Board (portraits)

I am pleased to introduce to you the Genesis Energy Directors who have a vast array of skills to support and guide the Company's activities. While there is information about all of the

Genesis Energy Directors in the 2016 Annual Report and on our website I would like to briefly introduce them to you.

[Camera on Graeme Milne]

Graeme Milne was appointed as director of the Board in May 2009. Graeme is a professional director and is Chairman of a number of New Zealand based entities, including Synlait Milk Limited.

Graeme retires as a director of Genesis Energy today and is not standing for re-election. We have been very pleased to have Graeme on the Board for the past seven years during which time he has made a great contribution to the Board, with his experience as a former CEO and his deep range of governance and business interests, skills and experience.

[Camera on Mark Cross]

Mark Cross joined the Genesis Energy Board in June 2014. Mark has extensive financial markets experience both as a professional director, as a consultant and from a career as an investment banker. Mark is currently Chairman of MFL Mutual Fund and Milford Asset Management, and a director of Z Energy.

[Camera on Maury Leyland]

Maury Leyland joined the Genesis Energy Board in August 2016, and brings a wide range of experience having held a variety of senior management and governance roles with large corporate organisations. Most recently she was a member of the Fonterra executive team and she has served on the Boards of Transpower and Spark.

Maury, having been appointed to the Board during the year, is required to retire at this meeting and is now seeking election.

[Camera on Joanna Perry]

Joanna Perry is a Chartered Accountant and a professional director and chairs our Audit and Risk Committee. Joanna joined

the Board of Genesis Energy in May 2007. . Joanna's current directorships include the Trade Me Group, Kiwi Property Group and Partners Life. Joanna is also Chairman of the International Financial Reporting Standards (IFRS) Advisory Council.

[Camera on Doug McKay]

Doug McKay also joined the Genesis Energy Board in June 2014. Doug is an experienced commercial executive and director. Doug chairs our Human Resources and Remuneration Committee. Doug has been chief executive at a number of significant New Zealand companies and is now a professional director. Doug is Chairman of the Bank of New Zealand and the Eden Park Trust Board and also a director with Ryman and IAG.

[Camera on John Leuchars]

John Leuchars joined the Genesis Energy Board in July 2012 and has had a long career as a consulting engineer. He was previously managing director of Connell Wagner NZ Limited, now Aurecon.

John is also a professional director and is currently a director of KiwiRail.

[Camera on Rukumoana Schaafhausen]

Rukumoana Schaafhausen joined the Genesis Energy Board in May 2010 bringing her legal and community experience to the role. Ruku has practised as a lawyer for a number of years and serves as a director on Regional Facilities Auckland and Waikato-Tainui Te Kauhanganui Incorporated. Ruku also retires as a director of Genesis Energy today and is not standing for re-election. Ruku's insights have helped the Board develop a deeper understanding of kaitiakitanga or guardianship, in our governance practices and through our relationships with stakeholders.

[Camera on Dame Jenny]

Finally I was appointed to the Genesis Energy Board as Chairman in November 2009. In recent years I have chaired or served as a Director on a number of companies and organisations here in NZ and off shore. I am Chair of the China Construction Bank (New Zealand) Limited having served on the parent Company for 6 years. I also Chair Oravida New Zealand and Oravida Water.

Also today, I would like to acknowledge John Dell who served as a Director for six years and retired at the end of July this year to pursue other business interests. The Board appointed Maury Leyland to the Board at that time and she stands for re-election today.

Today we also seek to fill the two vacancies created by Graeme and Rukumoana's retirement. The two nominees for these vacancies are Paul Zealand and Timothy Miles. I will invite Paul later on in the meeting to introduce himself. Tim was unable to attend this meeting due to a prior international commitment so will address you via a video.

Each of these three candidates for election are recommended to join the Genesis Energy Board because of their unique and highly relevant skills and experience to support, guide and advise the Executive, and move the Company forward.

The Board of Genesis Energy strives to govern your Company well. We believe that a high standard of corporate governance by a skilled, qualified and diverse team of Directors is essential for sustaining the long term performance of the Company.

A Board skills and performance review is completed annually. In doing so, we consider succession planning and actively seek the insights from stakeholder groups while considering the skills required to support the future strategy of the Company.

As you will have noted in the resolutions, we will also be seeking your support for an increase in the pool for Directors' fees. As outlined at our Annual Shareholder Meeting in 2015, we will address this issue on a regular basis. It has been two and a half years since the fees were altered prior to the Genesis Energy IPO in 2014. We have consulted widely and look forward to your consideration of the resolution.

The Board is joined on the stage by the Chief Executive, Marc England, and our Company Secretary and General Counsel, Maureen Shaddick. Other members of the Executive team are with us and Marc will introduce them to you later.

Slide 5: Agenda

The Notice of Meeting was dispatched to all shareholders and to the Company's Auditor on the 3rd of October. Our Company's Auditor on behalf of the Auditor General, Andrew Dick is here today.

Let me outline the agenda of the meeting.

As Chairman, I will provide an overview of the Company's performance and then Marc will provide you with analysis and explanation of our financial and business performance for the year ended 30 June 2016.

Following this there will be an opportunity to answer any questions you may have concerning the Company and its performance.

We'll then move to the formal business of the meeting. There are four Resolutions to consider and vote on.

I will outline the process for the discussion and voting on the Resolutions at that point in the agenda.

At the conclusion of the meeting you are invited to join your Directors and Executive team for morning tea and further conversation.

Ladies and Gentlemen, it is now my pleasure to present you with an overview of the Company's performance. I note that you will have received the Annual Report and Financial Statements for the year ended 30 June 2016 either by post or electronically, depending on your choice. There are further copies available in the room here today.

Slide 6: Your Company

Strong cash flows are enabling the Company to continue to deliver good yields for you, our shareholders.

Our pre-tax earnings, however, were under pressure as we were unable to avoid the full impact of wider market factors. These included significantly reduced international oil prices; a drier-than average autumn leading to low inflows into our hydro schemes; above average nationwide temperatures reducing energy demand and aggressive competition for retail customers.

The Board remains satisfied with the higher-than-forecast net profit after tax of \$184.2 million and the payment of the previously projected final shareholder dividend for 2016 of \$82 million.

Slide 7: Huntly extended

The determination to operate profitably was the chief driver for announcing in August 2015 a retirement date of December 2018 for the two remaining Rankine Units at Huntly Power Station. At the time we said we would only reconsider that decision if market conditions changed significantly.

Subsequently a number of competitors retired thermal generation plant leading to a substantial market change and concerns for security of supply post-2018. As a result, new more profitable commercial arrangements for the use of the two Rankine Units were entered into between Genesis Energy and a

number of parties for up to four years to the end of 2022. This is a good outcome for all involved.

Slide 8: The energy market is rapidly evolving

That leads on to Genesis Energy's changing role in the wider market, and how our current market is structured.

Genesis Energy asks: Are we – as a sector – setting New Zealand up for success, are we enabled to efficiently deliver the best services to our customers, New Zealand's households and businesses?

Globally, the way in which energy is generated, how it is used by customers and how it is delivered to them is rapidly evolving.

Technology is revolutionising how the energy sector works. This changing landscape is one that companies such as Genesis Energy need to adapt to, and we are.

As a Company with direct links to customers, we have the opportunity to use our wealth of data to engage customers in new and value-creating ways.

This means becoming far more than a generator and retailer of energy. It means getting closer to our customers, to become the customers' champion for new energy technology.

The Board and Management are working together to lead the way in a dynamic sector that is seeing the convergence of digital applications, mobility, smart appliances, low-cost solar and battery technology with traditional energy. This convergence is gaining pace as customers demand more and more from their energy providers.

While Genesis Energy will continue to bolster our traditional revenue streams with a focus on driving greater efficiency to maximise returns, we will also lay the foundations to provide our customers with desirable energy services and, in doing so, deliver shareholders with solid returns into the future.

To achieve this we have adopted a three pronged strategy of Optimise, Innovate and Invest which Marc will expand on.

With such significant change in the energy sector we believe it is clearly time to review the regulations and policies governing the New Zealand energy sector to ensure they are fit for the future.

While the technological revolution is an opportunity for Genesis Energy, we believe it is a challenge for our regulators and policy makers to keep pace with those changes under the framework that they currently administer.

The current policy settings are allowing the boundaries between competitive markets and regulated monopoly markets to become blurred.

There is a very real risk that the regulatory environment will not be agile enough to support consumer demand for distributed energy production and new digital products and services that will deliver convenience and control into the hands of customers.

In the last 20 years real progress has been made to give New Zealand one of the most competitive markets in the world. We are now at a point where policy settings need to evolve again to be able to respond to the innovation and change which is coming our way.

Simply put, if we need to update our policy environment in order to provide our customers the full benefits of new technologies, to allow the market to maximise opportunities and to attract new investment and to keep up with other countries in terms of energy innovation and competition.

New Zealand households must be able to take advantage of new energy technology advancements and reap the rewards and benefits of the new energy environment.

This is not a simple task but as a country we need to set ourselves up for success. We should all want consumers' natural

demand for more choice, simpler services and smarter technologies that support their lifestyle and expectation to be allowed to flourish.

Genesis Energy intends to be taking a leading position in this debate in the coming years during this change and where appropriate to lead that change.

Slide 9: Commitment to change

While there are challenges facing Genesis Energy and the wider energy industry, the Board is committed to tangible action to ensure the Company is best placed to take advantage of the many opportunities that change inevitably brings.

Genesis Energy is a strong company with significant customer knowledge and insights, well-managed assets and a healthy balance sheet. It is positioning itself for a successful future as an enabler of energy services for New Zealanders' homes and businesses nationwide.

Turning now to dividends...

We are pleased to have paid a final dividend of 8.2 cents per share on October 14.

As previously announced, the Board declared a total dividend for 2016 of 16.4 cents per share.

I would also take this opportunity to reiterate the Board's commitment to the Company's progressive dividend policy.

It is now my pleasure to invite Marc to take you through the operational highlights of the Company

Dame Jenny to return to her seat. Marc approaches the lectern for his presentation.

Marc's PRESENTATION

Following Marc's presentation, Dame Jenny returns to the lectern for the formal part of the meeting.

[Back to DAME JENNY]

Thank you Marc

Thank you Ladies and Gentlemen

Slide 20: Questions and answers

We now have an opportunity to take questions regarding the Company's financial statements and reports for the year ended 30 June 2016 and on the performance and management of the Company. Shareholders, proxy holders and shareholder representatives have a right to speak at the meeting.

I invite questions from the floor - *we have two microphones – one in each aisle.* Please indicate by raising your hand if you would like to ask a question and I will then ask for the microphone to be passed to you when there is an opportunity for you to speak. In the interests of all those who want to ask a question, please keep your questions brief and state your name and whether you are a shareholder, proxy holder or shareholder representative.

Please remember that this meeting is being webcast, so you will also be heard by an audience outside of this room.

1. POINT TO PERSON
2. DIRECT MICROPHONE
3. LISTEN TO QUESTION AND ANSWER OR
4. REFER TO Marc or Chris AS REQUIRED

5. ***IF*** questions ***are too technical or specific customer type questions***– Refer the shareholder to a specialist to talk about their issue after the meeting [e.g., “Can I please suggest, that after the meeting you talk to our Executive General Manager of Operations who will assist you with this issue?”]... and then move on.

6. ***IF*** questions are too long, you can invite shareholder to send in a written question.

MOVING BEYOND Q&A After a reasonable time or a lack of hands showing – move on..

[If still several hands – Say; “We have time for two more questions”

OR if no questions left – Say; “There appears to be no further questions”

Thank you Ladies and Gentlemen

Slide 21: Ordinary Business and Resolutions

We now move on to the formal business of the day and the procedure for this part of the meeting.

All items of business are ordinary resolutions and are required to be passed by a simple majority of votes.

The resolutions you will be voting on today are:

1 – Election of Maury Leyland as a Director of Genesis Energy

2 – Election of Paul Zealand as a Director of Genesis Energy

3 – Election of Timothy Miles as a Director of Genesis Energy

4 – Directors' Fees

As stated in the Proxy Voting Form, all voting at today's meeting will be by way of poll and, accordingly, in my capacity as Chairman of the Meeting, I require that a poll be held for each of the Resolutions.

Shareholders who are entitled to vote and proxies who have discretion as to how they vote should have a Proxy Voting Form with them or have received a Proxy Voting Form when they arrived and registered at the meeting.

If you have not received a Proxy Voting Form, please go to the Computershare desk at the *entrance to the room* where they will be able to assist you.

There should be a pen to complete your Proxy Voting Form on your seat and pens are also available from Genesis Energy or Computershare representatives around the room.

I will invite you to vote after each of the resolutions has been introduced to the meeting.

When you cast your vote, please tick one box, either For, Against or Abstain, alongside each Resolution on the Proxy Voting Form.

If you hold a proxy on behalf of a shareholder, you will need to cast that shareholder's votes in order for them to be counted. The Proxy Voting Form given to proxy-holders sets out the number of proxy votes held and records directed votes.

After voting on each of the Resolutions, you should sign the Proxy Voting Form and place your Proxy Voting Form in one of the boxes which will be passed around the room after all of the Resolutions have been addressed.

The full text of each Resolution for voting on today is set out in the Notice of Meeting.

Each Resolution will be voted on in the form proposed in the Notice of Meeting provided to shareholders. Each Resolution is taken as having been moved and no seconder is required.

There will be an opportunity to ask questions on, or speak to, each Resolution being put to shareholders.

Following the discussion on each Resolution and before I put it to the vote the details of the proxy voting received when voting closed, at 10.00 am on Monday, the 17th of October 2016, will be displayed on the screen behind me.

The first three resolutions relate to the election of Directors. Consistent with the Board's Director recruitment practices, I can confirm that appropriate probity checks have been undertaken, with positive outcomes, for all three individuals presented for election today as a Director of Genesis Energy.

Slide 22: Resolution 1 – Election of Maury Leyland

Resolution 1 proposes: That Maury Leyland who was appointed as a Director of the Company by the Board on 1 August 2016, retires and is eligible for election, be elected as a Director of Genesis Energy.

The Company's constitution and NZX Listing Rules require that newly appointed Directors retire at the Annual Shareholder Meeting, but are eligible to seek election at that meeting.

Maury brings new skills and experience to complement the present capabilities of our Board as the Company enters into a new era of customer-controlled energy, a skill set gained in senior management roles and directorships with large corporate organisations, including having been a Director of Spark New Zealand and Transpower New Zealand, and most recently having worked at Fonterra until earlier this year as a member of the executive team.

The Board confirms Maury Leyland is standing as an independent, non-executive Director. The Board recommends Maury to you as a Genesis Energy Director and unanimously supports her election.

Maury has confirmed she is available for election.

I invite Maury to address the meeting on her proposed election.

Dame Jenny to remain at the lectern. Maury to speak from where seated using the microphone on the desk [Speak on interest in the Company, attributes and willingness to serve as a director].

[Maury addresses the meeting/shareholders]

Thank you Maury.

Is there any discussion on this resolution?

Dame Jenny or Maury as appropriate to respond to any comment or questions

There appears to be no [further] discussion.

Slide 23 – Resolution One with proxies

The Proxy results for this Resolution are on the screen *behind me now*.

Discretionary votes totalling 977,117 assigned to the Chairman of the Meeting and Directors, will be voted in **favour of the Resolution**.

I now put to the vote the ordinary resolution: **That Maury Leyland who was appointed as a Director of the Company by the Board on 1 August 2016, retires and is eligible for election, be elected as a Director of Genesis Energy.**

Please take a moment to mark your Proxy Voting Form in relation to Resolution 1.

PAUSE to allow people to mark their form.

We will now move to the next Resolution.

Slide 24: Resolution 2 – Election of Paul Zealand

Resolution 2 proposes: That Paul Zealand, who is eligible for election, be elected as a Director of the Company.

Paul has been nominated in accordance with the NZX Listing Rules and the Company's constitution.

The Board believes Paul's background in the oil and gas sector at Shell and Origin Energy and experience of strategic business management, health safety and environmental management, operational risk and the commercial management of complex assets will augment the performance of the Board.

The Board has confirmed that Paul Zealand is standing as an independent, non-executive Director.

The Board recommends Paul Zealand to you as a Director of Genesis Energy Limited and unanimously supports his election.

Paul has confirmed he is available for election.

Paul would you like to address the meeting on your proposed election?

Dame Jenny to remain at the lectern. Paul to speak from his seat at the front table using the microphone [Speak on interest in the Company, attributes and experience].

Thank you Paul.

Is there any discussion on this Resolution?

Dame Jenny or Paul as appropriate to respond to any comment or questions

There appears to be no further discussion.

The Proxy results for this Resolution are on the screen behind me now.

Slide 25 – Resolution Two with proxies

Proxy Discretion votes totalling 985,542 assigned to the Chairman of the Meeting and Directors, will be voted in favour of the Resolution.

I now put to the vote the ordinary resolution: **That Paul Zealand, who is eligible for election, be elected as a Director of the Company.**

Please take a moment to mark your Proxy Voting Form in relation to Resolution 2.

PAUSE to allow people to mark their form.

We will now move to Resolution 3.

Slide 26: Resolution 3 – Election of Timothy Miles

Resolution 3 proposes: That Timothy Miles, who is eligible for election, be elected as a Director of the Company, with the appointment to take effect from 21 November 2016.

Tim has been nominated in accordance with the NZX Listing Rules and the Company's constitution. The Board has confirmed that Timothy Miles is standing as an independent, non-executive Director.

The Board believes the Company will benefit from Tim's extensive experience in information and communication technology industries, obtained through senior roles both in New Zealand and internationally. It is noted that from early 2013 Tim has been CEO of Spark Digital, and he will step down from this role in November 2016.

The Board recommends Tim Miles to you as a Director of Genesis Energy Limited and unanimously supports his re-election.

Tim has confirmed he is available for election, with effect from 21 November 2016.

Unfortunately Tim is overseas carrying out a final assignment before he retires from Spark. He has recorded this message for you.

Dame Jenny to remain at the lectern. Play Tim Miles' video. [Speak on interest in the Company, attributes and willingness to serve as a director].

Is there any discussion on this Resolution?

Dame Jenny to respond to any comment or questions

There appears to be no further discussion.

The Proxy results for this Resolution are on the screen behind me now.

Slide 27 – Resolution Three with proxies

Proxy Discretion votes totalling 1,032,451 assigned to the Chairman of the Meeting and Directors, will be voted in favour of the Resolution.

I now put to the vote the ordinary resolution: **That Timothy Miles, who is eligible for election, be elected as a Director of the Company with the appointment to take effect from 21 November 2016.**

Please take a moment to mark your Proxy Voting Form in relation to Resolution 3.

PAUSE to allow people to mark their form.

We will now move to Resolution 4.

Slide 28 – Resolution Four

Resolution four relates to a proposal to increase the total remuneration available for your Board of Directors. The Board's thinking on the appropriate approach to review Directors' remuneration was explored at the Annual Shareholder Meeting last year.

When reviewing Directors' fees, the Board sought independent advice from Korn Ferry Hay Group, which has the largest data base of directors' fees information in New Zealand. It undertook a thorough review of the remuneration for comparable listed companies, businesses which have a similar scale and level of complexity to Genesis Energy. Korn Ferry Hay Group's report to the Board is available on the Company's website under Annual Shareholder Meetings.

An appropriate level of fees and structure is an important element in ensuring that your Company is able to continue to

attract and retain the right directorial skills and experience to govern our business and that Directors of the Company are being fairly remunerated for the work they undertake.

The benchmarking showed that although the fees were increased by the Crown at the time of listing in April 2014 – two and a half years ago – Genesis Energy's directors' fees are still well below the median levels of comparable companies.

In addition to the benchmarking process, Genesis Energy also engaged in significant consultation and information sharing with a number of shareholders' representatives including the New Zealand Shareholders' Association and other key investors/shareholders. We took their comments into account when determining the level, structure and phasing of the fees increases we sought and prior to proposing the increases to you as shareholders for your consideration including phasing much of the increase over a two year period and adjusting the level of Committee fees and headroom allowance.

In considering the whether to propose a change to the level and structure of its Directors' fees the Board also took into account the time and work demands of its Directors and Committees and determined that they had increased since the Company was listed and as a result of legislative changes and the needs of the business.

There has also been an adjustment to the fee structure with the removal of the role of Deputy Chairman and the size of the Committees. Further as noted in the Notice of Meeting the Chairman will not take any fees for attendance and work for any of the standing Committees.

The Notice of Meeting sets out in detail, how the Board will phase in the increase over the next two years across the proposed Board and Committee structure.

The Board recognises that a consistent approach to Directors' remuneration reviews and transparency of fees paid is important to shareholders, and we intend as I mentioned last

year to carry out reviews of Directors' remuneration on a two yearly cycle.

Accordingly **Resolution 4 proposes:** That the total annual remuneration pool to pay Genesis Energy Directors be increased by \$135,000, from \$805,000 to \$940,000 phased in over two years, with the first part of the increase which is a 12.6 % increase taking effect from 1 November 2016 and the second part of the increase which is a further 3.6% increase, taking effect from 1 November 2017.

In accordance with the Listing Rules, the directors and their associated persons are not able to vote on Resolution 4, and will also not exercise any discretion given to them by proxies in relation to this resolution. However, votes cast by directors will count where that director is voting as a proxy in accordance with express instructions.

Is there any discussion on this resolution?

Dame Jenny and Doug McKay to respond to any comment or questions.

There appears to be no [further] discussion.

The Proxy results for this Resolution are on the screen behind me now.

Slide xx – Resolution Four with proxies ???

I now put to the vote the ordinary resolution: That the total remuneration payable to all Directors be increased by \$135,000, from \$805,000 to \$940,000 over two years, with the first part of the increase taking effect from 1 November 2016 and the

second part of the increase taking effect from 1 November 2017.

Please take a moment to mark your Proxy Voting Form in relation to Resolution 4.

PAUSE to allow people to mark their form.

Slide 29 – Voting

If you haven't already done so, please complete your Proxy Voting Form on each of the four Resolutions. Please ensure you sign the Proxy Voting Form.

Chairman and Directors to NOW complete their Proxy Voting Form and Computershare will also collect these with shareholders' forms

I remind you that you are voting on each separate Resolution, i.e. **Resolutions 1, 2, 3 and 4** as detailed in the Notice of Meeting.

As Voting is by way of poll, boxes to collect your Proxy Voting Forms are now being passed around the room.

Before you put your Proxy Voting Form in one of the boxes that are being passed around, please ensure the Proxy Voting Form is signed.

Please don't hesitate to ask for a pen.

If anyone is unsure about these instructions please approach one of the people from Computershare. They will be happy to help you.

CHECK the people passing boxes around the room have finished the process.

All Proxy Voting Forms should now be in the boxes which have been passed around the room.

The votes that have been cast will be counted by the Company's share registrar, Computershare, and scrutinised by the Company's Auditor. The results of the voting at today's meeting will be released to the NZX and ASX on the completion of verification of the voting.

At this point we will open the floor to any final questions or matters of general business to be discussed?

Take any questions but if none draw meeting to a close. Perhaps indicate if a lot of questions that there is time for two more questions.

Slide 30: Please join us for Morning Tea

Ladies and gentlemen, that brings us to the end of formal business for Genesis Energy's 2016 Annual Shareholder Meeting.

Thank you for taking the time to come and participate here today. We are very pleased to have been able to meet with you here today. The Board, Management and I hope you are able to stay and join us for morning tea.

You will note that our directors have *white name tags*, our executive *grey tags* and our Genesis Energy team *orange tags*.

During morning tea please don't hesitate to approach us and raise matters of interest or concern which may not have been covered in the presentations or the Q and A.

We would welcome your feedback on today's meeting and on our communications in general. If you didn't get a Feedback Form when you arrived, there are spare forms at the front of the room for you to complete. Remember the Investor Centre area on the website addresses some frequently asked questions and provides an email address where you can ask questions of Directors at any time and we will respond to you.

We look forward to updating you with our Interim Report which will be available after the Half Year Results are announced in February next year and to welcoming you again at our Annual Shareholder Meeting in 2017.

End of Meeting

Marc England, Chief Executive**Slide 10: Chief Executive – Marc England (portrait)**

Thank you Dame Jenny and good morning everyone.

Once again, a warm welcome to you all at my first Annual Shareholders' Meeting and welcome also to those watching via our webcast.

It is great to have so many of you with us today to better understand what we have done and more importantly where we are going and how we are going to win in an incredibly dynamic energy future.

Dame Jenny has taken you through the highlights of the year. I am now going to take a few minutes to go through the Company's reset strategic direction, some financial and operational achievements during the 2016 year and give you an update on how we are performing in this new financial year.

Slide 11: Executive

Before I do that, I'd like to introduce you to our new Executive team, who are all here today sitting in the front row. I say new, because 3 of them only started on Monday!

Firstly, on stage with me is our Company Secretary and General Counsel, Maureen Shaddick. This is Maureen's final AGM as she leaves the business this month. Maureen has been General Counsel since 2003 and played a significant role in Genesis Energy's journey over the last 14 years, including supporting the share float in 2014. Thank you Maureen, we all wish you well.

The rest of the team are sitting in the front row in front of me. Starting on the right of the screen and working along to the left....

.....providing guidance to our financial controls, risk management, and commercial decision making is our Chief Financial Officer, Chris Jewell, who was appointed to this role in July, and previously managed the portfolio management team.

Nicola Richardson joined the executive team this month in the role of Executive General Manager People and Culture. Nicola has been promoted from within the business and brings a lot of experience in talent and development of organisations.

Nigel Clarke is Executive General Manager Customer Operations, driving efficient and effective customer interactions from our Hamilton customer excellence centre. Nigel started on Monday and brings a wealth of experience running and growing Momentum Energy in Australia.

Keeping our plants efficient and optimised is our General Manager Generation and Wholesale Tracey Hickman, who has been with Genesis Energy since its inception. Tracey recently added the wholesale

trading operations to her portfolio and is now building an integrated generation and trading team, which ensures we all have electricity to power our lives.

James Magill also started with us on Monday as Executive General Manager Product Marketing. James will providing significant momentum to our effort to engage consumers with compelling products and services and has experience working in both the UK and Australian energy markets.

In the critical role of driving forward new technology and digital experiences we now have Jen Cherrington-Mowat with us who brings a wealth of experience with leading online and household name brands in the United Kingdom and has come home to New Zealand after 24 years away.

And helping the Company to implement our long term strategy and steering the Company through a variety of external issues is our General Manager Corporate Affairs and Transformation, Dean Schmidt.

This reinvigorated Executive Team is now set to drive change and explore new business opportunities in the rapidly evolving energy market. Over the coming years we intend to Reimagine Energy so that customers all over New Zealand come to see us as their first choice for energy management. In turn you our shareholders, and hopefully customers too, can continue to benefit from positive and sustainable returns.

Slide 12: Strategic direction

Before I take you through our operational performance, I thought it would be useful to explain what we mean when we talk about rapid change in the energy sector and why we intend to Reimagine Energy.

But rather than listen to me talk about the energy future for Genesis Energy, we have prepared a short video that takes you through the changes we see happening in the near future and how we see our role in that future.

Play video

My apologies for the narrator in that clip. We didn't want to waste any of our shareholders money on an actor!

I hope the animation gave you all a clearer understanding of where we are taking this business.

It will take time but I think it is important to reiterate that the energy sector is changing and new technology as well as regulation and competition is driving that change. Ensuring this company continues to be successful in that future environment is not optional if we want to continue to bring value to our customers and to our shareholders.

We see a long term future with revenue from centralised assets declining as distributed or micro-generation provides an affordable alternative for consumers. In the nearer term new technology will continue to influence consumers' habits; not just distributed energy such as solar and batteries but also in the way that we heat our homes or charge our cars. Disruptive new business models are now the norm.

Whatever we do, we cannot sit on our hands and think that business as usual will carry us through. My commitment to you our shareholders is Genesis Energy will evolve as the market evolves and ensure we create sustainable growth and shareholder value.

Since my arrival in New Zealand in May, the Board and the Executive have been focused on developing a strategy and structure for the business that will see it thrive and deliver in an evolving market.

We are making sure the Company has a strong purpose, has the right strategies in place and the capability and resources to execute our strategies.

Slide 13: Customer focus

In the past year, the Company has continued to experience heightened price competition for customer accounts. We have successfully maintained our leading share of customer accounts by creating a better customer experience, simplifying the interactions, providing home energy and broadband accounts when moving home through unique partnerships, and offering more consumer-friendly energy packages – particularly with piped and bottled natural gas. Yet we know this is only a launching pad for future opportunities.

While our customer accounts have grown slightly during the year, the constant need to promote discounted prices to replace churning customers drives unnecessary cost to the business, and unnecessary costs onto customers. We need to break out of this cycle of discounting and find new ways to engage and create enduring relationships with our customers.

Genesis Energy's future will utilise new technology, digital applications and strong partnerships to enable more and more consumers to take control of their energy usage and, if they want to, become energy producers as well as consumers.

Slide 14: Generation performance

In our Generation business, the focus has been on continuing to optimise our working capital by restructuring our fuel book. This has resulted in a reduction in the coal stockpile and reducing our coal purchases.

Above-average temperatures and high South Island lake levels drove a 15 per cent reduction in electricity spot prices in the last financial year. Despite this, our generation volumes were similar to the previous years'. The geographical diversity of our hydro scheme was helpful as lower inflows in the North Island were offset by higher flows in the South Island.

An increasing trend is the use of gas in our Rankine Units as we take advantage of lower wholesale gas prices. Gas use at Huntly was up 17 per cent and this also had a positive impact on our carbon emissions which were down 9 per cent as we reduce coal burn.

In August 2015, Genesis Energy announced that unless market circumstances changed significantly a retirement plan for the two coal Rankine Units at Huntly would eventuate. Those significant changes did occur as other generators closed plant, leading both the Electricity Authority and Transpower to suggest that there was a high risk of electricity shortages after 2018, especially if the country experienced a dry year.

In light of the changes in the market we entered into bilateral commercial arrangements that will keep the two Rankine Units available until at least the end of 2022. The new contracts cover the operational and capital costs of keeping the Units in the market.

The total committed generation volume under these contracts is less than the output of one Rankine Unit, so Genesis Energy retains good flexibility to meet the market and cover plant outages.

These contracts provide an extended transition from coal to lower emitting generation sources while uncertainty around the future of the Tiwai Point smelter remains. This is a very good outcome for New Zealand and Genesis Energy as the sector continues to evolve.

Slide 15: Kupe

Kupe provides a competitive advantage to Genesis Energy with its steady and reliable stream of gas and condensates.

We can plan thermal production around the flow of gas and have strong supplies of gas and LPG for our customer base.

The Company is optimising parts of the business that are not dependent on rainfall or cold winters and which are less volatile than others if we have a dry year. In those terms, we have been considering the role Kupe plays.

Kupe is a value driver, and provider of stable earnings through our equity ownership. More importantly, Kupe provides revenue that can drive the foundation for further investment.

Slide 16: Reshaping the Company

As the Company enters into a new era of more customer-controlled energy resources we need to ensure we have the right structure, capabilities and flexibility in place to develop deep and enduring relationships with our customers.

Therefore, we have refreshed our strategy to take advantage of the rapidly evolving energy market and have reorganised the Executive Team as part of a longer term plan to reshape Genesis Energy into an agile and adaptive organisation that will focus on optimisation and innovation.

The Company's vision and strategy require the whole of the Executive Team to be focused on customers and the drive to deliver a greater number of energy products and services to build a deeper relationship with customers.

Slide 17: Results summary

As Dame Jenny has mentioned, we are pleased to report that net profit and dividends were all better than the previous year.

Net profit after tax was significantly higher than the previous year due largely to revaluation of our generating assets.

However, earnings before interest, tax and other financial adjustments were lower than previous year, largely due to lower international oil prices, which also impact local gas prices, and the higher costs of maintaining a stable customer base.

Our cash flow, which is the most important metric, was slightly higher than the prior year due to good management of our inventory levels which reduced working capital.

The final dividend of 8.2 cents per share lifted the total dividend declared in 2016 to 16.4 cents per share, which is 2.5% higher than last year. I would also note that the dividend increase is well ahead of the rate of inflation over the same period.

Slide 18: Strategy

With the right strategies, a re-invigorated Executive Team, re-organised and focused company structure, Genesis Energy has strong medium and long term growth opportunities.

Our plan is three-pronged – optimise our existing business, innovate for change and invest for new revenue growth.

While we expect competition in the retail electricity and gas markets to continue, our focus for both the Genesis Energy and Energy Online brands will be on improving customer loyalty and creating a more efficient business.

We will be innovating to create new digital services for our customers and seeking growth opportunities for our LPG business.

Our intention is to grow revenue from our existing business activities to fund investment in areas where we can see good potential medium and long term revenue growth.

Genesis Energy has a sustainable and industry-leading dividend.

Slide 19: FY17 Outlook

Guidance for the financial year ahead is provided subject to any material events, significant one off expenses or other unforeseeable circumstances.

Earnings guidance for FY2017 is that Genesis Energy will deliver EBITDAF of \$305 to \$325 million. This is comparable to the FY2016 result if adjusted for two significant accounting items totalling \$12 million. These items were the difference in deferred customer acquisition costs and the write back of Rankine spares following the revaluation of the assets.

As signaled during the annual results presentation, the business is facing a number of market headwinds including lower realised oil prices due to the historically higher priced oil hedges now having rolled off, increased carbon costs and a new below market contract that was signed to support the ongoing viability of the Tiwai Point smelter. Offsetting this, the management team have worked hard to improve underlying business performance and the things we can control. This is represented in the chart through planned reductions in overhead costs and planned revenue improvement. These performance improvements collectively have created capacity to invest in new and transformational growth opportunities that will drive medium and long term EBITDAF growth.

Stay in business capital expenditure guidance for FY2017 is \$35 - \$45 million with an additional \$10 million likely to be spent on growth initiatives across the business.

Genesis Energy reaffirms its current dividend policy which is to provide real growth in dividends over time.

And with that I would like to hand you back to Dame Jenny.

Annual Shareholder Meeting 2016



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Although management may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward looking statements will be realised. EBITDAF, underlying profit and free cash flow are non-GAAP (generally accepted accounting practice) measures. Information regarding the usefulness, calculation and reconciliation of these measures is provided in the supporting material. Furthermore, while all reasonable care has been taken in compiling this presentation, to the maximum extent permitted by law Genesis Energy accepts no responsibility for any errors or omissions and no representation is made as to the accuracy, completeness or reliability of the information. This presentation does not constitute investment advice



Introduction

Dame Jenny Shipley
Chairman



Your Board of Directors



**DAME JENNY
SHIPLEY**



GRAEME MILNE



MARK CROSS



MAURY LEYLAND



JOANNA PERRY



DOUG MCKAY



JOHN LEUCHARS



**RUKUMOANA
SCHAAFHAUSEN**

Agenda



1

Your Company

—
Dame Jenny Shipley
Chairman

2

Business Review

—
Marc England
Chief Executive

3

Shareholder Questions

—

4

Resolutions and Voting

—

Your Company

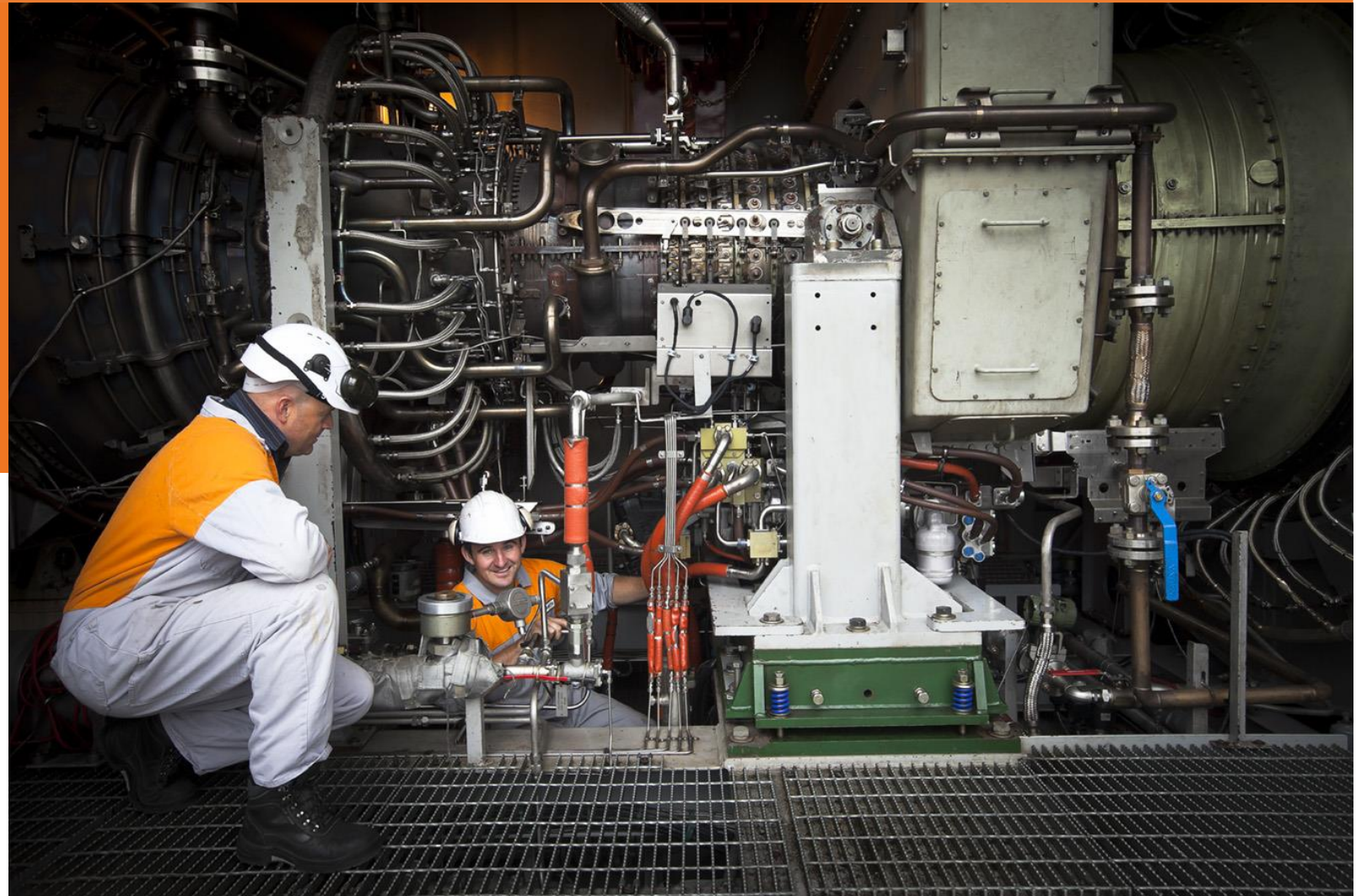


Strong cash flows are delivering industry-leading yields



Huntly Power Station: future assured

Life extension
through
commercial
arrangements
is a good
outcome for all



Energy market is rapidly evolving



Technology is revolutionising the energy sector to give consumers more control



Commitment to change



- **Positioning Genesis Energy for a successful future as an enabler of energy management services**

- Customer data and insights

- Substantial customer base provides quality data
- Insights-driven product development

- Well-managed assets

- Diverse generation assets in North and South Islands
- Continuing to drive greater operating efficiencies

- Healthy balance sheet

- Headroom to invest in aligned businesses
- Revenue growth targeted



Business Review

Marc England
Chief Executive



Refreshed Executive Team



DEAN SCHMIDT

Executive General
Manager Corporate
Affairs and
Transformation



**JENNIFER
CHERRINGTON-MOWAT**

Executive General
Manager Technology
and Digital



JAMES MAGILL

Executive General
Manager Product
Marketing



TRACEY HICKMAN

Executive General
Manager Generation
and Wholesale



NIGEL CLARK

Executive General
Manager Customer
Operations



NICOLA RICHARDSON

Executive General
Manager People and
Culture



CHRIS JEWELL

Chief Financial Officer

Strategic direction



Reimagining Energy video

Customer focus

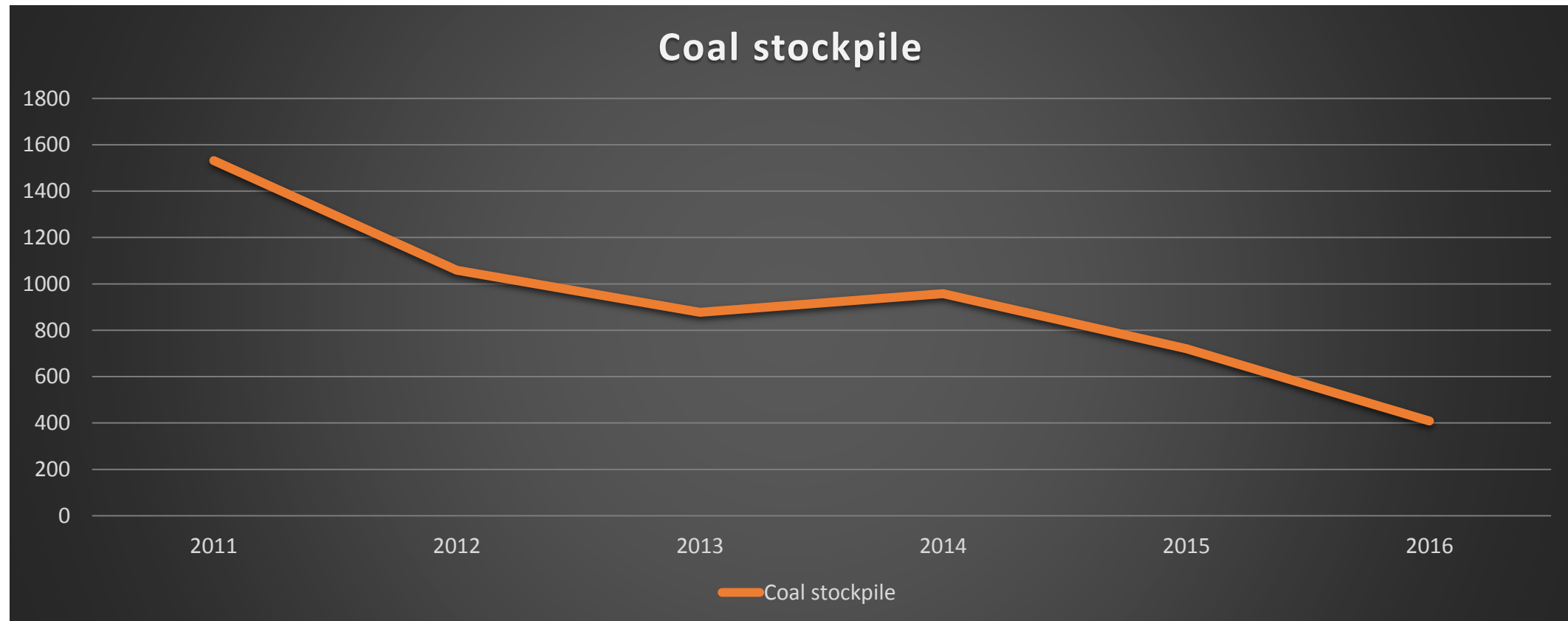


Innovating to
create new
products and
digital services
for our
customers



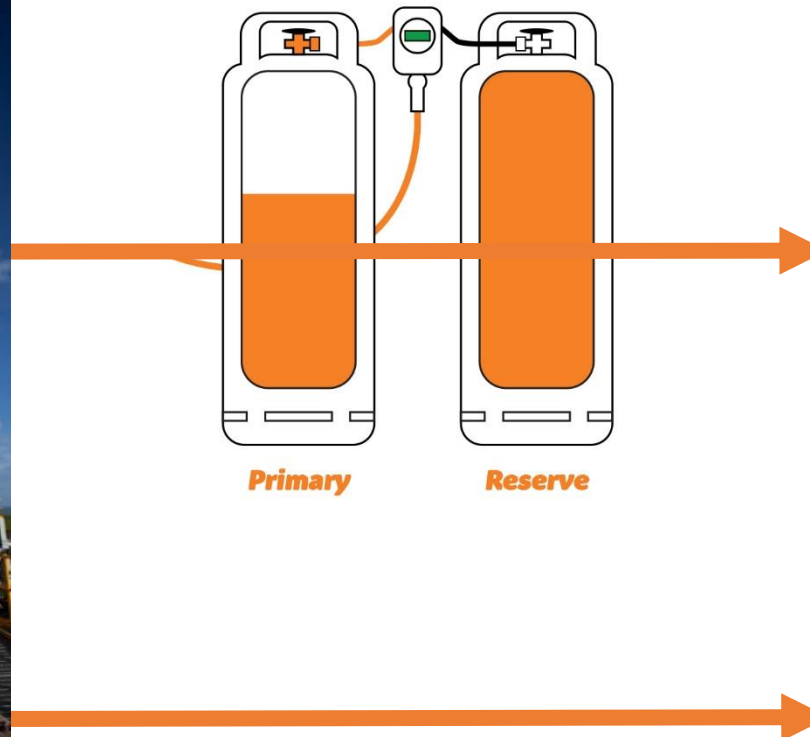
Generation performance

- Optimising our working capital by reducing fuel inventories



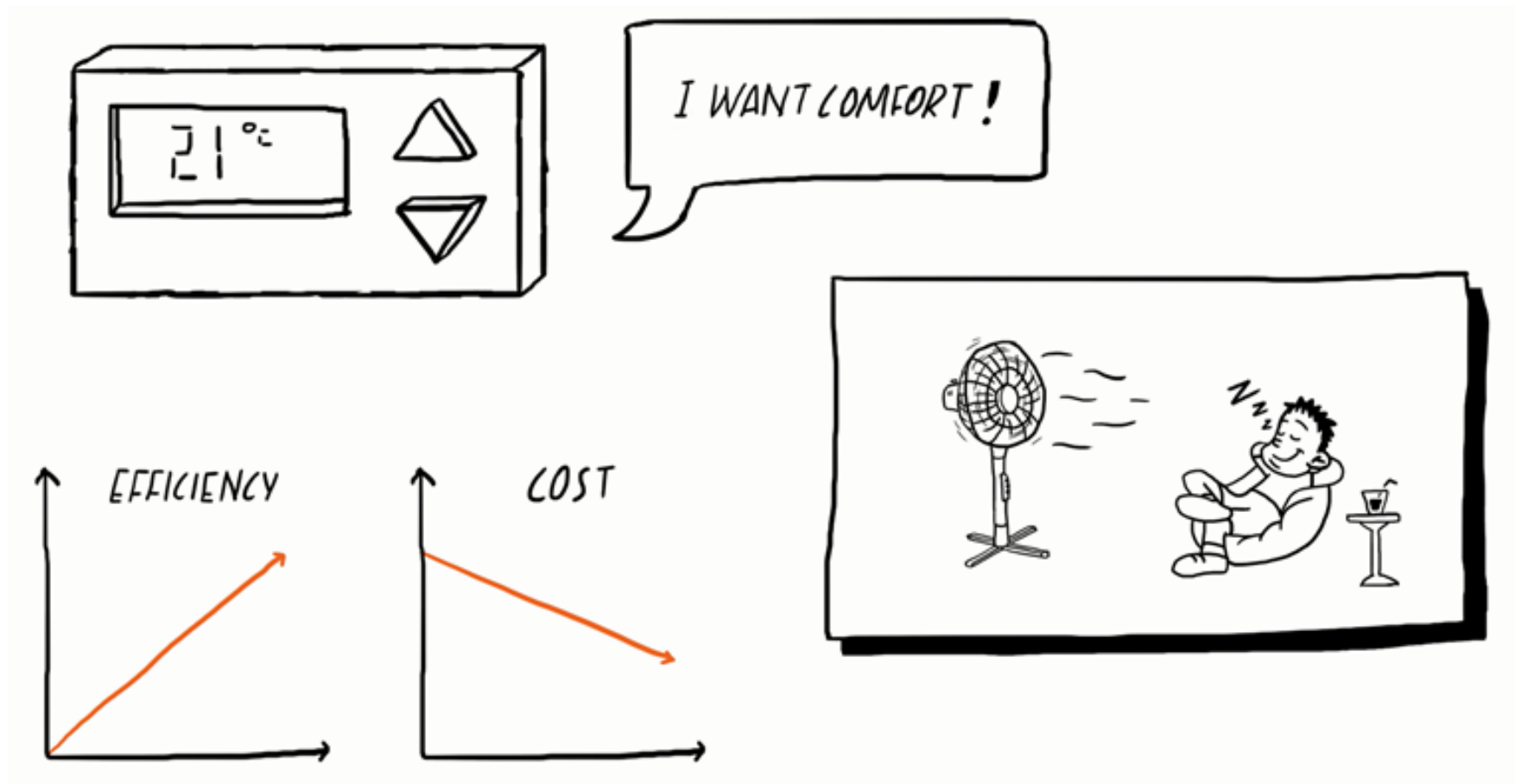
Kupe Oil and Gas Field

- Provides a competitive advantage and integrated revenue streams



Reshaping the Company

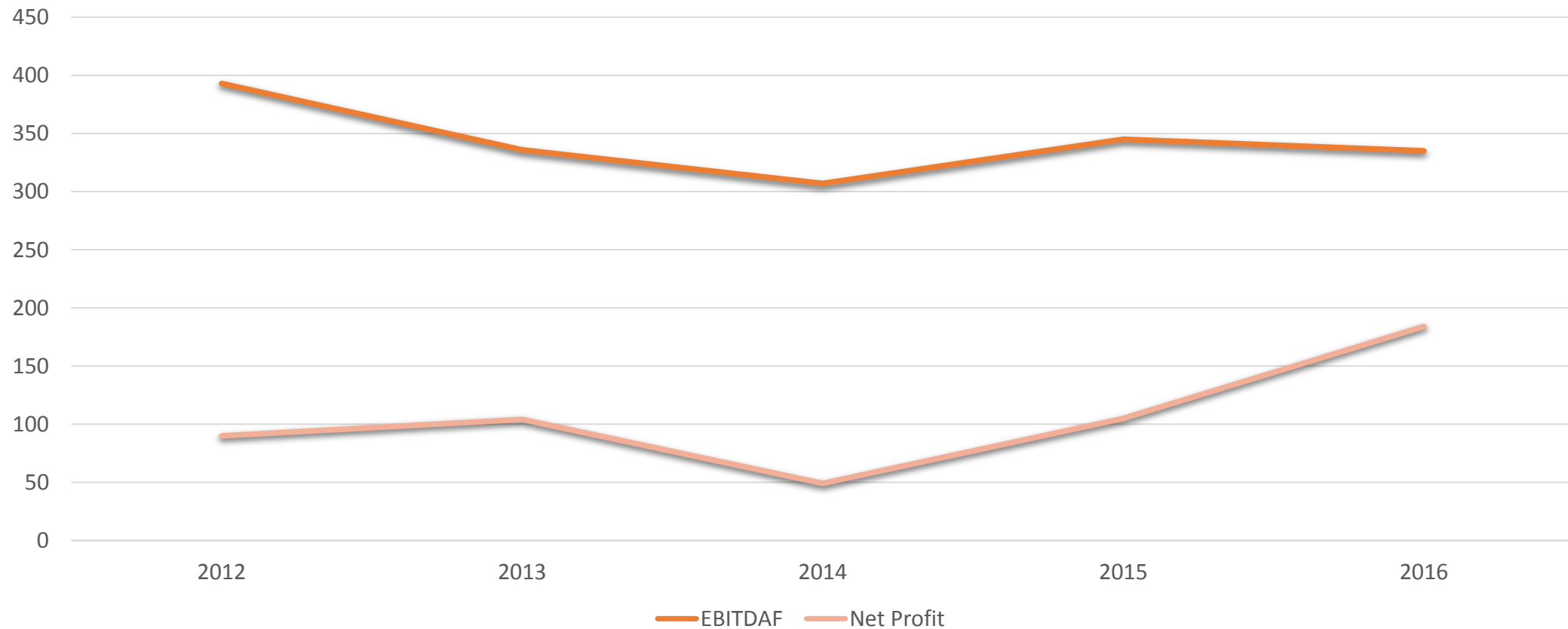
- Re-organising to be customer and data insights driven



Results summary



- Earnings stable and net profit after tax increased due to revaluations



Strategies that drive long term growth



- A reorientation toward customers and a focus on value with three themes.

Optimise

The current business

Innovate

To build enduring
customer
relationship

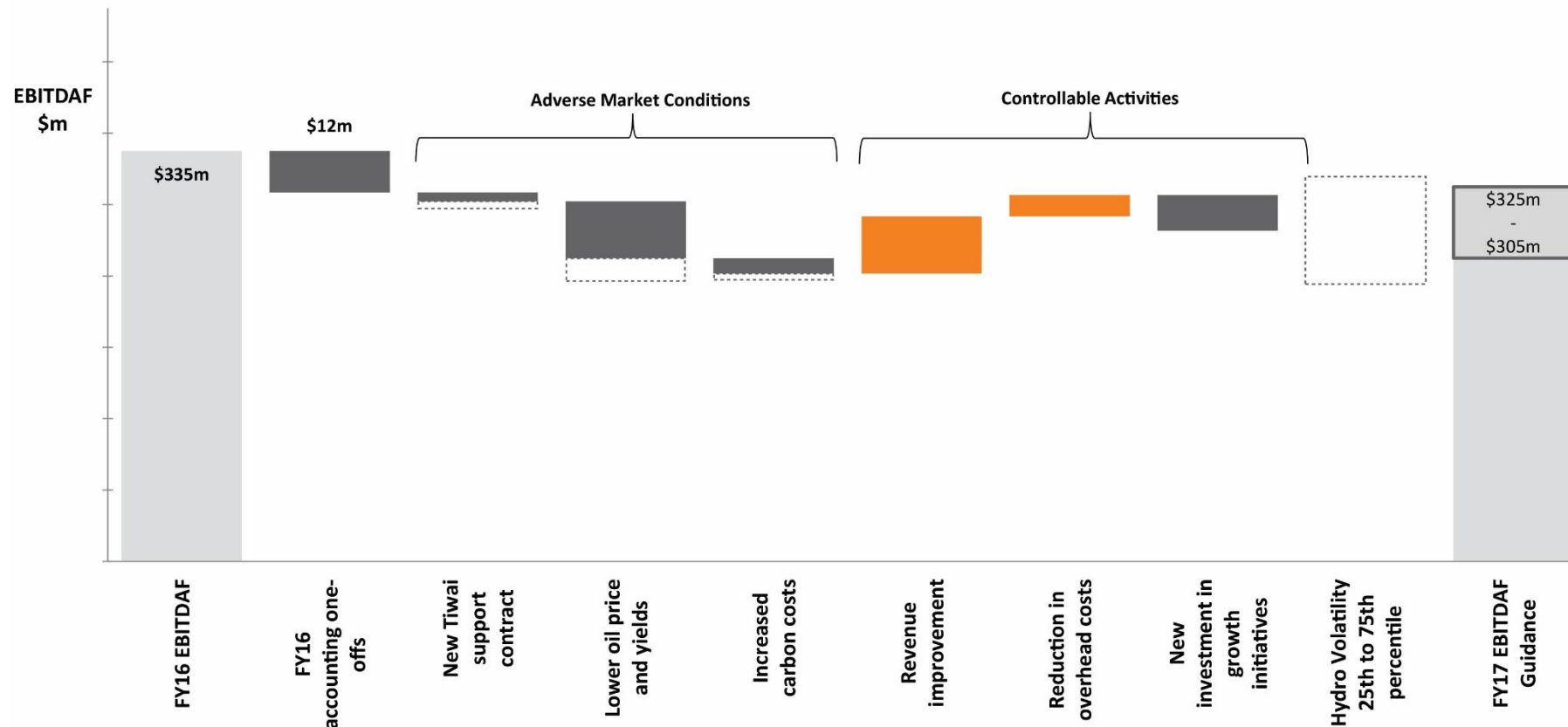
Invest

In new capabilities
and growth

Outlook

- Q1 FY17 will be focused on embedding new strategy and team

Context to FY17 Guidance





Questions

Dame Jenny Shipley
Chairman

#

Ordinary business and resolutions

Dame Jenny Shipley
Chairman



Resolution One



Election of Maury Leyland



Resolution Two



Election of Paul Zealand



Resolution Three



- Election of Timothy Miles

Tim Miles video

Resolution Four



- Directors' Fees

**Please join us for
Morning Tea**

