

TO	<b>Listed Company Relations NZSX Market</b>	VIA NZ MAP
CC	<b>Company Announcements Office Australian Stock Exchange</b>	VIA ASX ONLINE
FROM	Liz Lawless Corporate Legal Services	DATE 28 November 2016
NUMBER OF PAGES INCLUDING COVER SHEET		One
SUBJECT		
<b>ISSUE OF RESTRICTED SHARE RIGHTS</b>		

In 2016 Air New Zealand Limited (the **Company**) adopted a Chief Executive Officer Restricted Share Rights Plan (**Plan**).

The Company advises that it has made a grant of 367,317 restricted share rights under the plan to Christopher Luxon. These restricted share rights were issued on 21 November 2016.

Each restricted share right issued under the Plan gives the holder the right to receive one fully paid ordinary share in the Company, subject to the holder remaining employed by the Company on the vesting date. The vesting date for this issue of restricted share rights is 31 December 2017 for 73,463 of the rights and 31 December 2018 for the balance (293,854) of the rights.

When considering whether to issue restricted share rights under the Plan in respect of a financial year, the Board will assess the chief executive officer's performance against the individual objectives set for that financial year. Future issues of restricted share rights will be considered on an annual basis. The Plan is expected to continue through to the financial year ending 30 June 2020.