

31 December 2019

Notice of issue of ordinary shares under NZME's total incentive plan

This notice is given under the NZX Listing Rules 3.13.1 and 3.15.2 and relates to the exercise of performance rights under the 2016 tranche of NZME's total incentive plan (**2016 TIP**) pursuant to which participants were issued performance rights which entitle them to receive fully paid ordinary shares in NZME should certain criteria be met.

After the exercise of the performance rights detailed in this notice, there will be no further remaining performance rights of that same class.

| Section 1: Issuer information | |
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| Name of issuer | NZME Limited |
| NZX ticker code | NZM |
| Class of financial product | Ordinary Shares |
| ISIN (If unknown, check on NZX website) | NZNZME0001S0 |
| Currency | NZD |
| Section 2: Capital change details | |
| Number issued/acquired/redeemed | 544,716 |
| Nominal value (if any) | Not applicable |
| Issue/acquisition/redemption price per security | Nil |
| Nature of the payment (for example, cash or other consideration) | Upon the vesting of each performance right under the 2016 TIP on 31 December 2017, and the end of the 2 year deferral period, on 31 December 2019 the holder is entitled to one ordinary share in NZME Limited (NZME) for no cash payment, together with an additional allocation of shares equal to the dividends paid on vested rights over the vesting period and the deferral period. Participants have elected to receive 67% of the shares to which they would otherwise be entitled to reflect the tax treatment of the 2016 TIP. Further details of the 2016 TIP are included within NZME's annual report. |
| Amount paid up (if not in full) | Fully paid ordinary shares |

| | |
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| Percentage of total class of Financial Products issued/acquired/redeemed/ (calculated on the number of Financial Products of the Class, excluding any Treasury Stock, in existence) | 0.278% |
| For an issue of Convertible Financial Products or Options, the principal terms of Conversion (for example the Conversion price and Conversion date and the ranking of the Financial Product in relation to other Classes of Financial Product) or the Option (for example, the exercise price and exercise date) | Not applicable |
| Reason for issue/acquisition/redemption and specific authority for issue/acquisition/redemption/ (the reason for change must be identified here) | Exercise of 638,617 performance rights under the 2016 TIP (see details above) authorised by Directors' resolution dated 19 December 2019. |
| Total number of Financial Products of the Class after the issue/acquisition/redemption/Conversion (excluding Treasury Stock) and the total number of Financial Products of the Class held as Treasury Stock after the issue/acquisition/redemption. | 196,555,998 No Treasury Stock held |
| In the case of an acquisition of shares, whether those shares are to be held as treasury stock | N/A |
| Specific authority for the issue, acquisition, or redemption, including a reference to the rule pursuant to which the issue, acquisition, or redemption is made | Directors' resolution dated 19 December 2019 pursuant to NZX Listing Rule 4.6.1 and 4.9.1(b). |
| Terms or details of the issue, acquisition, or redemption (for example: restrictions, escrow arrangements) | The shares issued are quoted ordinary shares ranking equally with the existing ordinary shares on issue of NZME |
| Date of issue/acquisition/redemption | 31 December 2019 |
| Section 3: Authority for this announcement and contact person | |
| Name of person authorised to make this announcement | Allison Whitney |
| Contact person for this announcement | Allison Whitney |
| Contact phone number | 027 479 0697 |
| Contact email address | allison.whitney@nzme.co.nz |
| Date of release through MAP | 31 December 2019 |