



Joint Lead Managers



FIRST NZ CAPITAL



FORSYTH BARR

Institutional Bank

29 June 2011

This flyer summarises the terms of the Bonds offered by Z Energy Limited (formerly Greenstone Energy Limited, the “Issuer”) and the steps an investor will have to complete to take up the Offer.

The Bonds are secured and guaranteed by the Issuer, Greenstone Energy Holdings Limited and Aotea Energy Limited, together with other subsidiaries of Aotea Energy Limited, which are jointly called “Z Energy Group”.

For information about the financial and operational performance of the Z Energy Group, or other information about the Issuer, the Z Energy Group or the Bond issue, please see the Simplified Disclosure Prospectus dated 29 June 2011 (the “SDP”). Capitalised terms in this flyer have the same meanings as in the SDP.

Type of Bond

Secured, senior, fixed rate, listed debt obligations of the Issuer.

Use of Proceeds

The net proceeds of the Offer will be used to provide funding to repay bank debt.

Opening Date of the Offer

8 July 2011 or such other date as the Issuer may determine.

Closing Date of the Offer

5 August 2011 or such other date as the Issuer may determine.

Issue Date

9 August 2011 or any Friday, subsequent to 5 August 2011 (if the Offer remains open after this date), that occurs after the date on which the Issue Price payable by the applicant for the Bonds has been received in cleared funds by the Issuer.

Maturity Date

15 August 2018.

Interest Rate

7.25% per annum.

Interest to Original Subscriber

The first interest payment will be interest to original subscriber (“ITOS”) and include Early Bird Interest earned on subscription moneys from the date that such moneys were banked into the trust account operated in respect of the Offer.

Interest Payments

The Bonds will accrue interest, payable quarterly in arrears in four equal payments on 15 February, 15 May, 15 August and 15 November of each year.

Principal Amount/Issue Price

\$1.00 per Bond. The Issue Price is payable in accordance with the instructions set out in the SDP.

Issue Size

Up to NZ\$100 million with the ability to accept oversubscriptions of up to NZ\$50 million.

Minimum Application

NZ\$5,000, and multiples of NZ\$1,000 thereafter.

Ranking

The Bonds will constitute secured senior obligations of the Issuer and rank equally with each other and the existing Series of bonds issued by the Issuer. Bondholders and Z Energy Group’s banks share the same security on an equal ranking basis with both groups ranking behind Shell’s security over petroleum products supplied by Shell to the extent that it has not received payment of the purchase price for them and behind statutorily preferred creditors.

Guarantors

The Bonds are unconditionally guaranteed by Aotea Energy Ltd, Greenstone Energy Holdings Ltd, Z Energy Ltd, Greenstone Energy Finance Ltd, Harbour City Property Investments Ltd, Big Tree Stations Ltd, and Mini Fuels & Oils Ltd. New Zealand Superannuation Fund and Infratil do not guarantee the Bonds.

Listing

Application has been made to NZX for permission to list the Bonds on the NZDX and all the requirements of NZX relating thereto that can be complied with on or before the date of the SDP have been duly complied with. However NZX accepts no responsibility for any statement in the SDP. NZX is a registered exchange, regulated under the Securities Markets Act 1988.

Ticker Code

NZX ticker code “ZEL” has been reserved for the Issuer.

Brokerage

The Issuer will pay brokerage on applications of 1.25% to NZX Firms for applications carrying that NZX Firm’s stamp.

Bond Holder Put Option on a Change of Control

Bondholders have a right to require redemption of Bonds before the Maturity Date if a Change of Control that is not an IPO occurs.

The Bondholder will have the right to redeem their Bonds at a price equal to the Principal Amount of the Bonds and any accrued and unpaid interest (for the days elapsing from, and including, the last Interest Payment Date up to the relevant redemption date).

Financial Covenant

The ratio of Total Debt to Covenant EBITDA shall not exceed the lower of 4.0 or the equivalent ratio in the Banks’ Facilities plus 0.5 (as at the date of the SDP, 3.75). The financial covenant will be tested on 30 September 2011 and following that date every six months, each on a rolling 12 month basis.

Distribution Stopper

While a breach of the financial covenant continues, or any Event of Default under the Bond Documents or Bank’s Facilities is continuing, no distributions may be made by the Guarantors to non-Guarantors.

Prior Ranking Security for Working Capital

The security structure is intended to give preference to Shell in respect of products supplied but not paid for, after which Bondholders and banks rank equally. In practice, however, to continue trading if, for example, an Event of Default occurs, Z Energy will need to continue to procure crude oil and fuel and it may need to grant priority to the particular products and their proceeds to the provider of working capital funding. The Bond Trustee may agree to this, if required, if it considers it is in the best interests of Bondholders as a whole. No such arrangement exists at present. In addition, although repayments of core debt (Core Bank Debt and Bond Debt) are to be shared proportionately following a financial covenant breach, this does not apply to repayments of working capital funding.

How to apply

Complete the Application Form included in the SDP.