

**MERCURY NZ LIMITED
(Mercury)**

Directors' certificate

(Condition of NZ RegCo's waiver from NZX Listing Rule 5.2.1)

Background

- A. Capitalised terms not defined in this certificate have the meanings given to them in the NZX Listing Rules (the **Rules**).
- B. On 4 August 2025, it was announced that Mercury, Genesis Energy Limited (**Genesis**), Meridian Energy Limited (**Meridian**), and Contact Energy Limited (**Contact**) have entered into conditional arrangements to support dry-year security of electricity supply and overall system resilience (the **Arrangements**).
- C. In broad terms, the Arrangements provide each of Meridian, Mercury and Contact with an option to access certain notional generation capacity from Genesis' Rankine Units at the Huntly Power Station, albeit by way of a derivative structure.
- D. Each of Meridian and Genesis is a Related Party of Mercury. For the purposes of Rule 5.2.1, the Arrangements may be a Material Transaction of Mercury with a Related Party.
- E. In a decision of NZX Regulation Limited (**NZ RegCo**) dated on or around the date of this certificate, NZ RegCo granted Genesis, Meridian and Mercury a waiver (the **Waiver**) from Rule 5.2.1 to the extent required to allow Genesis, Meridian and Mercury to enter into and perform the Arrangements.
- F. The Waiver was given on the condition that the directors of each of Genesis, Meridian and Mercury give a certificate. This certificate is provided by the directors of Mercury (the **Directors**).

Certification

We, being Directors who are not interested in the Arrangements, certify that in our opinion:

- 1. The Arrangements have been entered into, and have been negotiated, on an arm's length commercial basis.
- 2. Mercury was not influenced to enter into the Arrangements by either the Crown or either of Meridian or Genesis.
- 3. The granting of the Waiver in respect of the Arrangements is in the best interests of:
 - (a) Mercury; and
 - (b) all of Mercury's shareholders other than the Crown.
- 4. The Arrangements are in the best interests of:
 - (a) Mercury;
 - (b) all of Mercury's shareholders; and
 - (c) all of Mercury's shareholders other than the Crown.

Grounds for the certification

A summary of the core grounds for the certification are as follows:

The Arrangements have been entered into, and have been negotiated, on an arm's length commercial basis

5. Mercury is listed on the NZX Main Board. Both of Meridian and Genesis are separately listed on the NZX Main Board.
6. Mercury is operated separately from each of Meridian and Genesis.
7. The commercial terms of the Arrangements have been subject to extensive negotiation, with each of Genesis, Meridian and Mercury having separate independent advisers.
8. Accordingly, the Arrangements have been entered into, and have been negotiated, on an arm's length commercial basis.

Mercury was not influenced to enter into the Arrangements by either the Crown or either of Meridian or Genesis

9. The only reason that Mercury is a Related Party of Genesis and Meridian is due to the Crown owning more than half of the ordinary shares of each entity.
10. While the Crown is the majority shareholder in Mercury, it is not involved in Mercury's business operations.
11. The Crown itself has had no involvement in the development or negotiation of the Arrangements, nor is it a party to them.
12. Neither of Meridian or Genesis were involved in Mercury's decision to enter into the Arrangements.
13. Each of Meridian and Genesis is separately listed on the NZX Main Board and is operated independently of Mercury. In fact, Meridian and Genesis are competitors of Mercury.
14. Mercury is governed by an independent board of directors. The directors of Mercury owe duties under the Companies Act 1993 to act in good faith and in what they believe to be the best interests of Mercury. No director of Mercury is also a director of Meridian or Genesis.
15. Accordingly, Mercury was not influenced to enter into the Arrangements by the Crown or either of Meridian or Genesis.

The granting of the Waiver in respect of the Arrangements is in the best interests of Mercury and all of Mercury's shareholders other than the Crown

16. The Arrangements were negotiated on an arm's length basis, with each of Genesis, Meridian and Mercury having separate independent advisers.
17. Mercury was not influenced to enter into the Arrangements by the Crown or either of Meridian or Genesis.
18. Where the risks that Rule 5.2.1 is designed to protect against are not present, it would be unfair and prejudicial to shareholders to require Mercury to incur the cost involved in convening a shareholder meeting to have the Arrangements approved, as that cost will ultimately be borne by shareholders.

19. Given the above factors, in our opinion, the granting of the Waiver in respect of the Arrangements is in the best interests of Mercury and all of Mercury's shareholders other than the Crown.

The Arrangements are in the best interests of Mercury and all of Mercury's shareholders (both including and excluding the Crown)

20. The key objectives of the Arrangements are to support dry-year security of electricity supply and system resilience, including by:
- (a) providing an industry solution which will enable Genesis to keep three Rankine Units in the market and available to operate concurrently, subject to plant availability, during the term of the Arrangements;
 - (b) helping to meet New Zealand's electricity demands for the term of the Arrangements; and
 - (c) supporting confidence, affordability, reducing extreme market volatility and supporting system resilience.
21. From a purchaser's perspective there are limited alternative options of an equivalent size/scale to the Arrangements for managing its financial exposure arising from a dry year in the near term.
22. Accordingly, in our opinion, the Arrangements are in the best interests of Mercury and all of Mercury's shareholders as well as Mercury's shareholders excluding the Crown.

Dated 6 November 2025

Signed



Scott St John



Hannah Hamling



Robert Hamilton



Rachel Taulelei



Mark Binns



Adrian Littlewood



Susan Peterson