



STOCK EXCHANGE LISTINGS: NZX (MCY) / ASX (MCY)

NEWS RELEASE

Mercury suspends non-essential activities as required by the government's COVID-19 response

25 March 2020 – Mercury, working with its contractors, will suspend construction work across its sites as required by the New Zealand Government's COVID-19 directions. This includes the standing down of activity at its Turitea wind farm in the Manawatu for a period of time.

Acting Chief Executive William Meek says Mercury's focus must be on the safety and wellbeing of our people while maintaining energy supply and services to our customers and for New Zealand through this time of uncertainty.

"As non-essential construction work must be halted as part of New Zealand's response to COVID-19, Mercury in conjunction with its contractors has immediately started securing its Turitea wind farm construction site and putting a temporary hold on certain other work currently in progress," Mr Meek says.

The Turitea wind farm's northern zone turbines were scheduled to be generating electricity this coming summer, with the remaining southern zone turbines expected to be completed late in calendar year 2021. Commissioning is expected to be delayed by the duration of any suspension although efforts will be made to accelerate work if and when safe and practical to do so. Ultimately the \$464m project is expected to add \$55m to Mercury's EBITDAF (northern zone \$30m/southern zone \$25m).

Mercury will monitor COVID-19 response levels, and work with Vestas, Electrix and Transpower to re-start construction at an appropriate time.

Mercury's geothermal well drilling programme at Rotokawa will also be paused while the government's Level 3 or Level 4 alert levels are in place.

Important planned maintenance activity will be completed at some power stations to return generating units to service essential to the country's electricity security of supply during winter.

"Mercury is well prepared to support the nation's response to the evolving COVID-19 coronavirus pandemic, with a focus on our people, our customers and on business continuity, and that includes making important decisions in relation to current growth and development activity," Mr Meek says.

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ABOUT MERCURY NZ LIMITED

Mercury's mission is energy freedom. Our purpose is to inspire New Zealanders to enjoy energy in more wonderful ways and our goal is to be New Zealand's leading energy brand. We focus on our customers, our people, our partners and our country; maintain a long-term view of sustainability; and promote wonderful choices. Mercury is energy made wonderful. Visit us at: www.mercury.co.nz



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