

Release

Stock Exchange Listings NZX (MEL) ASX (MEZ)

Meridian Energy Business Update and Investor Call

10 July 2020

Following Rio Tinto's announcement regarding NZAS contract termination, Meridian Chief Executive Neal Barclay will host a teleconference at 10am New Zealand time today.

If you would like to join the call, please dial in prior to the scheduled start time. Details of the call are as follows:

Participant information	
Dial in number(s)	Australia Toll-Free: 1800 093 431 Hong Kong Toll: +852 3005 2399 Japan Toll-Free: 0120 200 683 New Zealand Toll-Free: 0800 452 257 New Zealand Toll: +64 9 307 1606 Singapore Toll-Free: 800 120 6856 UK Toll-Free: 0800 026 1552 US Toll-Free: 1 877 788 9032 International: +61 2 8047 9393
Participant PIN Code	83141702#

Corresponding times:

Sydney/Melbourne 8am 10 July

Hong Kong 6am 10 July

Japan 7am 10 July

London 11pm 9 July

Los Angeles 3pm 9 July

New York 6pm 9 July

A transcript and recording of the call will be available following the briefing on Meridian's website, www.meridianenergy.co.nz/investors

ENDS

Neal Barclay
Chief Executive
Meridian Energy Limited

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Meridian.

RIO TINTO NZAS CONTRACT TERMINATION

Meridian business update



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10 JULY 2020

Rio Tinto 9 July announcement

- Rio Tinto are terminating the contract at the end of August 2021
- Wind-down of operations is expected to be complete by this date
- “During the next 14 months, NZAS and Rio Tinto will work closely with partners as detailed planning is undertaken to wind-down operations, and eventually close the smelter”
- No change to current contract pricing in that 14 months
- Pricing remains confidential



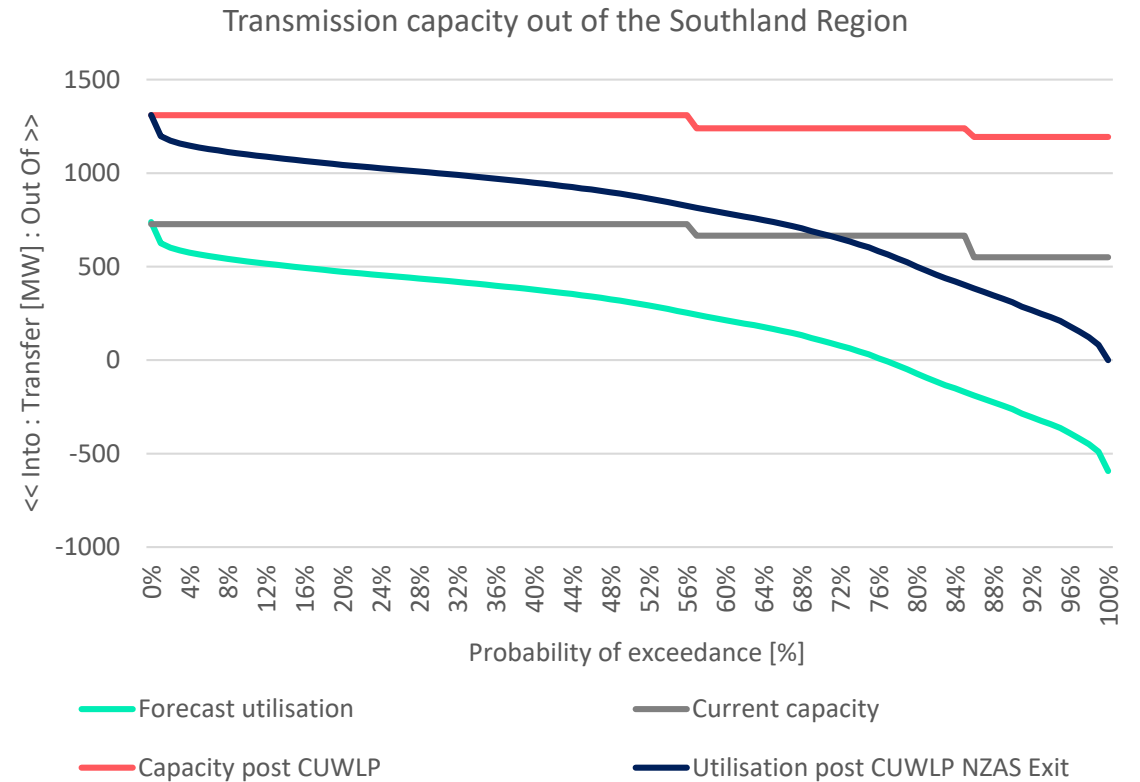
Business update

- No change to current ordinary dividend policy (75-90% of free cash flow)
- Immediate end to capital management programme
- Swaption renewal:
 - Swaption renewal process to be abandoned
 - Current swaption likely to be terminated
- Portfolio response:
 - Pūkaki low range storage now accessible for greater flexibility between catchments
 - Wholesale bilateral contract negotiations at different stages
 - Up to 50MW of ASX Benmore sales through 2023, some buying at Otahuhu
 - Investigation into NI reserve capacity, including possible battery storage solutions
 - Accelerated retail volume growth can now be pursued
- Harapaki wind farm remains a strong investment case, no decision has been made



Clutha to Upper Waitaki Lines Project – update

- Tower foundation design work has been completed
- Foundation strengthening works have commenced
- In June 2020, Transpower announced it will restart work to complete the remaining works
- Cost is estimated at \$97m, full completion at latest by mid 2023
- Work underway to mitigate the impact of outages through to project completion



Source: Meridian

CUWLP completion enables full export of generation out of Southland

Summary

- Rio's decision now provides clarity
- Industry will adjust to a future without Tiwai
- Clutha Upper Waitaki transmission work will enable full export out of Southland
- Solutions to operational constraints on the HVDC will come into the market
- NZAS exit may change allocation to beneficiaries under new TPM



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The information contained in this presentation should be considered in conjunction with the company's financial statements, which are available at:

www.meridianenergy.co.nz/investors

All currency amounts are in New Zealand dollars unless stated otherwise.