

Release

Stock Exchange Listings NZX (MEL) ASX (MEZ)

Meridian to build \$395 million wind farm in Hawke's Bay

24 February 2021

Meridian Energy will soon begin construction of a new \$395 million wind farm in Hawke's Bay, boosting New Zealand's ability to take action on climate change and accelerating the transformation of the economy to clean energy sources.

The Harapaki Wind Farm will be New Zealand's second-largest wind farm with 41 turbines generating 176 MW of renewable energy, enough to power over 70,000 average households. The construction will take around three years and is expected to create 260 new jobs.

Meridian Energy Chief Executive Neal Barclay says the decision to commence construction now is a sign of confidence that clean energy infrastructure can deliver strong economic benefits.

"Renewable generation is an engine of economic growth for New Zealand. There's a massive clean energy transformation underway in the New Zealand economy and now is the time to tackle climate action to support Aotearoa accelerate its transition away from fossil fuels.

"We need to move faster to convert our fossil fuel industries to clean energy, convert our transport fleet to electricity and ensure every new industrial development is powered by clean energy."

Mr Barclay says New Zealand will need to build more grid-scale wind generation every year to reach its international and domestic emissions targets and meet demand as transportation and industry move from fossil fuels to clean energy.

"Recent advice from He Pou a Rangi, the Climate Change Commission, clearly signals that New Zealand must ambitiously pursue bold climate goals to achieve net-zero emissions, and this is what getting there looks like. Building more new renewable generation like Harapaki will help us lower emissions, reduce our reliance on fossil fuels and speed up our transition to a productive low carbon economy," Mr Barclay says.

Meridian is the country's largest and most experienced owner of wind farms, with five currently in operation around New Zealand. Mr Barclay says Harapaki will use advanced wind generation technology from Europe to set new benchmarks for turbine efficiency and sustainable construction practices. Design reviews have lowered the amount of concrete and steel needed in construction, reducing the overall carbon footprint of the project by over 30%.

"Our vision is for Harapaki to be New Zealand's most sustainable wind farm and one that delivers transformative economic growth and advances our goals for climate action," Barclay says.

Key Suppliers	Role
Siemens Gamesa Renewable Energy	Supply, installation and maintenance of 41 x SWT-DD-120 4.3MW wind turbines
Hick Bros Spartan Joint Venture	Construction of all roads, turbine foundations and crane hardstands
Transpower	Supply, installation and commissioning of substation and 220kV grid connection
Unison Contracting Services	Electrical services for substation, cable jointing and 33kV switchgear installation
Hyosung	Supply, install and commissioning of 220/33kV transformers
Prysmian	Supply of 33kV reticulation cable

ENDS

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HARAPAKI WIND FARM INVESTMENT DECISION

MEMBER OF
**Dow Jones
Sustainability Indices**

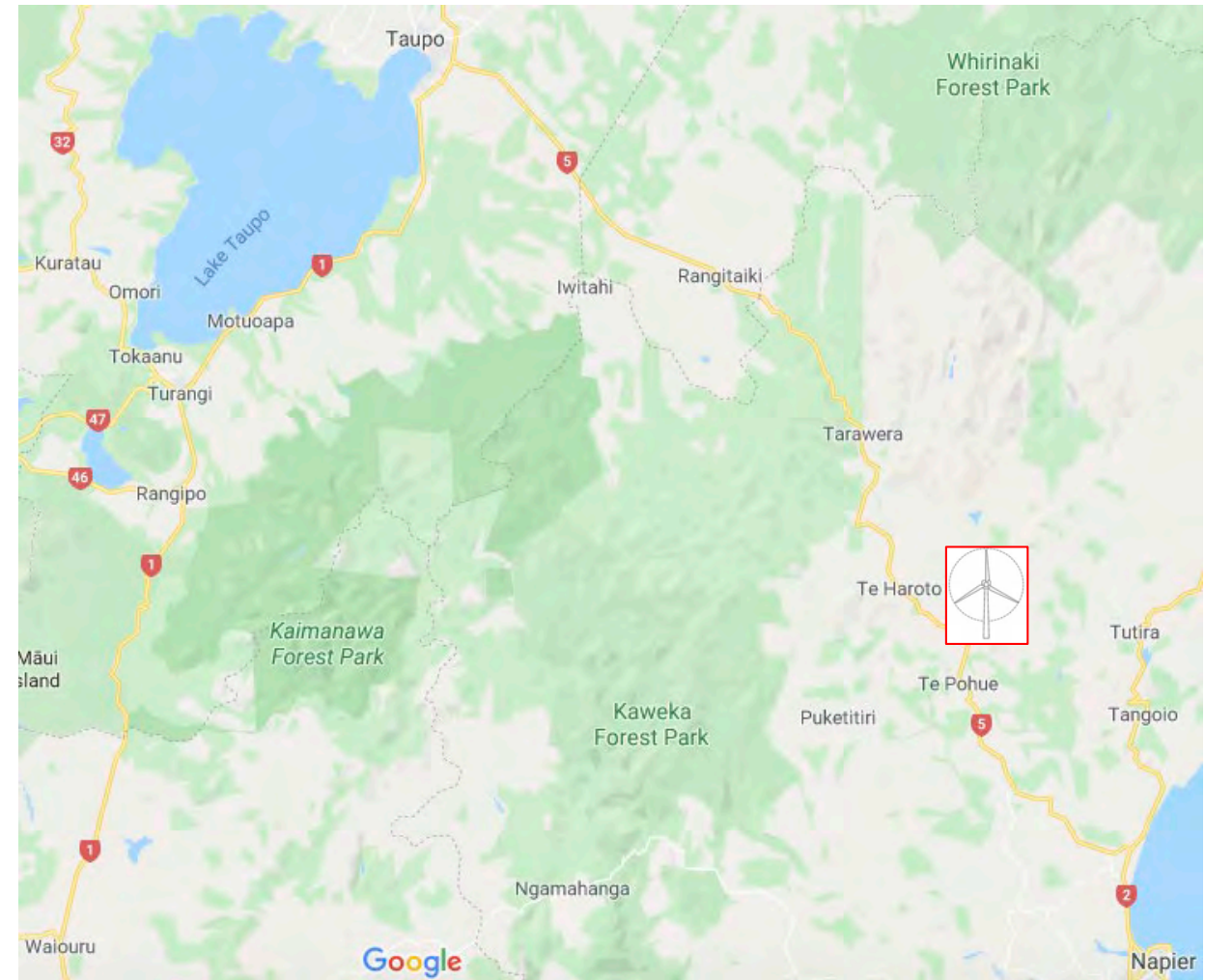
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24 FEBRUARY 2021


Meridian.

Today's announcement

- Meridian has committed to the construction of the Harapaki wind farm
- Highly attractive levelised cost of energy, well below the operating costs of aging thermal plant
- Strategic location above the transmission constraint south of Wairakei
- New renewables support decarbonisation and the energy system's transition through plant retirement and repowering



Harapaki translates to 'escarpment', reflecting the dramatic limestone escarpments that surround the area

Project overview

- Located within the Hastings District, approximately 50km drive from Port Napier
- Extending over 9km of the Maungaharuru Range, covering 1,235 hectares
- Elevation ranges from 730m at the State Highway 5 entrance, up to 1,100m at the highest points
- Transpower's 220kV Whirinaki to Wairakei circuit passes across the corner of the site
- Meridian project delivery (not EPC)

Key suppliers



Supply, installation and maintenance of 41 x 4.3MW direct drive wind turbines



Construction of all roads, turbine foundations and crane hardstands



Supply, installation and commissioning of substation and 220kV grid connection



Electrical services for substation, cable jointing and 33kV switchgear installation

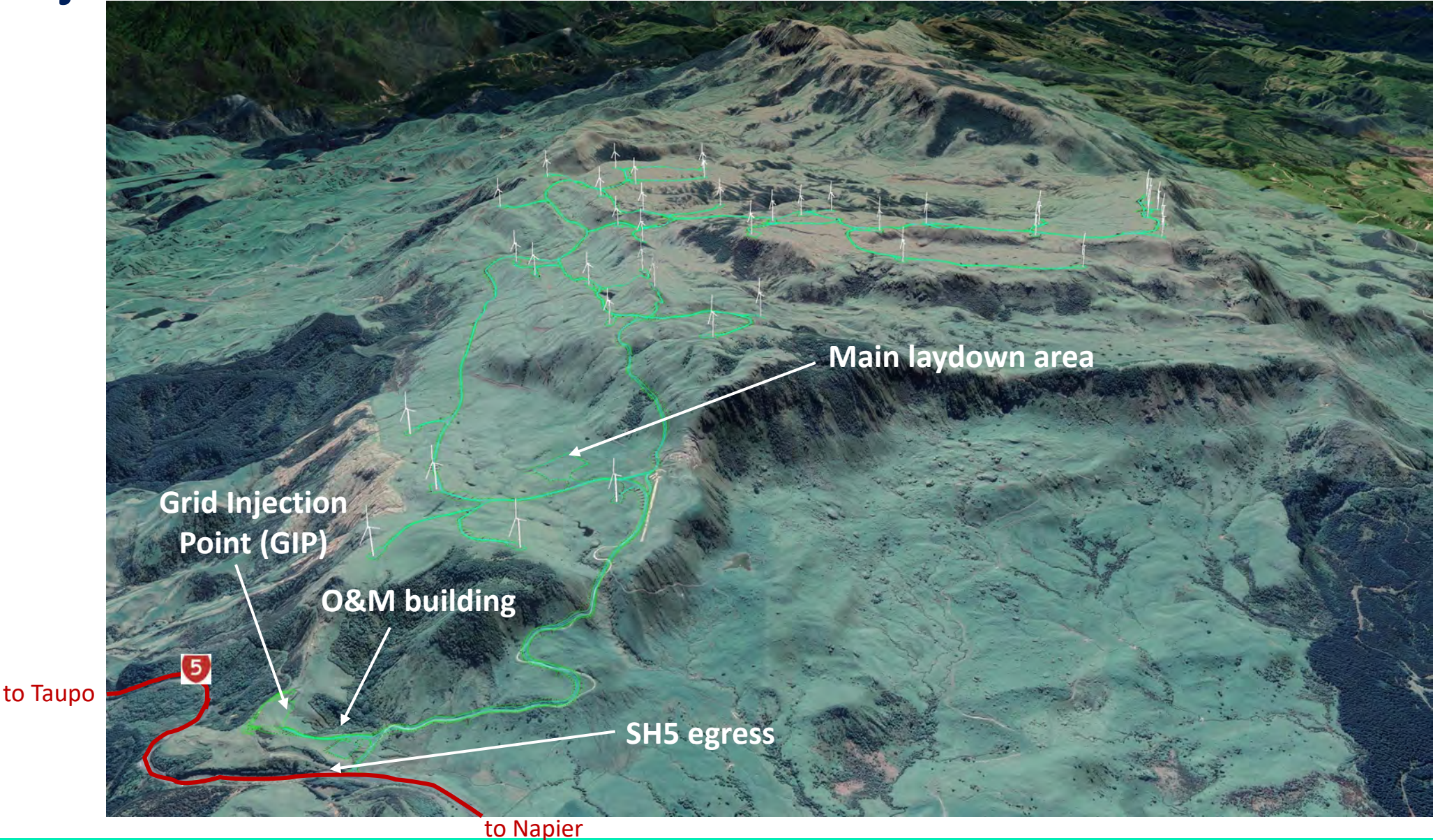


Supply, install and commissioning of 220/33kV transformers



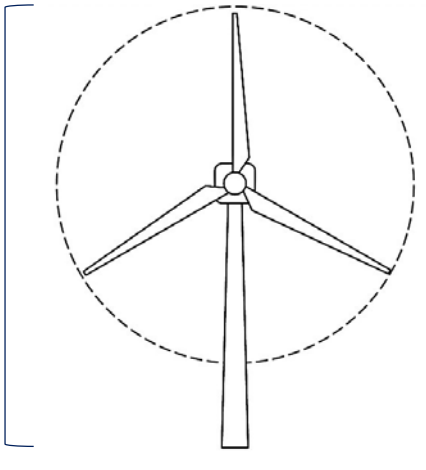
Supply of 33kV reticulation cable

Project overview



Project specifications

145m tip height



- 41 turbines x 4.3 MW
- 176 MW
- 542 GWh p.a. (P50 yield)
- \$395m capital investment
- 36 months construction time
- ~\$35m EBITDAF p.a.¹
- \$11 per MWh operating cost
- 35% capacity factor
- 94% price participation

- mid 2024 final commissioning
- initially funded through bank facilities
- 260 jobs on site (peak)
- 23 km roading
- 232 km cabling
- 860,000 m³ cut
- 18,000 m³ concrete
- ¹stand alone operation assuming ~\$67/MWh received for generation



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www.meridianenergy.co.nz/investors

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