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

NEWS RELEASE

Mercury partners with Infratil in Tilt Renewables offer

15 August 2018 – Mercury is partnering with majority shareholder Infratil (IFT) in a takeover offer for all shares in listed renewable energy generator Tilt Renewables (TLT) with the intent to privatise the company.

As part of Mercury's relationship with Infratil, Mercury will retain its current shareholding in Tilt (19.99%), and secure the right to appoint a director. Both Mercury and Infratil have also committed to provide equity funding support for Tilt's proposed Dundonnell windfarm development in Victoria, Australia.

Mercury Chief Executive Fraser Whineray said that Mercury's long-term strategy recognises wind and solar energy as the preeminent growth technologies for electricity generation globally and a logical growth area for Mercury and its commitment to renewable energy. Mercury already has an established solar installation business, as well as consented wind options in New Zealand.

"Tilt is well established in Australia and New Zealand, in terms of its platform, expertise and development pipeline of wind and solar generation. It has a robust portfolio of operating wind farms, a strong management team with a proven track record and consented renewable generation projects which it can bring to market when conditions are right," Mr Whineray said.

"Working with Infratil presents an exciting opportunity to combine Mercury's long-term focus, generation development experience, and electricity trading expertise with Infratil's proven effectiveness in investing in "Ideas that Matter", including renewables which it identifies as one of its core investment platforms."

"The offer advances Mercury's meaningful interest in Tilt's operational performance and the growth opportunities it has particularly in Australia, a market needing to significantly transition electricity generation to renewable forms of energy" Mr Whineray said.

A copy of the Notice of Intention to make an offer is attached and has been sent to the NZX and ASX. The offer is intended to be formally sent to shareholders in early September, and is expected to close in October. FNZC has provided financial advice to Mercury and Chapman Tripp is its legal adviser.

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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.

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