



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

NEWS RELEASE

Mercury boosts renewables investment, committing to expansion of Kaiwera Downs wind farm

7 June 2024 – Mercury NZ Limited has today confirmed it will proceed with the expansion of the Kaiwera Downs wind farm near Gore, following a long-term agreement signed with New Zealand Aluminium Smelters last week.

Key highlights

- > Capital expenditure of \$486 million for the project brings Mercury's total FY24 commitment to new renewables over \$700 million.
- > Once completed, the 155 MW project (525 GWh pa) will generate enough electricity to power the equivalent of ~73,000 homes per year.
- > It will bring the total capacity of the Kaiwera Downs wind farm to 198 MW, the second largest in New Zealand.
- > Construction is expected to start in June 2024 and reach full generation by the end of calendar year 2026. Construction contracts are now executed but remain conditional on Mercury issuing Notice to Proceed (NTP). The only condition to issuing NTP is the Electricity Authority approving the remaining NZAS supply contracts.
- > We expect to issue NTP to all contractors in June once regulatory approvals have been granted.

"We're excited to start another project that will help Aotearoa New Zealand move to a lower-carbon future. We're committed to playing our part, and increasing New Zealand's renewables is a key way we can contribute," said Mercury's Executive GM Portfolio, Phil Gibson.

Mr Gibson said a strategic high-quality pipeline positioned Mercury well to help lead the transition to more renewables. The expansion of the Ngā Tamariki geothermal station is currently in construction, and the Kaiwaikawe wind farm near Dargaville is nearing Final Investment Decision.

"New Zealand's future is brighter because of the role of renewables, and we're keen to see more renewable generation projects delivered at the scale and pace required to meet New Zealand's climate change goals," said Mr Gibson.

"As we continue to grow, we want to be a positive part of all the communities we show up in. We know there are many in the Gore community who are deeply interested in this project, and we're committed to continuing to work with the community as we have with the first stage of Kaiwera Downs," said Mr Gibson.

"We take our duty of care extremely seriously, and do not underestimate the expectation of us to construct and operate in a responsible manner.

We acknowledge Hokonui Rūnanga, the local community and all stakeholders for their support and we look forward to continuing to work with our delivery partners, Vestas, Higgins, Electronet and all other sub-contractors engaged in this project."

ENDS



Howard Thomas

General Counsel and Company Secretary
Mercury NZ Limited

For investor relations queries, please contact:

Paul Ruediger
Head of Business Performance & Investor Relations
027 517 3470
investor@mercury.co.nz

For media queries, please contact:

Shannon Goldstone
Reputation and Social Impact Lead
027 210 5337
mercurycommunications@mercury.co.nz

ABOUT MERCURY NZ LIMITED

Mercury generates electricity from 100% renewable sources: hydro, geothermal and wind. We are also a retailer of electricity, gas, broadband and mobile services. We're listed on the New Zealand Stock Exchange and the Australian Stock Exchange with the ticker symbol 'MCY', with foreign exempt listed status. The New Zealand Government holds a legislated minimum 51% shareholding in the Company.

www.mercury.co.nz

The Mercury Building, 33 Broadway, Newmarket 1023

PO Box 90399, Auckland 1142

