



14 February 2018

Tilt Renewables: Dundonnell Wind Farm bid submitted into Victorian Renewable Energy Auction Scheme

Attached is the market release from Tilt Renewables in relation to its submission of a bid into the Victorian Renewable Energy Auction Scheme (**VREAS**) for a portion of output from the fully permitted Dundonnell Wind Farm (**Dundonnell**).

Dundonnell is a major development project in Tilt Renewables' portfolio, and one which Infratil supports.

Infratil is a 51% shareholder in Tilt Renewables and, as noted in Tilt Renewables' market release, Infratil has provided equity funding support for Tilt Renewables' bid (comprising a conditional agreement by Infratil to provide a volume underwrite for 100% of an equity raising of A\$300 million for Dundonnell, subject to agreement on equity pricing and approval by Tilt Renewables' shareholders). Tilt Renewables has also stated in its market release that it will provide further details of the timing and terms of any equity raising (including any associated Tilt Renewables' shareholder approval process, if required) when the outcome of the VREAS bid process is known.

Any enquiries should be directed to:

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NZX AND ASX MARKET ANNOUNCEMENT

14 February 2018

Dundonnell Wind Farm bid submitted into Victorian Renewable Energy Auction Scheme

Leading Australasian renewable energy operator Tilt Renewables Limited ("Tilt Renewables") announces that it has submitted a bid into the Victorian Renewable Energy Auction Scheme (VREAS) for a portion of output from the fully permitted Dundonnell Wind Farm ("Dundonnell").

Victorian Renewable Energy Auction Scheme

In June 2016, the Victorian Government committed to the Victorian Renewable Energy Target (VRET) of 25% of energy generation in the state by 2020 and 40% by 2025. To ensure these targets are met, the Victorian Government is seeking to contract up to 650MW of new renewable energy capacity under the VREAS. The outcome of this process is expected to be known around July 2018. Participation in the VREAS presents an opportunity for Tilt Renewables to secure a 15 year contract from the Victorian Government which will provide price certainty for a portion of Dundonnell's generation output which will underpin the investment decision to proceed with the project.

Dundonnell Wind Farm overview

Dundonnell is a high quality development opportunity and Tilt Renewables believes that it has submitted a strong bid into what is expected to be a highly competitive process. Should Dundonnell be awarded a contract under the VREAS construction would begin in late CY2018 with an estimated total construction cost of approximately A\$600 million. The Dundonnell project comprises 80 turbines with nameplate capacity of 336MW, and would increase Tilt Renewables' generation portfolio capacity by more than 55% once completed. Dundonnell is expected to power the equivalent of 140,000 homes and avoid the equivalent of 670,000 tonnes of carbon dioxide emissions each year.

Construction of the wind farm and associated transmission works is expected to employ around 200 full-time employees for more than two years, and 10 full-time employees once operational. The project site is located approximately 15 kilometres from the Salt Creek Wind Farm, currently under construction in western Victoria. Dundonnell has received all required planning and environmental permits. If successful in the VREAS process, Dundonnell is expected to begin generation in CY2020, with the specific turbines bid into VREAS operational by the first half of CY2020 and supplying the VREAS contract until late 2035.

Funding arrangements

Tilt Renewables' current expectation is that it would fund Dundonnell and the associated VREAS bid using a combination of new corporate debt and an equity raising together covering the full estimated construction cost. As part of the preparation of the bid Tilt Renewables has secured a fully committed debt package from National Australia Bank Limited and The Bank of Tokyo-Mitsubishi UFJ, Ltd. which, following completion of standard conditions, will be available to fund approximately half of Dundonnell construction costs.

The balance of the funding is expected to be provided from an equity raising by Tilt Renewables. In order to provide further support for the bid, Tilt Renewables has also obtained equity funding support



from its majority shareholder Infratil Limited ("Infratil"). This equity funding support comprises a conditional agreement by Infratil to offer to underwrite 100% of an equity raising of A\$300 million for Dundonnell (subject to agreement on equity pricing). Should Infratil underwrite the equity raising in full, various shareholder approvals will be required.

Further details of the timing and terms of any equity raising (including any associated shareholder approval process, if required) will be provided to the shareholders and the market when the outcome of the VREAS bid process is known.

The funding structure for the development of Dundonnell is expected to result in relatively stable gearing metrics for Tilt Renewables on a pro forma basis and the revenue hedging from the proposed Dundonnell VREAS contracting has been bid at a level to preserve the portfolio's strong bias to price certainty through long-term revenue contracts.

For further information please contact:

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Tilt Renewables

Tilt Renewables' vision is to be a leading developer and owner of renewable energy generation in Australia and New Zealand. It owns and operates seven wind farms in Australia and New Zealand with an installed capacity of 582 MW. Tilt Renewables also has a significant pipeline of over 3,000MW of wind and solar projects in Australia and New Zealand of which more than 1,000MW have secured the required planning approvals.