

Additional information:

Draft "additional information" follows, for insertion into Takeover Offer at the end of the Takeover Notice period, per rule 44(2). To avoid doubt, this document remains subject to update, or amendment, and does **not** form part of the Takeover Notice.

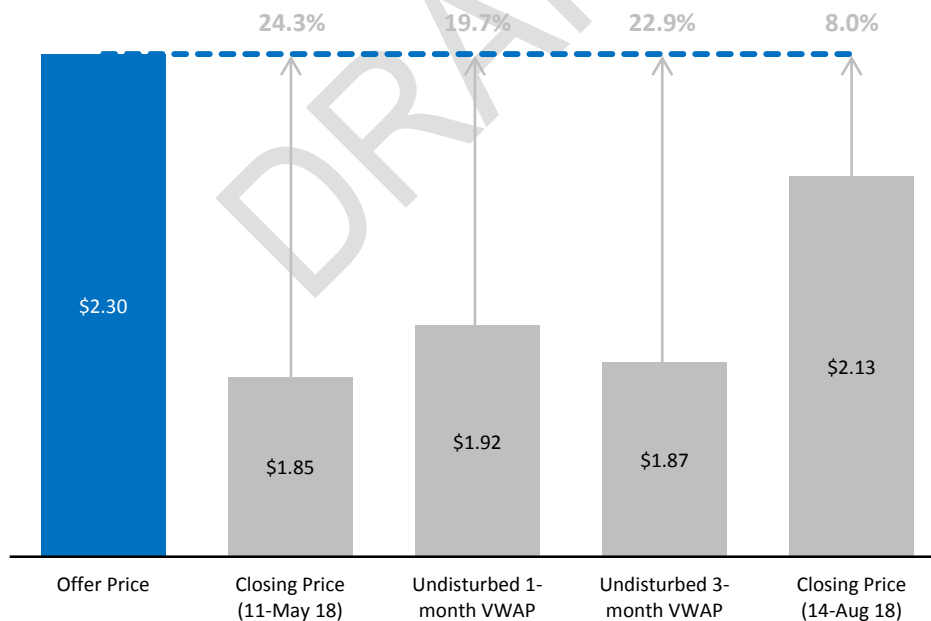
WHY YOU SHOULD ACCEPT THIS OFFER

This section sets out Infratil and Mercury's views on the merits of the Offer¹. It is not the independent adviser's report on the merits of the Offer.

1. IF YOU ACCEPT THE OFFER, YOU WILL RECEIVE AN ATTRACTIVE PREMIUM FOR YOUR TILT RENEWABLES SHARES

- The offer price of NZ\$2.30 per share represents a:
 - 24.3% premium to the undisturbed closing share price of Tilt Renewables Shares on the NZX on 11 May 2018²
 - 19.7% premium to the undisturbed one-month VWAP³ of Tilt Renewables Shares on the NZX as at 11 May 2018
 - 22.9% premium to the undisturbed three-month VWAP³ of Tilt Renewables Shares on the NZX as at 11 May 2018
 - 8.0% premium to the closing share price of Tilt Renewables Shares on the NZX on 14 August 2018⁴

Offer price premium to recent Tilt Renewables share price



¹ The Offer is being made by Infratil 2018 Limited ("Infratil"), a wholly owned subsidiary of Infratil Limited, and Mercury NZ Limited ("Mercury"). The Offer is made for 100% of the fully paid ordinary shares in Tilt Renewables Limited ("Tilt Renewables").

² Being the last trading day before Mercury acquired a 19.99% strategic stake in Tilt Renewables from TECT Holdings Limited, a company 100% owned by the Tauranga Energy Consumer Trust, for NZ\$2.30.

³ VWAP means the volume weighted average price at which Tilt Renewables Shares have traded on the NZX Main Board for the relevant period. VWAP is calculated as the total dollar value of shares traded, divided by the total volume (or number) of shares traded during the period referred to.

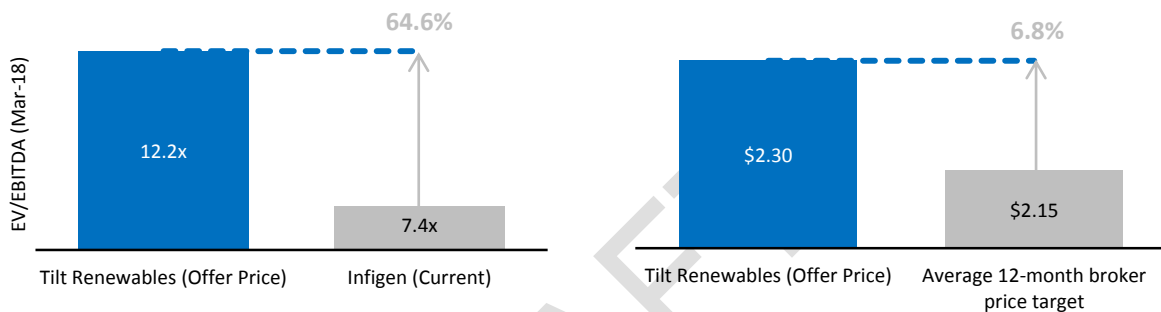
⁴ Being the last trading day prior to the lodgement of Infratil and Mercury's notice of intention to make a full takeover offer.

2. THE OFFER REPRESENTS A HIGHLY ATTRACTIVE VALUATION MULTIPLE FOR TILT RENEWABLES AND THE OFFER IS HIGHER THAN THE AVERAGE OF BROKER PRICE TARGETS

- The offer price of NZ\$2.30 implies a ratio of enterprise value ("EV")⁵ to earnings before interest, tax, depreciation and amortisation ("EBITDA") for the 12 months to 31 March 2018 of 12.2x⁶. This compares favourably to the ratio of EV to EBITDA over the same period for Tilt Renewables' closest comparable company; Infigen Energy Limited ("Infigen")⁷.
- The Offer represents a premium to the average of broker analyst 12-month price targets⁸ for Tilt Renewables.

Comparison of valuation multiples between the implied offer price valuation and the current trading multiple of Infigen

Offer price premium to average of broker analyst 12-month price targets



3. THE OFFER PROVIDES CERTAINTY OF PRICE DURING A PERIOD WHERE TILT RENEWABLES POTENTIALLY HAS NEAR-TERM FUNDING REQUIREMENTS

- Tilt Renewables has a diverse pipeline of development opportunities and recently submitted a bid into the Victorian Renewable Energy Auction Scheme ("VREAS") to sell the output from the Dundonnell Wind Farm ("Dundonnell") to the Victorian Government. Should Tilt Renewables be awarded a contract under the VREAS, construction of Dundonnell is anticipated to begin in late 2018 with an estimated total construction cost of approximately A\$600 million.
- Tilt Renewables has stated that it would fund Dundonnell and the associated VREAS bid using a combination of new corporate debt and a significant equity raising of approximately A\$300 million, representing approximately 45% of Tilt Renewables' equity value⁹ before the announcement of the intention to make this Offer.
 - Any such equity raising may be at a discount to the then trading price of Tilt Renewables Shares and may or may not allow for pro-rata participation by Tilt Renewables shareholders.
 - Tilt Renewables shareholders who do not participate in an offer of Tilt Renewables Shares will have their shareholding diluted.

⁵ Infratil and Mercury consider that enterprise value is the best valuation metric for comparing relative trading multiples. It represents the total value of a company (including outstanding debt balances and cash) and allows for comparison of companies that may have differing capital structures.

⁶ Net debt of A\$593.1m as at 31 March 2018. NZD/AUD exchange rate of 0.94 as at 31 March 2018.

⁷ Net debt of A\$567.7m as at 31 December 2017, pro-forma adjusted to reflect the refinancing of syndicated facilities (assumes the total A\$163m Bodangora construction facility has been drawn as commercial operation commencement is anticipated for August 2018). Investments accounted for using the equity method of A\$1.2m as at 31 December 2017. EBITDA is calendarised to 31 March 2018 with EBITDA for the financial year ended 30 June 2018 based on FactSet broker consensus as at 14 August 2018.

⁸ Represents the FactSet broker consensus as at 14 August 2018. The range of broker price targets was NZ\$2.00 to NZ\$2.25.

⁹ Based on the closing price of Tilt Renewables Shares on the NZX of NZ\$2.13 on 14 August 2018, being the last trading day prior to the lodgement of Infratil and Mercury's notice of intention to make a full takeover offer.

- As Tilt Renewables prepares to commence developing its pipeline of near-term opportunities with the ultimate goal of more than doubling its assets under management by 2020, shareholders must consider whether they are comfortable with the change in Tilt Renewables' risk profile that comes with developing large-scale renewable energy projects.
- Infracore and Mercury's Offer provides minority shareholders with the opportunity to sell their Tilt Renewables Shares at an attractive price. Alternatively, should the Dundonnell bid be successful, shareholders will be required to contribute a significant amount of new equity relative to their existing shareholding or be diluted in an equity raising.

4. INFRATIL LIMITED AND MERCURY ALREADY CONTROL 71.03% OF TILT RENEWABLES

- Infracore Limited already has the ability to control appointment of directors to the Tilt Renewables board. Between them Infracore Limited and Mercury already control 71.03% of Tilt Renewables and have the ability to influence the business plan, capital structure and dividend policy of Tilt Renewables.
- If you do not accept the Offer and should the Offer not achieve acceptances of 90% or more you will continue to be a minority shareholder and Tilt Renewables, under Infracore Limited and Mercury control, may or may not elect to pay a dividend in each or any year. In addition, current low levels of liquidity will likely be further reduced.

5. TECT HOLDINGS LIMITED ("TECT"), A COMPANY 100% OWNED BY THE TAURANGA ENERGY CONSUMER TRUST, A SIGNIFICANT SHAREHOLDER IN TILT RENEWABLES, HAS GRANTED MERCURY AN OPTION OVER ITS SHARES. MERCURY INTENDS TO EXERCISE ITS OPTION WHEN THE OFFER IS FULLY UNCONDITIONAL

- In May 2018, TECT sold a 19.99% stake in Tilt Renewables to Mercury for NZ\$2.30 per share and granted an option over the remainder of its Shares.
- TECT remains the third largest shareholder in Tilt Renewables with 6.81% of the voting rights.
- Following the Offer becoming fully unconditional, Mercury has agreed to exercise the option to acquire all remaining Shares held by TECT in a manner which complies with the Takeovers Code, with Infracore ultimately to become the holder of those Shares.
- The Shares held or controlled by Infracore Limited and Mercury, combined with the Shares covered by the TECT option, aggregates to 77.84% of Tilt Renewables Shares.

6. THE OFFER CONSIDERATION IS ALL CASH FOR 100% OF YOUR SHARES AND REPRESENTS AN ATTRACTIVE OPPORTUNITY TO SELL

- The consideration offered to Tilt Renewables' shareholders is 100% cash, and Infracore and Mercury's Offer is for all of your Tilt Renewables Shares.
- If you accept the Offer and the Offer becomes unconditional, you will be paid the consideration for your Tilt Renewables Shares in New Zealand dollars no later than seven days after the later of the date on which your acceptance is received and the date on which the Offer is declared unconditional.
- Infracore and Mercury may arrange for a third party to provide a currency conversion service. This would allow you to elect (at your own cost) to have the New Zealand dollar consideration payable for your Tilt Renewables Shares converted to a different currency¹⁰.

¹⁰ Provided that this will be a matter between yourself as shareholder and the third party.

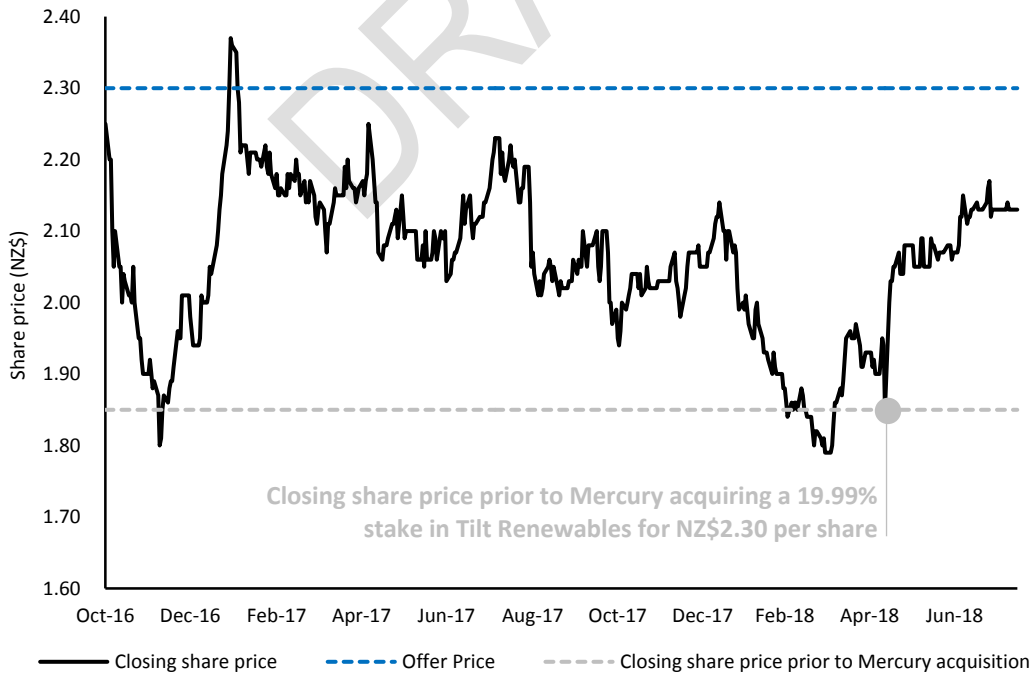
TILT RENEWABLES LIMITED // FULL TAKEOVER OFFER

- The Offer provides you the ability to sell your shareholding in Tilt Renewables at an attractive price. Tilt Renewables' lack of liquidity means that, should you wish to sell your Tilt Renewables Shares on-market at any point, you may struggle to find a buyer at the price you wish to sell.
 - Subject to final acceptance levels, there are likely to be lower levels of liquidity in Tilt Renewables Shares after the Offer, meaning you are less likely to be able to sell your Tilt Renewables Shares.
 - In the last year there were an average of 74,865 Shares traded on the NZX per day (representing 0.11% of Tilt Renewables' current free float Shares outstanding¹¹ and an average daily trading value of NZ\$151,768)¹².
- Tilt Renewables' shareholders who wish to accept the Offer but maintain an exposure to Tilt Renewables can do so indirectly by owning shares in Infratil Limited and/or Mercury.

7. THE OFFER IS CURRENTLY THE ONLY TAKEOVER OFFER AVAILABLE TO SHAREHOLDERS, AND IN THE ABSENCE OF THIS OFFER THE TILT RENEWABLES SHARE PRICE IS LIKELY TO TRADE AT A DISCOUNT TO THE OFFER PRICE

- Infratil and Mercury believe that no other competing Offer is likely to be forthcoming given that together they already hold or control 71.03% of Tilt Renewables Shares. Infratil and Mercury are highly unlikely to support an alternative Offer for Tilt Renewables.
- Should the Offer not proceed, there is a significant likelihood that the Tilt Renewables share price will trade below the offer price. The last time the Tilt Renewables share price closed at or above NZ\$2.30 was 31 January 2017 (over 18 months ago) and it has consistently been below NZ\$2.30 since that date.

Historical share price performance



¹¹ Free float Shares of 69,354,817 excludes the Shares owned by Infratil, Mercury and TECT.

¹² Based on the 12 months prior to the date on which Infratil and Mercury announced their intention to make the Offer (excluding the acquisition of a 19.99% stake in Tilt Renewables by Mercury on 14 May 2018).

8. THERE IS NO BROKERAGE PAYABLE FOR ACCEPTING THE OFFER

- Accepting shareholders will not be charged brokerage under this Offer.

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