



5 December 2019

Tilt Renewables announces sale of Snowtown 2 Wind Farm

Attached is a market release from Tilt Renewables Limited (**TLT**) advising that TLT, as a result of the strategic review announced in June 2019, has entered into an agreement to sell the 270 MW Snowtown 2 wind farm to an entity wholly-owned by funds managed by Palisade Investment Partners Limited and First State Super, for an enterprise value of A\$1,073 million

Infratil is a 65% shareholder in TLT.

Any enquiries should be directed to:

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NZX AND ASX ANNOUNCEMENT

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Sale of Snowtown 2 wind farm

As a result of the strategic review announced in June 2019, Tilt Renewables has entered into an agreement to sell the 270 MW Snowtown 2 wind farm to an entity wholly-owned by funds managed by Palisade Investment Partners Limited ('Palisade') and First State Super, for an enterprise value of A\$1,073 million.

Snowtown 2 was developed by Tilt Renewables and has operated successfully for 5 years since construction completion and full commissioning was achieved in 2014.

Deion Campbell, Chief Executive of Tilt Renewables said "the sale of Snowtown 2 is consistent with Tilt Renewables' focus on delivering shareholder value from market opportunities and ensuring capital is available to execute near-term, high-value opportunities from its development pipeline. It is pleasing to see the market acknowledge the quality of this asset, which is representative of the quality of the rest our operational and development portfolio and the value our highly experienced team can create for shareholders over time.

We are confident that Palisade has the experience and credentials to continue to successfully operate Snowtown 2 and maintain the strong relationships established with key project stakeholders. In particular the local Snowtown community and project landowners, with whom we will continue to maintain a connection via our Snowtown 1 asset."

The transaction will occur through the sale of shares in Snowtown 2 Wind Farm Holdings Pty Ltd ('S2WFH') for A\$472 million. S2WFH is being sold with Snowtown 2's existing project finance facility, which has an expected balance of approximately A\$611 million at transaction closing. The purchase price is subject to customary closing adjustments. The transaction is expected to close before the end of 2019.

Net proceeds from the transaction will be approximately A\$455 million after transaction related costs. These proceeds will add to the A\$86 million of unrestricted cash released as a result of the Snowtown 2 refinancing that was completed in October 2019. Full year (to 31 March 2020) EBITDAF guidance has been updated as a result of the sale of Snowtown 2, to a range of A\$118 to A\$122 million. In a 'P50' or average wind year, Snowtown 2 wind farm contributed approximately A\$68 million of EBITDAF per annum to the Tilt Renewables Group. The commissioning of the Dundonnell (over 1H FY2021) and Waipipi (by late FY2021) wind farms will increase earnings to a new long-term average level.

Tilt Renewables is an industry-leading developer and long-term owner and operator of renewable generation assets, with a strong track record of successfully delivering attractive investment opportunities from its development pipeline. Over the last two years, Tilt Renewables has successfully developed the following investments from its pipeline:

- the 133 MW Waipipi wind farm in New Zealand (construction commenced October 2019), with completion scheduled for Q1 2021;

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- the 336 MW Dundonnell wind farm in Victoria (construction commenced January 2019), which remains on-track for completion in Q3 2020; and
- the 54 MW Salt Creek wind farm in Victoria (construction completed August 2018).

Following completion of the sale of Snowtown 2 and completion of construction of the Dundonnell and Waipipi wind farms, Tilt Renewables will operate 9 wind farms with total installed renewable generation capacity of 835MW. Over 80% of the revenue from these assets is secured via long-term contracts with high quality counterparties.

Lazard is acting as financial advisor and Gilbert + Tobin is acting as legal advisor to Tilt Renewables in relation to the Snowtown 2 transaction.

About the Buyers

Palisade is a specialist, independent infrastructure manager that provides institutional investors with access to Australian infrastructure projects through tailored portfolios and co-mingled funds. Palisade is an experienced developer, owner and manager of renewable energy assets in Australia including the Waterloo Wind Farm, Hallett Wind Farm, Granville Harbour Wind Farm and Ross River Solar Farm.

First State Super is one of Australia's largest profit-for-member superannuation funds, investing more than A\$100 billion on behalf of more than 800,000 members, many of whom work in the health, education, law enforcement, and other organisations that care for the community. First State Super is an experienced infrastructure investor including direct ownership stakes in Victorian Land Registry Services, New South Wales Land Registry Services, Sydney Light Rail, New Bendigo Hospital, Sunshine Coast University Hospital, and Sydney Convention Centre, amongst others.

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