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**NZX AND ASX RELEASE**

**20 February 2019**

## **TILT RENEWABLES ENTITLEMENT OFFER**

Tilt Renewables Limited ("**TLT**") is pleased to announce that it is raising approximately A\$260 million of new equity through an underwritten pro rata accelerated entitlement offer ("**Offer**") of new ordinary shares ("**New Shares**") at an issue price of NZ\$1.75 per New Share.

### **Purpose of the Offer**

On 14 February 2018, TLT announced that it had submitted a bid ("**Bid**") into the Victorian Renewable Energy Auction Scheme ("**VREAS**") for a portion of the electricity produced by the proposed Dundonnell Wind Farm ("**Project**"). Under the VREAS, the Victorian Government sought to contract new renewable energy capacity in connection with the Victorian Government's commitment to the Victorian Renewable Energy Target of 25% of renewable energy generation in Victoria by 2020, and 40% by 2025.

The Bid was successful, and TLT secured a support agreement from the Victorian Government ("**Support Agreement**") with a term of 15 years, which will provide TLT with price certainty for approximately 37% of the electricity and green products produced by the Project. Notwithstanding the 15 year term, the Victorian Government has the right to terminate the Support Agreement at any time. If the Victorian Government was to exercise this right, TLT may suffer economic losses. The Victorian Government is not required to fully compensate TLT for such losses.

TLT subsequently secured a further 15 year off-take contract (together with the Support Agreement, the "**Off-Take Contracts**") for an additional 50% of the electricity and green products produced by the Project following a competitive process undertaken by Snowy Hydro, an Australian Federal Government owned electricity generator and retailer.

These Off-Take Contracts combine to provide price certainty for approximately 87% of the output of the project for their respective terms.

Following the Board approving the Project on 30 October 2018, TLT reached financial close on the Project (i.e. had executed all key Project-related contracts) on 14 November 2018.

TLT has partnered with Vestas – Australian Wind Technology Pty. Limited for the supply of turbines and construction of the project under a full Engineer, Procure and Construct ("**EPC**") contract and with AusNet Services for the transmission connection component to be delivered via a Build, Own and Operate ("**BOO**") model.

Construction of the Project commenced as planned in January 2019, allowing TLT to meet contractual obligations under the Support Agreement to supply electricity from the Project by September 2020.



The Project is expected to cost approximately A\$563 million. A total of A\$300 million for the project costs will be funded by a combination of a syndicated bank debt package from TLT's existing banking syndicate and a term facility with the Danish Export Credit Agency. The proceeds of the Offer plus cash reserves will be used to fund the remaining expected construction costs (i.e. approximately A\$260 million).

Shareholders approved the Project at TLT's annual meeting, held on 28 August 2018. For more information regarding the details of, and rationale for, the Project, please refer to the notice of meeting relating to that annual meeting of Shareholders, dated 1 August 2018, available at [www.tiltrenewables.com](http://www.tiltrenewables.com).

## Offer

Under the Offer, eligible TLT shareholders will be entitled<sup>1</sup> to acquire 1 New Share for every 2 existing shares held on the record date, being 5.00pm (NZ time) / 3.00pm (Melbourne time) on 22 February 2019. The Offer price is NZ\$1.75, with an A\$ Offer price to be set at 6.00pm (Melbourne time) on 22 February 2019.

The issue price of NZ\$1.75 reflects a:

- 25.8% discount to the last close price of TLT Shares on NZX on 19 February 2019 (the last trading day before the Offer was announced) of NZ\$2.36; and
- 19.0% discount to the theoretical ex-entitlement price of NZ\$2.16.

Approximately 156 million New Shares will be issued under the Offer. The New Shares will rank equally with existing shares on issue.

The institutional component of the Offer will be accelerated and occur over the two business days immediately after the Offer is announced, with settlement of New Shares under the institutional component of the offer to occur on 27 February 2019 on the ASX, and settlement of New Shares under the institutional component of the offer to occur on the NZX, and allotment of New Shares under the institutional component of the offer on the NZX and the ASX, to occur on 28 February 2019.

The retail component of the Offer will open for eligible retail shareholders (with a registered address in New Zealand or Australia on the record date) on 26 February 2019, and close on 14 March 2019. Settlement of New Shares under the retail component of the offer is to occur on 20 March 2019 on the ASX, and settlement of New Shares on the NZX under the retail component of the offer, and allotment of New Shares on the NZX and the ASX under the retail component of the offer, to occur on 21 March 2019.

An Offer Document, together with a personalised entitlement and acceptance form, will be sent to eligible retail shareholders on 26 February 2019 and will be available on the website established for the Offer, [www.shareoffer.co.nz/tilt](http://www.shareoffer.co.nz/tilt).

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<sup>1</sup> Entitlements will not be rounded up to a minimum holding. The number of new shares to which an eligible shareholder is entitled will, in the case of fractions, be rounded up.

## Tilt Renewables

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[tiltrenewables.com](http://tiltrenewables.com)



Eligible retail shareholders wishing to acquire New Shares under the retail component of the Offer will need to complete the entitlement and acceptance form, or apply online via the website above. Eligible retail shareholders may choose to take up their entitlements in whole, in part or not at all. In deciding whether or not to participate in the retail component of the Offer, eligible retail shareholders are encouraged to read the Offer Document carefully and seek financial, investment, or other professional advice from a qualified professional adviser.

Under the Offer, there is no rights trading. Instead, New Shares not taken up or attributable to ineligible shareholders will be offered to institutional investors through two bookbuilds run by the lead managers (one in respect of the institutional offer and one in respect of the retail offer). Any premium achieved above the application price for the New Shares in each of the bookbuilds will be shared on a pro rata basis (with no brokerage costs deducted) between those shareholders who do not exercise their entitlements or who are ineligible to do so under each of the institutional offer and the retail offer, respectively.

Citigroup Global Markets Limited and Forsyth Barr Group Limited are acting as underwriters of the Offer, and Citigroup Global Markets Limited and Forsyth Barr Limited are acting as lead managers of the Offer. Reunion Capital Partners Pty Ltd is acting as financial adviser to TLT in relation to the Offer.

The terms of the Offer are summarised in the accompanying presentation. Full details of the Offer are included in the offer document which will be provided to eligible shareholders and made available to download at [www.shareoffer.co.nz/tilt](http://www.shareoffer.co.nz/tilt).

For further information please contact:

Steve Symons  
Chief Financial Officer  
Telephone: +61 419 893 746

### Conference call

Tilt Renewables management will host a briefing for all investors and analysts at 11:00am NZT / 9:00am AEDT to discuss the Offer. Participants can access the briefing by live teleconference. Details are set out below.

<b>Teleconference Passcode:</b>	<b>7671689</b>
New Zealand Toll Free:	0800 815 732
New Zealand, Auckland:	+64 (0)9 9760 019
Australia Toll Free:	1 800 820 237
Australia, Brisbane:	+61 (0)7 3105 0929
Australia, Melbourne:	+61 (0)3 8317 0931
Australia, Sydney:	+61 (0)2 9193 3761

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## **Disclaimer**

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The entitlements and shares to be offered in the Offer described in this announcement have not been, and will not be, registered in the United States under the US Securities Act of 1993 and may not be offered or sold in the United States, except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable to US state securities law.

## **Tilt Renewables Limited**

TLT's vision is to be a leading developer and owner of renewable energy generation in Australia and New Zealand. It owns and operates 8 wind farms in Australia and New Zealand with an installed capacity of 636 MW and an additional 336 MW under construction. Tilt Renewables also has a significant pipeline of over 3,000 MW of wind and solar projects in Australia and New Zealand of which just under 1,500 MW have secured the required planning approvals.