



NZX and ASX Announcement

Salt Creek Wind Farm

30 June 2017

Tilt Renewables announces that it has reached a Financial Investment Decision on its 54 MW Salt Creek Wind Farm project in western Victoria. The project is expected to produce 172 GWh per annum on average once fully commissioned, sufficient to power around 30,000 homes.

The key investment details for the project are included in the attached slides.

The project is expected to take 12 months to construct and will provide in excess of 100 jobs during the construction period.

Given its current highly contracted revenue base, Tilt Renewables has taken a portfolio view to this investment decision in terms of proceeding without a power purchase agreement at this time. However, contracting will be considered post investment commitment depending on pricing and terms.

Following the closure of the Hazelwood power station in Victoria earlier this year and a number of other market factors, forward wholesale electricity prices have risen considerably which support revenue projections in the early years of operation for this project.

We believe the project has good investment fundamentals, supported by proven technology and construction partners and robust long term operations and maintenance arrangements and as such represents an attractive project to contribute to Australia's Renewable Energy Target.

We look forward to further enhancing our existing positive relationship with the local community through the construction phase of the project and then during its operational life.

Tilt Renewables will continue to progress a range of options within its development pipeline in Australia which is now well diversified geographically and across utility scale wind and solar opportunities. Moving forward the development focus will also extend to storage technologies and firming capability to address generation intermittency.

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Salt Creek Wind Farm

Project Overview



Salt Creek Wind Farm - Investment highlights

Project milestones and funding	Units	Total
Notice to Proceed		30 June 2017
Target construction period		12 months
Project capex ¹	AUD \$M	105
Corporate debt drawdown	AUD \$M	100

Pro-forma 12 month contribution	Units	Salt Creek WF
Production (average over asset life)	GWh	172
Revenue (average full years 1 – 3)	AUD \$M	21 to 25
Operating costs	AUD \$M	4.6 to 4.7
EBITDAF ² (average full years 1 – 3)	AUD \$M	16 to 20

Notes:

(1) Project capex includes EPC contract, Balance of Plant works and owner's project costs

(2) EBITDAF = Earnings Before Interest, Tax Depreciation, Amortisation, Fair Value Movements of Financial Instruments



Source: Tilt Renewables, Google Maps

Salt Creek Wind Farm – Project overview

Construction and operations delivered by experienced partners

- EPC and long-term O&M contract with wind turbine supplier (Vestas) and BoP contractor (Zenviron)
- Connection Services Agreement – construction of connection assets and ongoing connection services (AusNet Services)

Notice to Proceed issued on 30 June, construction underway

- Land secured, all final approvals received, contracts signed
- Early works have de-risked project schedule
- 12 month construction period includes ‘float’ allowances

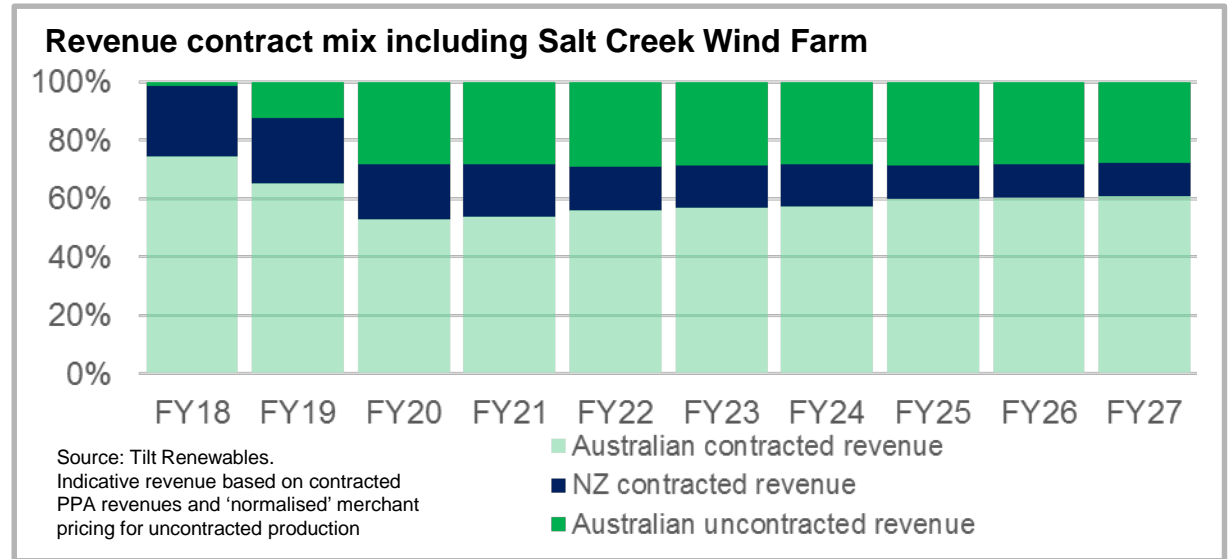
Project funded on strength of Tilt Renewables balance sheet

- Project funded with existing committed undrawn corporate debt facilities with 4+ year tenor and cash reserves
- FX exposure and required interest rate hedging locked in
- Business case based on fully merchant plant with flexibility to optimise revenue via a number of channels to market during or post construction

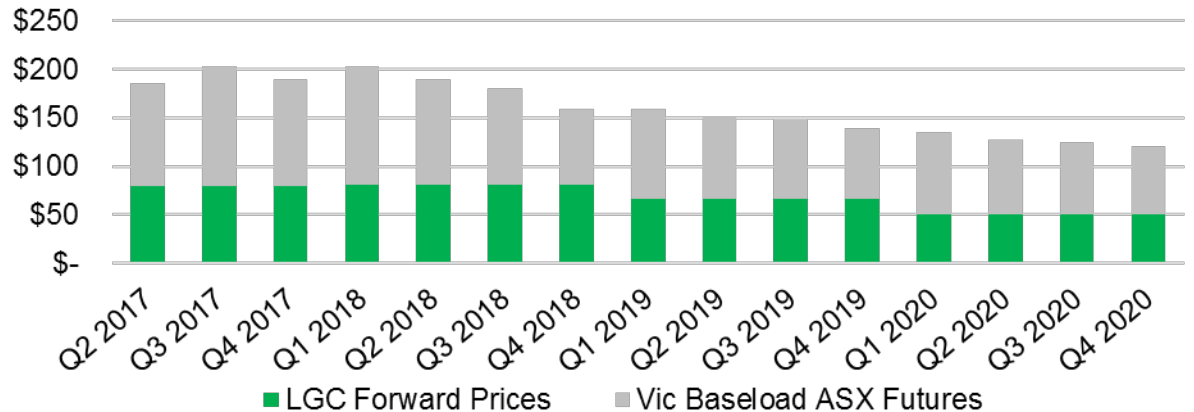
Key project stats	Salt Creek Wind Farm
Installed capacity	15 Vestas V126-3.6 MW wind turbines = 54 MW
Annual production	172 GWh lifetime average
Energy produced	Sufficient energy to power 30,000+ homes
Capacity factor	36% average
Construction period	12 months
Funding	Undrawn A\$100M debt facility, cash balances
Maintenance	25-year O&M contract with Vestas
FID	Approved by Tilt Renewables Board 30 Jun 2017

Salt Creek Wind Farm – Investment rationale

- Salt Creek is an attractive project that complements Tilt Renewables' highly contracted portfolio providing market and geographic diversification into Victoria
- Smaller scale of project can be funded on balance sheet utilising the additional corporate debt capacity put in place at demerger with existing lender group
- Full drawdown is debt-sized from existing portfolio and SCWF earnings respectively
- Debt is priced below 'benchmark' set for part-merchant assets, with 4 year+ tenor proving the flexibility and value of the portfolio approach
- Tilt Renewables is comfortable with the incremental merchant production (above Snowtown 1 rolling off contract in Dec 2018) but will evaluate short and long term offtake options to optimise return
- Ability to reach financial close without accepting discounted PPA pricing demonstrates Tilt Renewables' capabilities to bring a merchant project to market and leverage its contracted portfolio.



Medium-term Energy and LGC market prices (Nominal A\$/MWh)



Tilt Renewables – 582 MW operational, 54 MW under construction and 2,700 MW+ development

Investment highlights

- ✓ Tilt Renewables is a significant and established owner, operator and developer of wind farm assets, with an operating portfolio of 582 MW of assets located in high wind resource regions and 54 MW of wind currently under construction
- ✓ Tilt Renewables has a high level of contracted revenue, with counterparties including Origin Energy and Trustpower providing stable and predictable cashflows
- ✓ Tilt Renewables has a development pipeline of more than 2,700 MW of wind and solar projects across Australia and NZ
- ✓ Tilt Renewables management team and Board has extensive renewables energy development and operational expertise
- ✓ Existing shareholder base supportive of Tilt Renewables' strategy and development plans
- ✓ Australia is an attractive long-term investment market for renewable energy, with the 33,000 GWh RET to be achieved by 2020 requiring a further 2,000-3,000 MW of new renewable generation capacity to be built within the next four years
- ✓ Long-term expansion of Australia and New Zealand renewable energy generation capacity is supported by global trends toward decarbonisation, replacement of existing thermal generation capacity and continued technology / cost advances

