

TILT RENEWABLES LIMITED

2018 NOTICE OF MEETING
OF SHAREHOLDERS AND
EXPLANATORY MEMORANDUM



TILT RENEWABLES LIMITED

NOTICE OF MEETING OF SHAREHOLDERS AND EXPLANATORY MEMORANDUM

1 August 2018

Important information

- **Meeting date/time:**
28 August 2018, commencing 2:00 pm.
- **Venue:**
The James Cook Hotel Grand Chancellor,
147 The Terrace, Wellington.
- **Last date for receipt of Voting / Proxy Forms:**
By 2:00 pm on 26 August 2018.

INTRODUCTION AND IMPORTANT INFORMATION

Notice is given that the annual meeting of the shareholders of Tilt Renewables Limited (“**TLT**”) for the year ended 31 March 2018 will be held at the James Cook Hotel Grand Chancellor, 147 The Terrace, Wellington, on 28 August 2018, commencing at 2:00 pm.

The annual meeting is called for the shareholders to consider certain special and ordinary business relating to TLT.

This document comprises:

- the notice of annual meeting of shareholders (“**Notice of Meeting**”); and
- other explanatory information, (together, “**document**”).

The Board strongly advises that you read this document carefully. Should you have questions, please contact your investment adviser.

Important Dates

Record date for determination of voting entitlements for the annual meeting.	7:00 pm 24 August 2018.
Last date for receipt of Voting / Proxy Forms.	By 2:00 pm on 26 August 2018.
Annual meeting of shareholders.	28 August 2018, commencing at 2:00 pm.

All times are given in New Zealand time, unless stated otherwise.

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Webcast

You can watch the 2018 annual meeting of the shareholders of TLT live (via webcast) at www.tiltrenewables.com

Forward looking statements

This document contains certain statements that relate to the future. Such statements are not a guarantee of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of TLT and which may cause actual results, performance or achievements of TLT to differ materially from those expressed or implied by such statements. Future dates, other than those under the heading “Important Dates”, are subject to change.

Defined terms

Capitalised terms used in this document are defined in the Glossary in section 5.

References to dollars and A\$

Unless otherwise indicated, all references in this document to “dollars” or “A\$” are to Australian dollars.

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1. CHAIRMAN'S LETTER

Dear shareholder

We are pleased to invite you to attend the annual meeting of the shareholders of Tilt Renewables Limited (“**TLT**”) for the year ended 31 March 2018, to be held at the James Cook Hotel Grand Chancellor, 147 The Terrace, Wellington, on 28 August 2018, commencing at 2:00 pm. If you are unable to attend the annual meeting, you are encouraged to complete and lodge your Voting/Proxy Form, so that it reaches the office of the Registrar by 2:00 pm on 26 August 2018.

The annual meeting is called for the shareholders to consider certain special and ordinary business relating to TLT.

Special Business

On 14 February 2018, TLT announced that it had submitted a bid into the Victorian Renewable Energy Auction Scheme (“**VREAS**”). Under the VREAS, the Victorian Government is seeking to contract up to 650MW of 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.

TLT’s bid into the VREAS relates to a portion of the electricity produced by the proposed Dundonnell Wind Farm (the “**Project**”). Participation in the VREAS presents an opportunity for TLT to secure a 15-year support agreement from the Victorian Government (“**Support Agreement**”), which will provide TLT with price certainty for the portion of electricity produced by the Project and subject to the Support Agreement over its 15-year term.

The Project is expected to cost approximately A\$600 million, and be funded through a combination of debt, and the proceeds of a potential capital raising expected to be undertaken by way of an accelerated entitlement offer (“**Offer**”) of TLT shares.

Should TLT be awarded a Support Agreement under the VREAS, it would need to commence construction of the Project in late 2018 to ensure that it will be in a position to commence supply of the required portion of electricity from the Project by September 2020.

As the expected cost of the Project is greater than half of TLT’s Average Market Capitalisation (as defined in the Listing Rules), TLT is required to have the Project approved by way of an ordinary resolution of its shareholders pursuant to Listing Rule 9.1.

TLT’s planned development of the Project is consistent with the Australian renewables growth strategy stated at the time of TLT’s demerger from Trustpower in 2016. The Project represents an attractive opportunity of quality and scale that delivers on this strategy.

However, even if TLT is not awarded a Support Agreement in respect of the Project, TLT may still seek to develop the Project through an alternative contracting and funding structure. If it is still required to do so, TLT would seek to have the Project approved by way of an ordinary resolution of its shareholders pursuant to Listing Rule 9.1 at the time the decision to proceed with the Project was made.

This document includes important information requiring your immediate attention relating to the Project and the ordinary resolution being put to TLT shareholders in relation to the Project. The Notice of Meeting specifies the ordinary resolution to approve the Project (as well as other ordinary business to be considered at the annual meeting).

The Board fully supports the Project and unanimously recommends that shareholders vote in favour of the Resolution approving the Project.

Infratil, which controls 51.04% of the shares in TLT, has indicated its support for the Project and that it will procure its three subsidiaries, which hold Infratil’s shares in TLT, vote in favour of the Resolution approving the Project.

Ordinary Business

Following the consideration of the special business described above, the annual meeting will consider a number of ordinary business items. The Notice of Meeting specifies the ordinary resolutions relating to such ordinary business to be considered at the annual meeting.

We look forward to meeting with you and discussing the special and ordinary business at the annual meeting on 28 August 2018.

Yours sincerely,



Bruce Harker

Chairman

2. NOTICE OF MEETING

Notice is given that the annual meeting of the shareholders of TLT for the year ended 31 March 2018 will be held at the James Cook Hotel Grand Chancellor, 147 The Terrace Wellington, on 28 August 2018, commencing at 2:00 pm.

The annual meeting is called for the shareholders to consider:

- special business, being the approval of the Project; and
- certain ordinary business, including the election / re-election of directors, the approval of director remuneration, and approving the fixing of the fees and expenses of TLT's auditor.

Special Business

The special business of the meeting will be to consider and, if thought fit, pass the following ordinary resolution:

1. Approval of the Project

That for the purposes of Listing Rule 9.1.1, the shareholders of TLT approve the Project and the entry into transactions to give effect to the Project, including the entry into documents relating to the contracting and funding structure of the Project, as more particularly described in the Notice of Meeting and associated explanatory information, and that the Board be authorised to take all actions, do all things and execute all documents and agreements necessary or considered by the Board to be expedient to give effect to the Project.

Recommendations to approve Resolution 1

The Board fully supports the Project and unanimously recommends that shareholders vote in favour of Resolution 1.

Infratil, which controls 51.04% of the shares in TLT, has indicated its support for the Project and that it will procure its three subsidiaries, which hold Infratil's shares in TLT, vote in favour of Resolution 1.

Ordinary Business

The ordinary business of the meeting will be to receive and consider TLT's annual report, including the audit report and financial statements, for the year ended 31 March 2018.

Further, the ordinary business of the meeting will be to consider and, if thought fit, pass the following ordinary resolutions:

2. Election of Anne Urlwin

In accordance with Listing Rule 3.3.6 and clause 28.9 of TLT's constitution, that Anne Urlwin, who is eligible for election, be elected as a director.

3. Re-election of Phillip Strachan

In accordance with Listing Rules 3.3.11 and 3.3.12 and clause 28.9 of TLT's constitution, that Phillip Strachan, who is eligible for election, be re-elected as a director.

4. Re-election of Vimal Vallabh

In accordance with Listing Rules 3.3.11 and 3.3.12 and clause 28.9 of TLT's constitution, that Vimal Vallabh, who is eligible for election, be re-elected as a director.

5. Approval of director remuneration

That the amount of director remuneration be increased from A\$778,500 per annum to A\$940,000 per annum, payable to all directors of TLT taken together, an increase of A\$161,500.

Pursuant to Listing Rule 9.3.1, the directors of TLT and their Associated Persons are prohibited from voting in favour of Resolution 5 and (as explained further on the next page of this document) may not vote any undirected proxy in favour of Resolution 5.

6. Fix the fees and expenses of TLT's auditor

That the Board be authorised to fix the fees and expenses of PricewaterhouseCoopers as TLT's auditors for the financial year ending 31 March 2019.

3. EXPLANATION OF THE RESOLUTIONS AND ADDITIONAL INFORMATION

Voting and Proxies

A shareholder of TLT entitled to attend the annual meeting and vote is entitled to appoint a proxy to attend and vote in his or her place.

A proxy need not be a shareholder of TLT. A Voting / Proxy Form accompanies this notice of meeting and explanatory memorandum and, if used, must be lodged at the office of the Registrar by 2:00 pm on 26 August 2018 (ie not less than 48 hours before the time for holding the meeting).

The Chair of the annual meeting, Bruce Harker, is willing to act as proxy for any shareholder who may wish to appoint him for that purpose. Where a direction is not given to the Chair as to how to cast a vote on any Resolution, then the Chair intends to vote in favour of the Resolution. However, in respect of Resolution 5, the directors and their Associated Persons are prohibited from voting in favour of Resolution 5 and may not vote any undirected proxy in favour of Resolution 5.

Explanation of the Resolutions

Each of the Resolutions are ordinary resolutions, to be approved by a simple majority of the votes of shareholders entitled to vote and voting. Shares in TLT are the only class of security issued by TLT that carry a right to vote at the annual meeting of shareholders.

Resolution 1

Listing Rule 9.1: Disposal and Acquisition of Assets

Listing Rule 9.1 provides that an Issuer must not enter into a transaction (or a series of linked or related transactions) to acquire or dispose of assets in respect of which the gross value is in excess of 50% of the Average Market Capitalisation of the Issuer, unless it is approved by an ordinary resolution. The Listing Rules provide that references to “Issuer” extend to subsidiaries which are not listed themselves. The Project will be undertaken by Dundonnell Wind Farm Pty Limited (“**DDWF Co**”), an Australian incorporated, wholly-owned subsidiary of TLT. The fact that the Project will be undertaken by DDWF Co is irrelevant from a Listing Rule perspective. It is treated as if undertaken by TLT, so as to prevent avoidance of the Listing Rules.

TLT’s current average market capitalisation (as at the date prior to the printing of this booklet) is approximately NZ\$664 million. 50% of this sum is NZ\$332 million. It is expected to cost approximately A\$600 million to fund the construction of the Project and provide associated working capital. The value of the resulting asset is also expected to be approximately A\$600 million. If TLT is to enter into a transaction (or a series of linked or related transactions) in relation to the Project (ie “disposing” of assets of TLT in the form of approximately A\$600 million cash for the purposes of the Listing Rules), then it could be said that it is entering into a transaction to dispose of assets in excess of 50% of its Average Market Capitalisation. Therefore, the transaction needs to be approved by an ordinary resolution of shareholders.

Listing Rule 1.16 provides that where an agreement involving a transaction requires approval of shareholders, the agreement must be conditional upon, and the transaction shall not be completed until, such resolution is passed. TLT’s bid into VREAS is conditional upon receiving shareholder approval of the Project. If the resolution is not passed, any resulting Support Agreement will be of no effect.

Section 129 of the Companies Act: Major Transaction

Under section 129 of the Companies Act, a company must not enter into a “major transaction” unless it is approved by, or contingent on approval by, a special resolution of shareholders. A “major transaction” includes:

- a) the acquisition of, or the agreement to acquire, assets the value of which is more than half the value of the company’s assets before the acquisition; and
- b) the entry into obligations, including contingent obligations, the value of which is more than half the value of the company’s assets before the entry into the obligation.

As DDWF Co is not a New Zealand incorporated company, it is not subject to section 129 of the Companies Act, so from a New Zealand law perspective, no special resolution is required of the shareholders of DDWF Co. Section 129 of the Companies Act applies to the relevant company only – not to the group (unlike the Listing Rules, as noted on the previous page of this document). Therefore, the entry into any contract in relation to the Project will not require approval by TLT shareholders under section 129 of the Companies Act.

Information regarding the rationale for the Project, and other details of the Project, are set out in section 4 of this document.

Resolution 2



Anne Urlwin

Under Listing Rule 3.3.6, any person who is appointed as a director by the directors of an Issuer shall retire from office at the next annual meeting of the Issuer, but shall be eligible for election at that meeting. The Board appointed Anne Urlwin as an independent director with effect from 15 June 2018.

Ms Urlwin is a professional company director with experience in a diverse range of sectors including construction, infrastructure, energy, telecommunications and health. As a former director of Meridian Energy, she brings energy sector experience and a strong interest in renewable energy. Until last year, she was chair of commercial construction group Naylor Love Enterprises which, combined with her current roles as a director of City Rail Link and Chorus, provide relevant governance experience in major infrastructure projects. Ms Urlwin’s other current public-listed company directorships are with Summerset Group Holdings and Steel & Tube Holdings.

Ms Urlwin is due to retire, and has offered herself for election at the annual meeting. The Board considers that Ms Urlwin qualifies as an independent director.

Resolutions 3 and 4

Under Listing Rules 3.3.11 and 3.3.12, two directors of TLT are required to retire from office at the 2018 annual meeting. Such directors are eligible for re-election at the annual meeting. The directors required to retire at the annual meeting are the directors who have been longest in office since their last election or deemed election. Messrs Strachan and Vallabh are, accordingly, retiring at the annual meeting and, being eligible, seek re-election.



Phillip Strachan (Resolution 3)

Phillip Strachan has extensive experience in operations and governance at the executive level. He is currently the chair of Queensland Rail, a director of the Great Barrier Reef Foundation and a member of the Audit & Risk Committee of the University of Sunshine Coast. He was the president of the Australian Aluminium Council and held several executive roles over a 36-year

career with the Rio Tinto Group, including the Chief Executive Officer of the global Bauxite and Alumina businesses based in Brisbane, and Chief Financial Officer at the Rio Tinto global aluminium product group based in Montreal.

Mr Strachan is due to retire by rotation, and has offered himself for re-election at the annual meeting. The Board considers that Phillip Strachan qualifies as an independent director.



Vimal Vallabh (Resolution 4)

Vimal Vallabh has been involved in the development and acquisition of power and renewable energy projects and related supply chain companies across Europe, the United States and Africa for the past 20 years. He is currently Head of Energy at H.R.L. Morrison & Co and a board director at Longroad Energy (USA). He has previously held roles in the

energy industry, private equity and investment banking.

Mr Vallabh is due to retire by rotation, and has offered himself for re-election at the annual meeting. The Board does not consider that Mr Vallabh qualifies as an independent director.

Resolution 5

TLT is seeking shareholder approval of the proposed amount of director remuneration, being A\$940,000 per annum, payable to all directors of TLT taken together, pursuant to Listing Rule 3.5.1.

At the time of TLT's demerger from Trustpower in 2016, TLT's director remuneration was set at \$685,000. Upon the increase in the number of directors of TLT when Anne Urlwin joined the Board, the director remuneration was increased to A\$778,500, in accordance with Listing Rule 3.5.1.

The proposed increase in director remuneration reflects:

- an allowance for an increase in director remuneration in response to increasing workloads and benchmarked market movement in remuneration for directors of similar scale businesses;
- the formation of an "Independent Directors Committee" to respond as appropriate to any aspects where a role for independent directors is required for good governance processes, and the requirement to appropriately remunerate the directors of TLT on the Independent Directors Committee for attending to the requirements of the Independent Directors Committee;
- an allowance for increased committee workloads; and
- an allowance for director remuneration headroom to:
 - accommodate future director remuneration increases, if appropriate, to fairly remunerate directors and to ensure TLT can attract and retain suitably qualified and experienced directors; and
 - to allow discretion to remunerate directors should there be material abnormal additional workloads for some or all of the directors.

TLT will report to shareholders on any allocation of the additional headroom at the following annual meeting of shareholders.

TLT has established a fixed share trading plan for the directors of TLT, to enable the directors to comply with TLT's requirement to allocate a specified proportion of the director remuneration in acquiring shares in TLT through on-market purchases.

The total director remuneration may be divided among directors in their capacities as directors of TLT as the Board deems appropriate. The existing director remuneration structure, and the proposed initial director remuneration structure if the increase to the directors' remuneration is approved, is set out in the table overleaf:

	FY18	Proposed new remuneration FY19	Increase	Percentage Increase
Base Fees				
• Chairman	\$190,000	\$190,000	\$0	0%
• Directors	\$85,000	\$90,000	\$5,000	5.9%
Audit & Risk Committee				
• Chair	\$16,000	\$20,000	\$4,000	25%
• Members	\$10,000	\$10,000	\$0	0%
People & Remuneration Committee				
• Chair	\$0	\$0	\$0	0%
• Member	\$5,000	\$8,000	\$3,000	60%
Health, Safety, Environment & Community Committee				
• Chair	\$10,000	\$16,000	\$6,000	60%
• Member*	\$5,000	\$8,000	\$3,000	60%
Independent Directors Committee**				
• Chair	\$7,000	\$12,000	\$5,000	71.4%
• Member	\$3,500	\$6,000	\$2,500	71.4%
Director Remuneration Paid FY18	\$685,000			
Proposed FY19 Remuneration	\$778,500	\$840,000***	\$61,500	7.9%
Proposed Remuneration Pool	\$778,500	\$940,000****	\$161,500	20.7%

* The Chairman is a member of the Health, Safety, Environment & Community Committee and is not paid for his participation in this committee.

** The Independent Directors Committee remuneration will be paid based on the workload at the discretion of the Chair.

*** Full year basis for ease of comparison but note the seventh director joined on 15 June 2018.

**** Not all of the total available remuneration is proposed to be paid in FY19, reflecting the allowance for director remuneration headroom noted earlier.

4. DETAILS OF, & RATIONALE FOR, THE PROJECT

Resolution 6

TLT's auditors for the financial year ending 31 March 2018, PricewaterhouseCoopers, are automatically re-appointed as TLT's auditors for the financial year ending 31 March 2019 under section 207T of the Companies Act.

Authorising the Board to fix the fees and expenses of PricewaterhouseCoopers as TLT's auditors for the financial year ending 31 March 2019 must occur in accordance with section 207S of the Companies Act.

Additional Information

Waiver from Listing Rule 9.2.1

As noted, TLT expects to conduct the Offer to provide it with approximately A\$300 million of equity funding for the Project. TLT has entered into an Underwriting Agreement with the Underwriters in respect of the Offer. NZX has granted TLT a waiver from Listing Rule 9.2.1 in respect of the Offer, to the extent that Listing Rule 9.2.1 would otherwise require prior shareholder approval for Infratil to act as a sub-underwriter of the Offer and receive sub-underwriting fees under a sub-underwriting agreement, subject to certain terms and conditions, including:

- the independent directors of TLT certifying that the terms of the Underwriting Agreement, including the fees payable under the Underwriting Agreement, have been entered into, and negotiated, on an arm's length commercial basis, and that TLT was not influenced to enter into the Underwriting Agreement by the interests of Infratil; and
- the Underwriters certifying that Infratil did not unduly influence an Underwriter's decision to enter into any sub-underwriting agreement with Infratil, the terms of any sub-underwriting agreement between an Underwriter and Infratil, including the sub-underwriting fees payable, have been entered into, and negotiated, on an arm's length commercial basis, and that there will be no material differences between the terms of such sub-underwriting agreement, including as to the sub-underwriting fees payable, with any other sub-underwriters not related to Infratil.

NZX review and approval

NZX has reviewed and approved this document under Listing Rule 6.1.1. However, NZX accepts no responsibility for any statement in this document.

The Project

The Project is a wind farm located in Victoria, Australia, in respect of which TLT has secured all required primary environmental approvals. The site is located approximately 23 km northeast of Mortlake, and is approximately 15km from the Salt Creek Wind Farm, which was commissioned by TLT in July 2018.

TLT has secured the required environmental approvals to proceed with construction of a wind farm consisting of up to 88 turbines, with an overall height of up to 189 metres above ground level. The Project will be connected to the Victorian transmission network via a newly constructed 38 kilometre, 220kV overhead transmission line, and off-site 500/220kV substation, which will connect into the existing 500kV transmission line between Melbourne and Portland via a new connection point at the Mortlake Power Station.

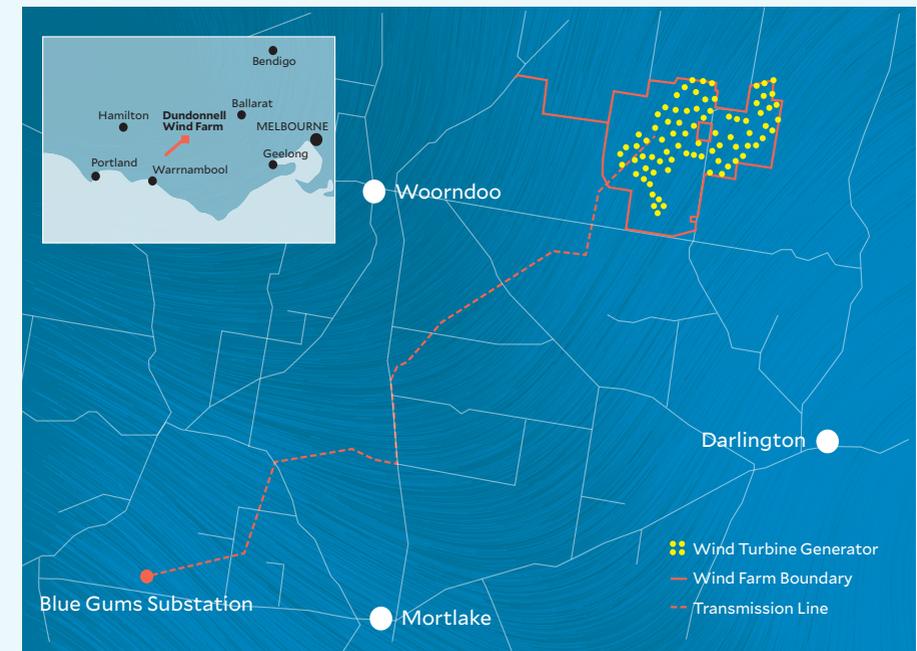


Figure 1: Location of Project including indicative turbine locations and transmission line alignment.

Victorian Renewable Energy Auction Scheme (VREAS)

On 14 February 2018, TLT announced that it had submitted a bid into the VREAS. Under VREAS, the Victorian Government is seeking to contract up to 650MW of 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).

TLT's bid into the VREAS relates to a portion of the electricity produced by the Project. Participation in the VREAS presents an opportunity for TLT to secure the Support Agreement, which will provide TLT with price certainty for the portion of electricity produced by the Project subject to the Support Agreement, over its 15-year term.

Should TLT be awarded a Support Agreement, TLT would negotiate final construction, operations and maintenance, network connection and financing contracts and, subject to final Board approval, execute those contracts in late 2018. Construction of the Project would need to commence by late 2018 to ensure the Project can supply the required portion of electricity to the Victorian Government by the proposed commencement date of the Support Agreement (i.e. September 2020).

Indicative Project size

The current Project configuration (a 336MW, 80 wind-turbine wind farm) is expected to cost approximately A\$600 million.

The total Project cost of approximately A\$600 million includes the following:

- Construction costs;
- Project management costs;
- Equity issuance costs;
- Debt establishment costs and commitment fees;
- Interest during construction; and
- Other Project development costs and working capital requirements.

The total Project cost is expected to be funded through a combination of existing and new debt, and the proceeds of the Offer. As of July 2018, TLT has secured conditional debt and equity underwriting agreements to cover the capital cost of the Project. However, TLT will decide on the final mix of debt and equity once the VREAS outcome and exact contracting arrangements are known.

Debt financing

At the time of the VREAS bid, TLT had secured a fully committed debt package (“**DDWF Facilities**”) from National Australia Bank Limited and The Bank of Tokyo-Mitsubishi UFJ, Ltd., which will be available to fund approximately half of the Project's construction costs (ie approximately \$300 million). TLT is on track to satisfy standard conditions precedent at or shortly after the relevant final construction, operations and maintenance, network connection and financing contracts are executed in order to be in a position to drawdown on the DDWF Facilities.

Equity financing

The remaining expected Project costs (ie approximately \$300 million) are expected to be funded from the proceeds of the Offer. Should TLT be successful in securing a Support Agreement, and if the Board elects to proceed with the Project, the Offer will be conducted pursuant to clause 19 of schedule 1 of the FMCA and the associated provisions of the FMCR. Accordingly, an offer booklet, setting out the terms and conditions of the Offer in greater detail, will be prepared and released at the time of launch of the Offer. In short, the Offer is intended to be similar to a pro rata entitlement offer of shares in TLT (“**New Shares**”) to existing shareholders in TLT, with New Shares not, or not able to be, taken up by existing shareholders of TLT offered to institutions in two bookbuilds.

TLT has entered into the Underwriting Agreement in respect of the Offer. The existence of the Underwriting Agreement means that the Underwriters will subscribe for any New Shares that are not subscribed for by TLT shareholders or institutional investors under the Offer (in accordance with the terms of the Underwriting Agreement). Taken together with a commitment from Infratil to take up all of its entitlements under the Offer, this provides a conditional commitment to raise approximately A\$300 million from the issue of New Shares. TLT will decide on the final amount sought in the Offer based on the final Project costings and with consideration of broader growth capital requirements across the TLT portfolio.

Support Agreement

The key features of the Support Agreement being considered by the Victorian Government are outlined in the VREAS fact sheet, which can be found on the Victorian Government website relating to the VREAS¹.

1. https://www.energy.vic.gov.au/__data/assets/pdf_file/0014/80510/VRET-fact-sheet-Auction.pdf

Project return

Project returns are materially reliant on market prices (both spot market prices and potential future contract prices), as only a portion of the production is intended to be covered by the Support Agreement. The outlook for market prices, the direction and settings for Australia's greenhouse-gas emissions under the proposed National Energy Guarantee framework, and the outcome of the VREAS process are all relevant to TLT's final decision as to whether to proceed with the Project.

While noting the dependency on market outlook as well as on the VREAS process, TLT believes that the level of returns that will be derived from the Project will be appropriate for a greenfield project with the contracting level bid into the VREAS process (ie the portion supported by the Victorian Government through a Support Agreement and the uncontracted merchant portion), and with the funding structure proposed above. TLT's return expectation is expected to be consistent with the level of risk-adjusted returns that previous TLT projects have presented (at the time of investment).

Rationale for the Project

The Project is aligned with TLT's strategic objectives

The Project represents a highly attractive opportunity for TLT and its shareholders, with its development in line with TLT's existing strategy and objectives.

As noted in the Chairman's letter, TLT was formed out of the demerger from Trustpower in 2016. As part of the rationale for the demerger, the scheme booklet relating to the demerger, dated 12 August 2016 ("**Scheme Booklet**"), included the following description of TLT's proposed strategy:

"Tilt Renewables' primary strategic objective is to build on its existing Australian and New Zealand wind development experience in order to successfully implement its development pipeline. In doing so, Tilt Renewables aims to secure a greater share of the Australasian renewable energy market and further establish itself as a leading developer of renewable energy generation in Australasia.

Tilt Renewables will consider bringing forward new renewable investment opportunities in wind or grid connected solar that meet the risk and return appetite of Tilt Renewables Shareholders."

In the 21 months since the demerger, TLT has executed on this strategy, as evidenced by the development of the Salt Creek Wind Farm, which began construction in June 2017 and achieved full operations in July 2018. TLT has established a professional team that has the skills and experience to manage the development and construction of renewable energy projects.

Both the Salt Creek Wind Farm and the Project were identified in the Scheme Booklet as key potential development opportunities that, among others, had obtained key environmental approvals.

The Project represents a high-quality investment

TLT management considers that the Project represents an attractive development opportunity due to the following factors:

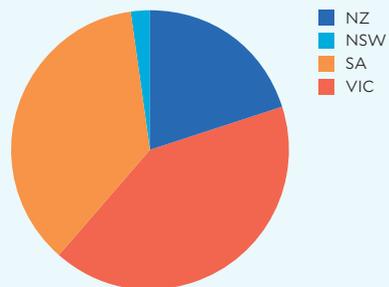
- Over eight years of high quality, favourable on-site wind monitoring data has been gathered, utilising both meteorological masts and remote sensing equipment.
- The site is fully permitted, with a 189 metre height consented, allowing for larger rotor turbines which materially improves the profitability of the Project (from a generation volume and cost per GWh perspective).
- TLT's long-standing commitment to engagement with the Dundonnell community is supported by plans to manage the community impact of the Project, while optimising ongoing benefits flowing back to the region.
- The proposed network connection for the Project, which is fully permitted, has a low risk of congestion or material decline in marginal loss factor impacting revenue.
- A comprehensive construction contract package and 25-year operations and maintenance agreement with Vestas (a manufacturer, seller, installer, and servicer of wind turbines) is in place, providing certainty on delivery and life-cycle performance of the Project.
- Relatively simple access arrangements are in place, with access to on-site quarries to provide the bulk of construction material.
- The advanced status of connection arrangements including detailed grid studies and network connection arrangements in the process of being finalised.

The Project will represent a significant increase in scale and diversity of the TLT portfolio

If the Project proceeds, it would represent TLT’s second major investment in a greenfield renewable energy construction project and, in the form currently proposed, would represent an approximate increase of 53% in the generation capacity of TLT’s portfolio, and increase TLT’s annual production by more than 1,200 GWh. The additional production in Victoria also provides wind resource diversification benefits to the TLT portfolio, as does the potential revenue stream from part of the Project being supported by an AAA-rated government counterparty (ie the Victorian Government), should TLT be successful in the VREAS process. With this scale and diversification, TLT is well positioned to establish a leadership position in the Australasian renewables market, growing from 636MW of generation capacity currently to 972MW upon completion of the Project.

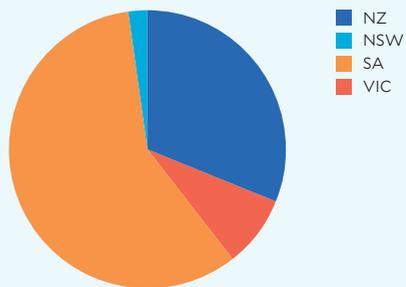
Capacity by Region

With Dundonnell



Capacity by Region

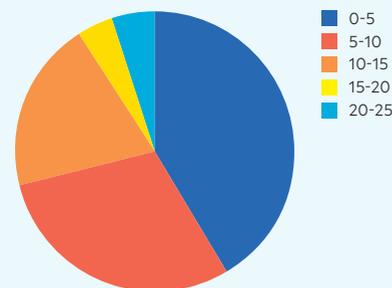
Without Dundonnell



The construction of the Project, utilising the latest turbine technology, will also significantly extend the average remaining life of the TLT turbine fleet, with more than 70% of TLT’s installed capacity commissioned inside the last 10 years (when measured at the point when the Project is operational in late 2020), a relatively new turbine fleet compared to those of TLT’s competitors.

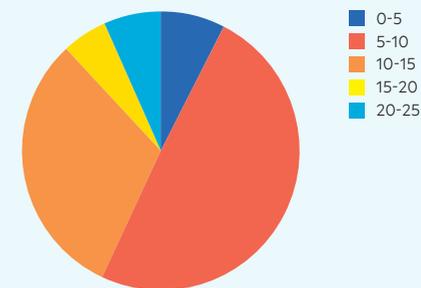
Capacity by Age (in years)

With Dundonnell



Capacity by Age (in years)

Without Dundonnell



Further, the Project will be funded with a combination of debt and equity, which will maintain the existing strength of TLT’s balance sheet. The Support Agreement will further complement the existing TLT revenue contracts to position the business well to capture future growth opportunities beyond the Project.

The Project will be constructed over a period of approximately two years, with the earnings from the turbines installed anticipated to begin contributing to TLT’s earnings part-way through the financial year ending 31 March 2021.

5. GLOSSARY

Associated Persons	Has the meaning given to it in the Listing Rules.
Average Market Capitalisation	Has the meaning given to it in the Listing Rules.
Board	The board of directors of TLT.
Companies Act	Companies Act 1993 (NZ).
DDWF Co	Dundonnell Wind Farm Pty Limited.
DDWF Facilities	Has the meaning given to it in the set out in section 4 of this document.
FMCA	Financial Markets Conduct Act 2013.
FMCR	Financial Markets Conduct Regulations 2014.
Infratil	Infratil Limited, together with its wholly-owned subsidiaries Renew Nominees Limited, Infratil Energy New Zealand Limited and Infratil Investments Limited (as applicable).
Issuer	Has the meaning given to it in the Listing Rules.
Listing Rules	The NZX Main Board and Debt Market listing rules as amended from time to time.
Notice of Meeting	The notice of annual meeting of shareholders set out in section 2 of this document.
NZX	NZX Limited.
Offer	Has the meaning given to it in the Chairman's letter set out in section 1 of this document.
Project	Has the meaning given to it in the Chairman's letter set out in section 1 of this document.
Registrar	Computershare Investor Services Limited or Computershare Investor Services Pty Limited (as applicable).
Resolution(s)	The resolution(s) set out in the Notice of Meeting.
Support Agreement	Has the meaning given to it in the Chairman's letter set out in section 1 of this document.

Trustpower	Trustpower Limited.
Underwriters	Citigroup Global Markets Limited and Forsyth Barr Group Limited.
Underwriting Agreement	The agreement between TLT and the Underwriters, setting out the terms and conditions on which the Underwriters will underwrite the Offer.
Victorian Government	The Government of the State of Victoria, Australia.
Voting / Proxy Form	The form on which the shareholders of TLT will vote at the annual meeting of TLT shareholders, or by post.
VREAS	The Victorian Renewable Energy Auction Scheme.

6. DIRECTORY

Tilt Renewables Limited**C/- Russell McVeagh**

Level 30, Vero Centre
48 Shortland Street
Auckland 1140
New Zealand

Registrar**Computershare Investor Services Limited**

Level 2, 159 Hurstmere Road, Takapuna
Auckland 0622
New Zealand

Computershare Investor Services Pty Limited

Yarra Falls, 452 Johnston Street
Abbotsford VIC 3067
Australia

Solicitors**Russell McVeagh**

Level 30, Vero Centre
48 Shortland Street
Auckland 1140
New Zealand

Auditors**PricewaterhouseCoopers**

Level 19/2 Riverside Quay
Southbank
Victoria 3006
Australia



tiltTM
renewables



Lodge your proxy

Online

www.investorvote.co.nz

By Mail

Computershare Investor Services Limited
Private Bag 92119, Auckland 1142, New Zealand

OR

Computershare Investor
Services Pty Limited
GPO Box 3329
Melbourne VIC 3001
Australia

By Fax

+64 9 488 8787

For all enquiries contact

+64 9 488 8777

corporateactions@computershare.co.nz

Admission Card

If you wish to attend the Tilt Renewables Limited Annual Meeting to be held at the James Cook Hotel Grand Chancellor, 147 The Terrace, Wellington on 28th August 2018 at 2.00pm, please bring the form INTACT to the meeting as your admission card to assist registration.

Proxy/Voting Form/Admission Card

www.investorvote.co.nz

Lodge your proxy online, 24 hours a day, 7 days a week:

Smartphone?

Scan the QR code to vote now.

Your secure access information

Control number:

CSN/Securityholder number:

Please note: You will need your CSN/Securityholder Number and postcode or country of residence (if outside New Zealand) to securely access InvestorVote and then follow the prompts to appoint your proxy and exercise your vote online.



For your proxy to be effective it must be received by Computershare by 2.00pm on Sunday 26 August 2018.

Appointment of Proxy

1. A shareholder of the Company entitled to attend and vote is entitled to appoint a proxy to attend and vote in his or her place. A proxy need not be a shareholder of the Company. You can appoint a proxy online or by completing and returning this proxy form by mail, fax, or email in accordance with the instructions set out in this form.
2. The Chair of the meeting, Bruce Harker, is willing to act as proxy for any shareholder who may wish to appoint him for that purpose. Where a direction is not given to the Chair as to how to cast the vote on any Resolution, then the Chair intends to vote in favour of the Resolution.

Restrictions on Voting

In respect of Resolution 5, the Directors and their Associated Persons are prohibited from voting in favour of Resolution 5 and may not vote any undirected proxy in favour of Resolution 5.

Voting of your holding

Please direct your proxy to vote by marking the appropriate box on the form:

- if you tick the FOR box you are directing your proxy to cast your vote in favour of the resolution;
- if you tick the AGAINST box you are directing your proxy to cast your vote against the resolution;
- if you tick the PROXY DISCRETION box you are directing your proxy to make the decision about how to cast your vote for that resolution;
- if you tick the ABSTAIN box you are directing your proxy not to cast the vote on your behalf for that particular resolution;
- if you correctly appoint a proxy and either do not tick any, or only tick some (but not all) of the voting boxes, this will be counted as a tick in the ABSTAIN box for any resolutions for which you have not ticked a box (except when you have appointed the Chair as proxy, as noted above).

Electronic Voting

You can appoint a proxy to cast your vote electronically by accessing InvestorVote (www.investorvote.co.nz) in accordance with the above instructions. Use this option if you will NOT be attending the Meeting and wish to lodge your proxy electronically. Do not return this form if you have lodged your proxy using InvestorVote.

Signing Instructions for Postal Proxy Forms

Individual

Where the holding is in one name, the shareholder must sign.

Joint Holding

Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney

When the form of proxy is signed by an attorney, the Power of Attorney under which it is signed, if not previously produced to the Company, must accompany the proxy form.

Companies

A proxy granted by a company must be signed by a duly authorised officer or attorney.

Corporate Representative

If a representative of a corporate shareholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission.

Comments & Questions

If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Go online to lodge your proxy or turn over to complete the form

Proxy/Corporate Representative Form

Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a shareholder/shareholders of Tilt Renewables Limited

hereby appoint _____ of

or failing him/her _____ of

as my/our proxy to vote for me/us on my/our behalf at the **Annual Meeting of Tilt Renewables Limited to be held at James Cook Hotel Grand Chancellor, 147 The Terrace, Wellington on 28th August 2018 at 2.00pm** and at any adjournment thereof; and to vote on any resolution to amend a resolution, on any resolution so amended and on any other resolution proposed.

Step 2 Items of Business – Voting Instructions/Ballot Paper (if a Poll is called)

Instruct your proxy to vote by placing an “✓” in the relevant box. If you want him or her to decide how to vote on the resolution, please mark the box “Proxy Discretion”. If you mark the Abstain box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Special Business	For	Against	Abstain	Proxy Discretion
1) That the shareholders of the Company approve the Project and the entry into transactions to give effect to the Project, including the entry into documents relating to the contracting and funding structure of the Project, as more particularly described in the Notice of Meeting and associated explanatory information, and that the Board be authorised to take all actions, do all things and execute all documents and agreements necessary or considered by the Board to be expedient to give effect to the Project.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary Business				
2) That Ms A Urlwin be elected as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3) That Mr P Strachan be re-elected as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4) That Mr V Vallabh be re-elected as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5) That the shareholders of the Company approve the Director remuneration.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6) That the Directors be authorised to fix the fees and expenses of PricewaterhouseCoopers as auditors of the Company for the ensuing financial year.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Step 3 Signature of Securityholder(s) This section must be completed

Securityholder 1

or Sole Director/Director

Securityholder 2

or Director (if more than one)

Securityholder 3

Contact Name

Contact Daytime telephone

Date

Attendance Slip



Annual Meeting of Tilt Renewables Limited to be held at the James Cook Hotel Grand Chancellor, 147 The Terrace, Wellington on 28th August 2018 at 2.00pm.