



STOCK EXCHANGE LISTINGS: NZX (MCY) / ASX (MCY)

NEWS RELEASE

NZAS and Mercury sign long-term agreement, creating opportunity for future investment in renewables

31 May 2024 – Mercury NZ Limited has signed a long-term agreement with New Zealand Aluminium Smelters, saying it is a significant stepping stone for further renewables development.

“We’re very pleased to have played a role in helping NZAS commit to a long-term presence in New Zealand. NZAS has a critical part to play in giving the market certainty to invest in more renewables, helping us get on with the business of electrifying Aotearoa,” said Mercury Executive GM Portfolio, Phil Gibson.

“This agreement gives us confidence to continue to move fast on our commitment to bringing more renewables to New Zealand. We can now turn our attention to the expansion of the Kaiwera Downs wind farm and expect to confirm this in the near future.”

The agreement will take effect from Jan 2025 for a period of up to 20 years, with baseload volume stepping up from 50MW to 75MW in 2027.

“New Zealand’s future is brighter because of the role of renewables, and we’re keen to see more renewable generation projects delivered at the scale and pace required to meet New Zealand’s climate change goals,” said Mr Gibson.

Additional details on Mercury-NZAS CFD

- > A CFD is a long-term financial agreement between an electricity generator and buyer for a pre-agreed price.
- > Pricing is equivalent to firmed renewables, however exact terms are confidential.
- > There are no restrictions on NZAS ability to on-sell any volume under the CFD and NZAS has a right to terminate (based on an annual termination cost) with 24 months’ notice no earlier than 2035.
- > The agreement has been approved by the Electricity Authority under the ‘materially large contract’ restrictions in the Electricity Industry Participation Code. It is conditional on administrative and regulatory matters being completed.

ENDS

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ABOUT MERCURY NZ LIMITED

Mercury generates electricity from 100% renewable sources: hydro, geothermal and wind. We are also a retailer of electricity, gas, broadband and mobile services. We're listed on the New Zealand Stock Exchange and the Australian Stock Exchange with the ticker symbol 'MCY', with foreign exempt listed status. The New Zealand Government holds a legislated minimum 51% shareholding in the Company.

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