

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

ANNOUNCEMENT

Mercury opens \$220m geothermal expansion boosting New Zealand's renewable energy supply

17 March 2026 – Mercury has taken another step to boost New Zealand's renewable energy supply, officially opening the new fifth generation unit at its Ngā Tamariki Geothermal Station near Taupō.

The \$220 million expansion project was first announced in 2023, with construction beginning in 2024. Completed in just under two years, the project lifts the station's annual average generation output to about 1120GWh, enough to power the equivalent of all residential homes in Christchurch.

Mercury Chief Executive Stew Hamilton and the Associate Minister of Energy Shane Jones opened the new generation unit with mana whenua, Ngāti Tahu Ngāti Whaoa, Tauhara North #2 Trust, landowners, community leaders and some of the 300 contractors and staff who worked on the project over the past two years.

"At 55MW, the new unit has more than twice the capacity of each of the original units commissioned at Ngā Tamariki in 2013, reflecting the advances in technology."

In parallel with the project, Mercury has drilled two new geothermal wells; one to provide additional steam supply for the new generation unit and the second for injection of geothermal fluid to support sustainability of the reservoir.

"This has provided us with the added ability to reinject non-condensable gases - mainly carbon dioxide – back into the geothermal reservoir, instead of these gases being released into the atmosphere.

"We can now reinject gases across the entire station and this will help us achieve a 70% reduction in the station's carbon emissions by 2030."

Mr Hamilton said adding more renewable energy is key for meeting future demand growth, building resilience and ultimately helping with energy affordability.

"Increasing capacity at Ngā Tamariki supports system resilience because geothermal provides steady baseload supply (generates electricity 24/7), helping meet winter peaks and stabilise the national grid, while complementing our hydro and wind energy generation."

Mr Hamilton said completing the Ngā Tamariki project showed Mercury is committed to investing significantly in new, renewable energy development.

"Geothermal is central to our long-term growth. The expansion at Ngā Tamariki will help us deliver 3.5 TWh of new generation by 2030. That's about 8% of New Zealand's annual energy demand.

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“We are also partnering with the Government on its investigation into supercritical geothermal energy.”

Mercury also has two wind farms under construction which are expected to begin generating electricity for the country by the end of 2026.

“These wind farms and our expansion at Ngā Tamariki, represent a \$1b investment in new renewable generation and regional economic growth through the creation of local jobs.

“Our investments support the fastest rate of renewable generation development in New Zealand's history. This is the best way we can help deliver affordable renewable energy and help power economic growth over the coming decades.”

Project background:

- The Ngā Tamariki expansion project was developed with support from Mercury's commercial partner Tauhara North #2 Trust and with mana whenua Ngāti Tahu Ngāti Whaoa to ensure the sustainability of the geothermal reservoir and management of the surrounding environment.
- As part of the expansion project, two new geothermal wells were drilled; one supplies geothermal fluid for the new generation unit and the second is for injection of geothermal fluid to support sustainability of the reservoir.
- There are now nine geothermal wells at the station which extend to depths of more than 3000 metres, reaching up to 290°C.
- More than 250,000 hours have been worked on the project construction phase with no serious harm incidents.
- About 300 people have worked on the project from Mercury, contractors and consultants from Taupō, Rotorua, Hamilton, New Plymouth, Napier and beyond.
- Ngā Tamariki was originally commissioned in 2013 with four generation units; it was built with allowance for future expansion.
- Visit the [Ngā Tamariki project page](#) for more information.

ENDS

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ABOUT MERCURY NZ LIMITED

Mercury's generation assets produce electricity from 100% renewable sources: hydro, geothermal and wind. We're 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 of Mercury.

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