



Dear Shareholder

The Independent Directors of Tilt Renewables advise shareholders to take no action at this time in respect of the proposed TLT JV takeover offer

As you may be aware, Tilt Renewable's (TLT's) two largest shareholders, Infratil (through a wholly-owned subsidiary) and Mercury NZ, have formed a joint venture (the TLT JV) and issued a Takeover Notice setting out an intention to make an offer for all of the shares in TLT they do not currently own. Infratil and Mercury currently own 71.03% of TLT (and Mercury holds an option to acquire a further 6.8% of TLT at the offer price).

The Takeover Notice states the price to be offered will be \$2.30 per share. This is an 8% premium to the closing share price of TLT on 14 August 2018, the date immediately prior to receiving the Takeover Notice.

Should the TLT JV elect to proceed with their offer, you will receive a formal takeover offer from the TLT JV to acquire your shares. This is likely to be sent in the next 2 weeks.

A Committee of Independent Directors of the Board (the Committee) – being Directors not affiliated to either Infratil or Mercury – has been established to consider the merits of the offer and to provide advice to TLT shareholders regarding the offer. You can be assured that the Committee is taking its role very seriously.

The Committee has appointed investment bank Cameron Partners along with its global alliance partner, Rothschild & Co to advise it on the Takeover Notice and the subsequent offer and has appointed Northington Partners to produce an Independent Adviser's Report assessing the merits of the offer.

The Committee has yet to form a view on the merits of the offer, but, as TLT's recent annual report describes, TLT has a solid operational asset base and arguably the best renewable pipeline in Australia and New Zealand. The Committee is firmly of the view that any offer will need to fully recognise and value these elements. It is not yet clear to the Committee whether the offer meets this requirement.

Within 14 days of the TLT JV sending its formal offer to you, the Committee will provide you with its recommendation and also with the Independent Adviser's Report.



The Committee strongly recommends shareholders take no action at this time in respect of the TLT JV offer if it is made and do not accept that offer before they receive further advice from the Committee and are provided with the Independent Adviser's Report.

In the Takeover Notice, the TLT JV states it may incentivise certain share-brokers to solicit acceptances from shareholders. You should be aware of this if you are contacted by a share-broker encouraging you to accept the offer before you have received the Committee's advice and a copy of the Independent Adviser's Report.

To assist with communications to shareholders, the Committee has established a website at <https://www.tiltrenewables.com/tilt-renewables-limited-2018-takeover/>. If you have not already agreed to receive TLT shareholder communications by email, we encourage you to register with the website and provide us with your email address so future communication to you can be more efficient.

We will continue to communicate with you, by mail, by NZX and ASX announcement and through the website as our views on the merits of the offer evolve.

In the interim we again **strongly recommend you take no action should TLT JV make its offer and do not accept that offer, before you receive further advice from the Committee and are provided with the Independent Adviser's Report.**

Yours sincerely

A handwritten signature in black ink that reads "Fiona Oliver". The signature is written in a cursive, flowing style.

Fiona Oliver
Chair of the Committee