

5 December 2019

Palisade agrees to acquire Snowtown 2 Wind Farm

Palisade Investment Partners (**Palisade**) is pleased to announce it has reached an agreement to acquire Snowtown 2 Wind Farm (**Snowtown 2, the Project**) from Tilt Renewables. The acquisition is being made on behalf of investors in Palisade's Renewable Energy Fund (**PREF**) and direct investment client, Health Employees Superannuation Trust Australia (**HESTA**). First State Super will be a co-investor in the Project.

Snowtown 2 is located on the Barunga and Hummocks Ranges in South Australia and is comprised of 90 x 3.0MW Siemens Gamesa Renewable Energy turbines. The Project is capable of generating 270MW of energy, equivalent to providing power to over 140,000 homes per year.

Snowtown 2 has been operating since 2014, with energy and green products generated by the Project contracted to Origin Energy under a Power Purchase Agreement until 2035. Origin Energy is one of Australia's leading energy retailers.

The Project will see the total generation capacity of Palisade's renewable portfolio reach 75% of its 1GW target level, with the energy generated from the portfolio enough to power over 350,000 homes and abate over 1 million tonnes of CO₂ per year.

Roger Lloyd, Managing Director and CEO of Palisade said: "We are delighted to secure this high-quality renewable energy investment on behalf of our clients. Snowtown 2 is an attractive asset providing investors with exposure to long-term, high-quality contracted cashflows and increased diversification within the PREF portfolio."

Deion Campbell, Chief Executive of Tilt Renewables said: "We are confident that Palisade has the experience and credentials to continue to successfully operate Snowtown 2 and maintain the strong relationships established with key project stakeholders, in particular the local Snowtown community and project landowners, with whom we will continue to maintain a connection via our Snowtown 1 asset."

Operational management services will be provided to the Project by Palisade Integrated Management Services (**PIMS**). PIMS provides management services to eight assets within the Palisade portfolio, including Hallett Wind Farm, Waterloo Wind Farm, Granville Harbour Wind Farm and Ross River Solar Farm. Through its extensive experience in the energy markets, PIMS' involvement will provide material, long-term operational benefits to the Project.

Simon Parbery, Investment Director at Palisade said: “Snowtown 2 is a unique asset that is highly complementary to Palisade’s existing portfolio of renewable energy assets. Further synergies across Palisade’s renewable energy portfolio managed by PIMS will continue to deliver superior value for our investors.”

PREF invests in both operating and development phase renewables assets in Australia. The fund aims to provide investors with diversified exposure to assets across locations, technology and income profile. PREF’s total return since inception to 30 September 2019 was 14.7% per annum, with a 12 month return of 12.0%.

Sonya Sawtell-Rickson, Chief Investment Officer at HESTA said: “HESTA is delighted to make an investment in the Snowtown 2 Wind Farm to both support a sustainable environment and deliver strong long-term returns to our members. The United Nations Sustainable Development Goals form part of our focus and this investment aligns with the goal of driving action to combat climate change and its impacts.”

First State Super Chief Investment Officer Damian Graham said: “First State Super is thrilled to have made its first direct investment in renewable energy in Australia building on our past investments in renewables overseas.

“Earlier this year First State Super was asked by the United Nations Secretary General to participate in the Global Investors for Sustainable Development Alliance to consider ways we can unlock private capital to deliver in the 17 Sustainable Development Goals.

“Investments such as Snowtown 2 is one way we are putting our members’ retirement savings to work to deliver sustainable outcomes.”

Senior debt financing was provided by a bank consortium comprising BNP Paribas, Commonwealth Bank of Australia, ING Bank (Australia) Limited, Sumitomo Mitsui Banking Corporation, each appointed as Mandated Lead Arranger, Underwriter and Bookrunner, with each of Bank of China Limited Sydney Branch, Industrial and Commercial Bank of China and Mizuho Bank, Ltd. appointed as Mandated Lead Arranger.

Transaction completion is expected to occur by the end of 2019.

Macquarie Capital acted as financial adviser, Allen & Overy as legal advisor and KPMG as transaction advisor to Palisade in relation to the transaction.

For further information, please contact:

Palisade Investment Partners

Simon Parbery

Investment Director

Ph: +61 2 8970 7811

simon.parbery@palisadepartners.com.au**Palisade Investment Partners**

James Hann

Investment Director

Ph: +61 2 8970 7803

james.hann@palisadepartners.com.au

About Palisade Investment Partners

Palisade is a specialist, independent infrastructure manager that provides institutional investors with access to Australian infrastructure projects through tailored portfolios and co-mingled funds. Palisade's multi-disciplinary and experienced team focuses on attractive mid-market assets that are essential to the efficient functioning of the communities and economies they serve.

For more information, visit: <http://palisadepartners.com.au/>

About HESTA

HESTA is the largest superannuation fund dedicated to Australia's health and community services sector. HESTA has over 850,000 members (more than 80% are women) and manages more than \$53 billion in assets invested around the world.

In 2019, HESTA was recognised as a global leader in responsible investment and was named in the Leaders' Group by the United Nations backed Principles for Responsible Investment. As a responsible steward of its members' retirement savings, HESTA focuses on achieving strong, sustainable, long-term returns while making a positive difference to the world members will retire into. HESTA is the acronym for Health Employees Superannuation Trust Australia and should appear in capitals.

For more information, visit: <https://www.hesta.com.au>

About First State Super

First State Super is one of Australia's largest profit-for-member superannuation funds, investing more than A\$100 billion on behalf of more than 800,000 members, many of whom work in the health, education, law enforcement, and other organisations that care for the community. First State Super is an experienced infrastructure investor including direct ownership stakes in Victorian Land Registry Services, New South Wales Land Registry Services, Sydney Light Rail, New Bendigo Hospital, Sunshine Coast University Hospital, and Sydney Convention Centre, amongst others.

For more information, visit <https://firststatesuper.com.au>

About Tilt Renewables

Tilt Renewables is an industry-leading developer and long-term owner and operator of renewable generation assets, with a strong track record of successfully delivering attractive investment opportunities from its development pipeline.

For more information, visit <https://www.tiltrenewables.com/>