ANNOUNCEMENT

Mercury opens $486 million Kaiwera Downs Wind Farm expansion

9 September 2026 – Mercury has opened Stage 2 of its Kaiwera Downs Wind Farm in Southland, marking the successful delivery of the South Island's largest wind farm.

The $486 million expansion project was completed in two years, adding 36 turbines and 155MW of installed capacity to the wind farm development near Gore.

In 2024, Mercury signed a Power Purchase Agreement with New Zealand Aluminium Smelters to support the Tiwai smelter in Southland; that agreement provided the confidence to move ahead and construct Stage 2 of the wind farm.

Stage 2 increases the entire wind farm's installed capacity to 198MW, lifting annual average generation output to 675GWh – that is enough to power the equivalent of about 96,000 homes.

Mercury Chief Executive Stew Hamilton officially opened the wind farm alongside MPs Penny Simmonds and Joseph Mooney, representatives from Gore District Council, local communities, iwi and hāpu, landowners, Mercury staff and contractors involved in the project.

"Today we recognise the talented people who worked together to deliver this important renewable energy project for New Zealand," said Mr Hamilton.

"Our team has completed Stage 2 on time and on budget, demonstrating our commitment to new, renewable energy development."

Mercury employed 129 full-time equivalent staff to work on Stage 2, with up to 180 people on site each day during peak construction.

"We estimate the construction of Stage 2 put $100 million into the local and regional economy, through employment of contractors, sub-contractors, support staff, accommodation and hospitality.

"We're also in our third year of supporting the Kaiwera Downs Community Fund, which backs organisations and projects around the wind farm, helping communities make a real difference."

Mr Hamilton said Mercury had significantly increased New Zealand's renewable generation capacity over the past 12 months.

"In addition to our Kaiwera Downs Wind Farm, we've also started generating electricity from our new Kaiwaikawe Wind Farm in Northland and we've started generating from our Ngā Tamariki Geothermal Station expansion project near Taupō.

“All three are expected to be fully operational by the end of 2026. Together, these three projects represent around $1 billion of investment and 1.1TWh of additional annual renewable generation – enough to power around 160,000 homes.”

Mercury has developed five of New Zealand's last six wind farms and is preparing to begin construction on another.

Puke Kapo Hau Wind Farm in Otago (Stage 2 of Mahinerangi Wind Farm) will be Mercury’s next wind energy project; it represents a $506 million investment.

Mahinerangi Wind Farm (Stages 1 and 2) will be New Zealand's largest wind farm once complete.

Puke Kapo Hau will have an installed capacity of 228MW and will generate about 646GWh of renewable electricity each year.

“We are now completing final grid connection studies with Transpower and expect to begin construction later this year.”

Mercury’s decision to move ahead with Puke Kapo Hau was supported by a power purchase option agreement with Datagrid, which is developing what is expected to be New Zealand’s most advanced large-scale data centre project in Southland.

“Partnerships and commercial agreements like this provide the confidence needed to continue investing in new renewable generation.

“New Zealand needs an energy system that is affordable, reliable and resilient. The best way to achieve that is to keep building renewable generation at scale," he said.

Note: Number of homes powered per year based on annual average home use of 7000kWh.

Project info:

Kaiwera Downs Wind Farm	Wind turbines	Installed Capacity	Annual Generation	Homes powered per year	Commissioned	Investment
Stage 1	10	43MW	146GWh	21,000	2023	$115m
Stage 2	36	155MW	525GWh	75,000	Expected 2026	$486m
Total:	**46**	**198MW**	**675GWh**	**96,000**		**$601m**

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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