



Media Release:

Embargoed until 5 pm on Monday 31st October 2005

New wind energy investment

The NZ Windfarms' share offer that opened today provides the first opportunity for New Zealanders to invest directly in this country's fast developing wind energy industry. The company is seeking to raise more than \$8 million to establish itself as an independent owner, operator and developer of wind farms throughout NZ. The funds will be used to build Stage 1 of its Te Rere Hau wind farm next to the highly productive Tararua wind farm near Palmerston North. The company already has Resource Consent for Te Rere Hau.

The share offer comes at a time when the growth in New Zealand's total electricity consumption outstripped the increase in supply capacity by 30% in the eight years to March 2004, spot market wholesale prices have increased by more than 50% in the past eight years, and average retail prices have increased by well over 500% since 1975.

"Last year the wind industry grew by over 350% and that was just the beginning" said Windfarms CEO Chris Freear, "We're well placed to take advantage of the current gap between New Zealand's production capacity and demand growth."

The company will use New Zealand made Windflow 500 turbines for Te Rere Hau under a Sale and Purchase agreement that includes turbine warranty and performance provisions. "We will choose the best turbine for each wind farm project," said Freear. "The Windflow 500 has been optimised for the wind conditions we've measured at Te Rere Hau. And it will keep more than 90% of the total project spending in New Zealand."

The Windfarms Board includes three veterans of the New Zealand electricity sector: Chairman Derek Walker was Chief Executive of CentralPower and led the development of the \$50 million Tararua Wind Farm (now owned by TrustPower), Barrie Leay was Executive Director of the Electricity Supply Association and Keith McConnell is a former Chief Executive of The Power Company and United Electricity.

The other two Directors are Juliet McKee an economist, and Fellow of the Institute of Directors and Vicki Buck former Mayor of Christchurch.

Chief Executive Chris Freear is a Director of the New Zealand Wind Energy Association. and has worked within the energy industry for over ten years.

NZ Windfarms successfully tendered to the Government for up to 519,000 tonnes of carbon credits under the Governments Projects Mechanism. There is an international market emerging for carbon credits.

The company has applied for listing on the NZAX through its sponsor NZX firm Greenslades Limited.

The share offer will close on Friday 2 December (or as otherwise determined by the company); with a share price of \$1.10 for general investors and \$1.00 for “Eligible Investors” (being existing shareholders in parent company Windflow Technology as at 28 October 2005 and subscribers for \$250,000 and above). Each share has a separately tradable Option attached with an Option Exercise date of not later than 29 September 2006 and option exercise price of \$1.10..

The company will hold public meetings to outline its plans to interested investors. Details are:

Mon 7 Nov – Dunedin Cargills Hotel, 678 George St;

Tues 8 Nov – Christchurch Mancan House, cnr Cambridge Tce & Manchester St;

Wed 8 Nov – Nelson Trailways Motor Inn, 66 Trafalgar St;

Mon 14 Nov – Auckland Kingsgate Parnell, 92-102 Gladstone Rd;

Tues 15 Nov – Wellington Copthorne Plimmer Towers, cnr Boulcott St & Gilmer Tce;

Wed 16 Nov – Tauranga Hotel Armitage, cnr Willow & Park Sts;

Thurs 17 Nov – Palmerston North Kingsgate Palmerston North, 110 Fitzherbert Ave.

All meetings will start at 7:00pm followed by tea and coffee to provide time for informal discussion.

Open days will also be held on every Sunday in November at the Gebbies Pass turbine near Christchurch from 3:00 – 4:30pm on Sundays the 6th, 13th, 20th, and 27th of November (weather permitting).

Copies of the Prospectus/Investment Statement/Application Forms and details of the information evenings can also be downloaded from www.nzwindfarms.co.nz or by writing to NZ Windfarms Ltd, PO Box 13 952, Christchurch.

Application has been made to NZX for permission to list as an NZAX issuer and for quotation of the shares and Options (including the new Shares being offered in the Offer Document) on the NZAX. All requirements of NZX for quoting of the Shares and Options, that can be complied with on or before the date of distribution of the Offer Document, have been complied with. However, NZX accepts no responsibility for any statement in the Offer Document. NZX has authorized the NZX Sponsor (Greenslades Limited) to act in this Offer.

ENDS

Further information: Tim Armitage tim@armi.co.nz Phone 03 365 8960