

MEDIA RELEASE

GOAT HILL GRANTED DEVELOPMENT APPROVAL

Delta Electricity in association with the Altura Group has welcomed the announcement that development approval has been granted by the South Australian government for the Goat Hill pumped hydro project, located near Port Augusta.

Delta has the development rights for the project, with Altura Group as the project developer.

Delta's Managing Director, Greg Everett, describes the Goat Hill project as "the right solution for South Australia".

"With the growth of renewables and a reliance on high cost gas generation, South Australians will benefit from the complementary, reliable and affordable energy storage that pumped hydro will provide" Mr Everett said. "Goat Hill is a world class energy solution that will be able to pump and store energy when renewable energy is abundant and will generate 230MW of electricity for up to 8 hours when there is a need for reliable, on-demand dispatchable energy".

Mr Everett ascribes three key reasons why Goat Hill project has moved quickly to this stage of development:

- firstly, Altura Group has identified a site with strong technical and environmental credentials to generate hydro power in the Spencer Gulf, a leading renewable energy region in Australia;
- secondly, Altura Group and Delta have worked very closely to develop a robust engineering proposal that focuses on functionality and proven technology; and
- thirdly, the project has been developed and underpinned by a rigorous approvals process by the South Australian government, supported by the local community.

With work already underway for detailed plant design and construction contracting, Delta is confident that Goat Hill will be "shovel ready" well before competing projects in South Australia.

Project developer Altura Group has already engaged SNC Lavalin, WBHO and SRG, using GE Technology and work is progressing well. The South Australian Government has also committed \$4.7m to facilitate final project development, expediting the final investment decision.

Delta operates the 1320MW Vales Point Power Station on the NSW Central Coast. It is deploying a growth strategy that includes:

- using its recently obtained retail licence to establish direct relationships with large energy customers;
- securing offtake arrangements with solar producers in readiness for introduction of the National Energy Guarantee;
- developing a 45 MW solar farm adjacent to the existing Vales Point power station; and
- pursuing acquisition opportunities when assets become available.

"Goat Hill is an important part of the Delta development story and granting of development approval takes us one step further along that path" Mr Everett said.



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An animated 'fly-over' of the Goat Hill pumped hydro project site can be viewed at <http://www.de.com.au/media/goat-hill-project>

For further information, contact: Steve Gurney, Company Secretary, 02 4352 6003.

2 May 2018