



Monday, 10 April 2017

MEDIA RELEASE

BUNGALA SOLAR PV PROJECT REACHES FINANCIAL CLOSE

Reach Solar energy (Reach) today announced financial close on the first phase of the 300MW_{ac} Bungala Solar Photovoltaic (PV) project near Port Augusta, and at the same time, entered sale agreements with Enel Green Power (EGP) and the Dutch Infrastructure Fund (DIF).

The Bungala Solar project will be built on land leased from the Bungala Aboriginal Corporation, about 12km from Port Augusta. On full completion it will produce enough electricity for around 130,000 homes, is able to assist the grid with ancillary services, and is 'energy storage ready' for the future.

The financial close milestone for Bungala Solar One incorporates debt and equity commitments for the project's second phase, Bungala Solar Two. Both projects will be delivered without financial support from government.

Origin Energy will purchase all electricity and renewable certificates produced by both solar projects under a Power Purchase Agreement signed in late 2016. The renewable solar energy is firmed up using Origin's generation and gas supply portfolio in South Australia and the national electricity market.

The construction of the solar farm will create a positive benefit for the Port Augusta region. The first electricity will be supplied to the grid by first quarter 2018, with 220MW_{ac} (2 x 110MW_{ac}) fully operational by third quarter 2018.

Reach Chief Executive Officer, Mr Tony Concannon said he was very pleased with achieving financial close in parallel with finalising the sale agreement.

"We're delighted to announce today financial close on the first phase of the Bungala Solar project and the project sale to the EGP and DIF equal joint venture," Mr Concannon said.

"This transaction marks the largest equity and debt finance arrangement in Australia for a solar PV project and is great news for the Port Augusta community as it transforms into a renewable energy hub. The project is aligned to the recent energy policy announced by the South Australian Government, and has very experienced parties across all aspects.

"EGP is a world class renewable operator and DIF is a world leading fund management company. They both have exceptional track records in investing and operating infrastructure and energy projects globally. Their investment and the excellent fit with Origin's portfolio ensures the success of the Bungala Solar project," Mr Concannon said.

Marko Kremer, Head of Australasia for DIF Management Australia added: "DIF is delighted to add Bungala Solar farm to its existing investment portfolio. We are excited to be part of the Australian renewable energy landscape which supports the nation's commitment to a greener economy as well as creating significant job opportunities in the Port Augusta region. This investment represents an attractive, large scale solar PV energy investment, underpinned by stable, long term contracted cash flows."

Origin Managing Director Frank Calabria said: "We congratulate Reach and the Enel and DIF consortium on reaching this milestone and we look forward to working with the new owners. We are Australia's largest supporter of utility scale solar and are proud to add Bungala to the growing list of projects we have underpinned with a long term power purchase agreement, helping us deliver increasing amounts of renewable energy to meet the needs of our customers."

Mr Concannon also acknowledged the close engagement and ongoing role of the land owner, Bungala Aboriginal Corporation and unwavering assistance from both the South Australian Government and Port Augusta City Council.

South Australian Aboriginal Affairs and Reconciliation Minister Kyam Maher said: "It's great that the PV solar plant proposal is on Bungala land and, as part of the agreement, there is a focus on Aboriginal employment that will provide flow on economic benefits to the local Aboriginal community."

Professional services firm PwC also played a significant role in advising Reach across the full breadth of the Bungala Solar project including integrated legal, tax, capital advisory, debt advisory, due diligence and financial model audit services.

"Quite simply, this transaction would not have been possible without the work delivered by PwC who have been with us from the start and shared the risk with us. Led by Damian McNair, Chris McLean and Tiffany Barton, more than 60 PwC employees across different business lines provided fully integrated specialist advice built on their knowledge of the energy sector and investment market," Mr Concannon concluded.

About Reach Solar energy

Reach is focused on developing utility-scale, grid connected solar photovoltaic projects which deliver a competitive and predictable electricity tariff, and renewable certificates, for its customers. It is on track to develop over 1000MW of solar PV in Australia by 2020/21.

The management team at Reach Solar energy has significant experience with the management of large electricity generation and retail companies, plus a proven track record for the development and delivery of complex, utility-scale power projects, utilising structured project finance.

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ADDITIONAL PROJECT DETAILS

How much energy will Bungala produce?

The Bungala Solar Project will eventually be a 300MWac solar farm with 220MWac by September 2018. It will produce enough electricity for around 130,000 homes from nearly 1.2 million solar PV panels.

Who will the solar energy be supplied to?

Origin Energy is the customer for all electricity and renewable certificates produced by both the solar projects i.e. 220MWac. The Bungala solar project complements Origin's retail, generation, and fuel supply portfolio. Offtake negotiations continue for the balance 80MWac site capacity including the ongoing SA Government tender process.

What does financial close deliver?

The financial close milestone for Bungala One (110MWac) includes debt and equity commitments for the second phase (another 110MWac called Bungala Two) which is expected to complete in the third quarter of 2017.

Who owns the project?

The project has been sold by Reach Solar energy to an equal joint venture consisting of EGP and DIF. It will be built on land leased from the Bungala Aboriginal Corporation.

How many jobs will be created and when will construction start?

The construction will create some 350 jobs in the Port Augusta region with design to start immediately. The first electricity will be supplied to the grid by first quarter 2018, with 220MWac fully operational by third quarter 2018.

Attachment 1:	EGP Media Release:
Attachment 2:	DIF Media Release
Attachment 3:	Artist impression



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ENEL LANDS IN AUSTRALIA WITH COUNTRY'S LARGEST SOLAR PV PROJECT

- *A joint venture between Enel Green Power and Dutch Infrastructure Fund has closed the agreement for the purchase of the first 137.5 MW¹ of the 275 MW¹ Bungala Solar PV project from local developer Reach Solar Energy, with the purchase of the second phase expected to be closed in the third quarter of this year*
- *The joint venture's total investment in Bungala Solar, which is currently Australia's largest ready-to-build PV project, is around 315 million US dollars, including project construction, with Enel contributing around 157 million US dollars. The total investment will be financed through a mix of equity and project finance with a consortium of banks*
- *Construction work on the first 137.5 MW¹ of the project is expected to start by mid-2017 with the overall 275 MW¹ project becoming fully operational by the third quarter of 2018*
- *The Bungala Solar project is fully contracted with a long-term PPA with the Australian utility Origin Energy*
- *Australia's abundance of renewable resources, a growing demand for renewable energy and its network infrastructure, supported by a stable regulatory framework, make it an attractive market for Enel's business development activities*

Rome, April 10th, 2017 – Enel, through a joint venture between the Group's fully-owned renewable energy subsidiary Enel Green Power S.p.A. ("EGP") and Dutch Infrastructure Fund ("DIF"), has closed an agreement to acquire Bungala Solar One, the first 137.5 MW¹ phase of the 275 MW¹ Bungala Solar PV project, which is currently the largest ready-to-build solar PV project in Australia, from Bungala Solar Holding Pty Ltd., a subsidiary of Australian developer Reach Solar Energy Pty Ltd.

The purchase of Bungala Solar Two, the second phase of the project, is expected to be closed in the third quarter of this year. The Bungala Solar project is located near Port Augusta in South Australia.

*"The acquisition of Australia's largest PV project, which takes us onto a new continent, is an important step forward for the Enel Group," said **Francesco Starace**, Enel CEO and General Manager. "The Australian renewable energy market is characterised by abundant resources and growing demand. Enel will work to harness these resources and contribute to the Australian economy, generating shared value for all our stakeholders through a strategy that delivers industrial growth built upon a foundation of sustainable development."*

The joint venture's total investment in the 275 MW¹ project is around 315 million US dollars, including

¹ dc capacity, equivalent to around 110 MWac for each phase of the Bungala Solar project and approximately 220 MWac for the overall project.

project construction, with Enel contributing around 157 million US dollars. The total investment will be financed through a mix of equity and project finance with a consortium of local and international banks. The project is fully contracted with a long-term power purchase agreement with Origin Energy, a major Australian utility.

Construction works at Bungala Solar One are expected to begin by mid-2017, followed by Bungala Solar Two, whose construction will start by the end of this year. The overall 275 MW¹ project will be fully operational by the third quarter of 2018.

The Bungala Solar project is designed to generate around 570 GWh a year, equivalent to the consumption needs of approximately 82,000 Australian households, avoiding the emission of about 520,000 tonnes of CO₂.

Australia is a country of great interest for the Enel Group due to its abundance of renewable sources (in particular sun and wind), a growing demand for renewable energy, its network infrastructure and the existing regulatory framework as evidenced by the Federal Government's Renewable Energy Target ("RET") programme. RET has set a target of having 23.5% of energy generated from renewable sources by 2020 and is complemented by State-level initiatives aimed at increasing renewable energy generation through a tender-based mechanism.

Enel is a multinational power company and a leading integrated player in the global, power, gas and renewables markets. It is the largest integrated utility in Europe in terms of market capitalisation and rates among Europe's leading power companies in terms of installed capacity and reported EBITDA. The Group operates in over 30 countries worldwide, producing energy through approximately 85 GW of managed capacity. Enel distributes electricity and gas through a network of over 2 million kilometres, and with over 65 million business and household customers globally, the Group has the largest customer base among European competitors. Enel's renewable energy division Enel Green Power already manages almost 38 GW of wind, solar, geothermal, biomass and hydropower plants in Europe, the Americas, Africa, Asia and is now arriving in Australia.

DIF is an independent fund management company focused on investments in high quality infrastructure assets that generate long-term, stable cash-flows such as public-private partnerships, renewable energy projects and other core infrastructure projects. DIF was established in 2005 and has invested in and manages more than 180 projects across the social infrastructure, transport and renewable energy sectors. DIF's investors comprise of top tier pension funds, insurers, banks and funds of funds.

All Enel press releases are also available in smartphone and tablet versions. You can download the Enel Corporate App at Apple Store and Google Play.

DIF acquires 275 MW solar project in Australia

Sydney, 7 April 2017 - DIF Infrastructure IV is pleased to announce the acquisition of 100% of the 275 MW (dc) Bungala Solar PV project from Reach Solar Energy, via an equal joint venture with Enel Green Power.

Developed by Reach Solar Energy, the Bungala Solar Project will be one of the largest solar PV plants in Australia. The utility-scale solar power project is located near Port Augusta, South Australia and covers approximately 700 hectares of land. The project will produce enough electricity to power approximately 82,000 homes, avoiding the emission of about 520,000 tonnes of CO₂.

Origin Energy, a major Australian utility will purchase all electricity and renewable certificates from the project. The project is split into two equal solar farms of 137.5 MW, located on two adjacent plots of land. Construction works at Bungala Solar One are expected to begin by mid-2017, followed by Bungala Solar Two, whose construction will start by the end of this year. The overall 275 MW project will be fully operational by the third quarter of 2018.

Marko Kremer, DIF's Head of Australasia added: "DIF is delighted to add Bungala solar farm to its existing investment portfolio. It represents DIF's second solar PV project in Australia, following the acquisition of Royalla in 2016. We are excited to be part of the Australian renewable energy landscape which supports the nation's commitment to a greener economy as well as creating significant job opportunities in the Port Augusta region. This investment represents an attractive, large scale solar PV energy investment, underpinned by stable, long term contracted cash flows."

DIF Profile

DIF is an independent and specialist fund management company, managing funds of approximately €3.5 billion. DIF invests in infrastructure assets that generate long term stable cash flows, including PPP / PF1 / P3 and renewable energy assets in Europe, North America and Australia. DIF has offices in Amsterdam, Frankfurt, London, Paris, Luxembourg, Madrid, Toronto and Sydney.

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Media Release

11 April 2017

Origin boosts renewable energy portfolio by 550 MW; on track to add up to 1,500 MW of new renewables by 2020

Origin today welcomed financial close on the Bungala Solar Project, with the company's agreement to buy all of the renewable power from the plant bringing Origin's recent commitments to new utility scale solar plants to 550 MW.

This puts Origin on track to meet its commitment to build or contract between 1,000 MW and 1,500 MW of large-scale renewable energy by 2020.

Origin CEO, Frank Calabria said, "In the past year we have underpinned approximately 550 MW of new renewable energy projects, representing approximately one third of the size of the recently retired Hazelwood Power Station.

"Our ambition to build or contract up to 1,500 MW of new renewables by 2020, almost replacing the Hazelwood capacity entirely, which will be crucial to delivering the clean and reliable energy supply Australian homes and businesses are demanding."

Origin's agreement to buy all of the renewable power from Bungala Solar Project is the company's largest ever solar power purchase agreement. Origin will also acquire the associated Large Scale Generation Certificates.

Other recent offtake agreements for renewable power were signed with Moree, Lakeland, Clare and DeGrussa solar farms.

At 220 MW, Bungala Solar Project in Port August will be one of the largest solar farms in Australia. Having reached financial close, Bungala is expected to shortly begin construction.

Origin expects to start receiving power from the first stage of the solar farm's development in time for the summer of 2017/2018. The entire 220 MW is expected to be operational by August 2018.

Mr Calabria said, "Origin is delighted to be an active supporter of Bungala Solar Project. By putting in place a long-term contract to purchase all of the solar power Bungala produces, we have played an important role in helping it reach financial close.

"Bungala's development will mean more jobs in Port Augusta and will also contribute to improved energy security in South Australia, as solar is a more predictable form of renewable energy than wind.

"Recent events in South Australia have demonstrated the importance of energy security, and identified the need for sufficient backup from gas-fired generation to balance the intermittency of renewable energy.

"Energy markets around the world are in transition and Australia is no different.



"We must make sure our energy supply is secure, as Australian homes and businesses rely on it. At the same time, we must make sure energy continues to be affordable as we move Australia towards a cleaner supply.

"Origin is proud to be playing an active role in this transition. We own the nation's largest fleet of gas-fired peaking power stations located across New South Wales, Queensland, Victoria and South Australia, and so we play an important role in helping to maintain energy security.

"As a leading gas producer, we are also making sure gas is available for other peaking power stations. For example, last month we announced a gas supply deal with Engie to underpin the second generation unit of its Pelican Point power station, further supporting energy security in South Australia.

"Renewable energy and natural gas are complementary sources of energy, and are expected to play an increasingly important role in helping Australia achieve the right balance between energy security, affordability and sustainability," Mr Calabria said.

The Bungala Solar Project is being developed by Reach Solar and is owned by consortium partners ENEL Green Power S.p.A and the Dutch Infrastructure Fund.

About Bungala Solar Project

The Bungala Solar Project is located about 10km north east of Port Augusta and will occupy an 800 ha site on land owned by the Bungala Aboriginal Corporation (BAC). Featuring single axis tracking design in which solar panels will slowly follow the position of the sun throughout the day, the project will have a generating capacity of 220 MW, making it one of Australia's largest utility scale solar plants.

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About Origin Energy

Origin Energy (ASX: ORG) is the leading Australian integrated energy company with market leading positions in energy retailing (approximately 4.2 million customer accounts), power generation (approximately 6,000 MW of capacity owned and contracted) and natural gas production (1,204 PJ of 2P reserves and annual production of 75 PJe).

Through Australia Pacific LNG, its incorporated joint venture with ConocoPhillips and Sinopec, Origin is developing Australia's biggest CSG to LNG project based on the country's largest 2P CSG reserves base.

www.originenergy.com.au