

HARNESSING AUSTRALIA'S OFFSHORE WIND RESOURCE

Offshore Energy Pty Ltd (**'Offshore Energy'**) is a Melbourne-based company working to identify suitable sites and secure the appropriate rights for the development of offshore wind energy projects off the coast of Australia.

Offshore Energy has been working with the Commonwealth and Victorian Governments respectively to establish the appropriate rights and processes for development of Australia's first offshore wind farm in Commonwealth waters off the south coast of Gippsland, Victoria. The Star of the South Energy Project (**'Project'**) is in the initial stages of development to investigate and assess the chosen site and determine its suitability to eventually construct an offshore wind farm. The Project is named after a passenger ship that operated in the nineteenth century bringing immigrants from the United Kingdom to Victoria.

Initial, yet extensive, stakeholder consultation and detailed preliminary studies have already been undertaken that suggest that the Project meets a number of key economic, resource, social, environment and planning criteria necessary to suggest that development should continue. Further development activities will principally involve further assessment of the wind resource, infrastructure and environmental requirements and, importantly, identification of any local community and stakeholder issues that need to be understood and managed.

FEATURES OF THE PROJECT

The Project, if determined feasible and constructed, will have a capacity of at least 2,000MW and be connected via 95km of undersea and underground high voltage transmission cables (4 cables each of 500MW capacity) directly to a strong connection point on the Victorian grid in the Latrobe Valley.

The Project will involve:

- Upgrade and expansion of existing nearby port facilities to enable construction and later operation and maintenance of the wind farm.
- Construction of at least two offshore substations and a network of cables to connect the turbines.
- Construction and assembly of up to 250 turbines located at depths ranging between 20m and 40m.
- 95 km route for each of the four 500MW, underground and undersea transmission cables.
- Where possible the utilisation of existing transmission infrastructure or land rights.

BENEFITS OF THE PROJECT

The Project has many benefits from an economic, social, security and environmental perspective for Australia, Victoria, Gippsland and other local communities. These benefits include:

- During the exploration period, the Project will involve committed expenditure of around \$25million and involve many local and Australian businesses in undertaking work to help develop the Project. In the longer term, if the Project is constructed, it will have a capital cost of construction of approximately \$8billion and involve the employment of approximately 12,000 people (directly and indirectly) in the construction of the Project and approximately 300 people during the operation and maintenance of the Project (a minimum of 25 years' operation).
- Assisting in the orderly transition of skillsets from existing industries into a new industry and ensuring social stability by keeping generations of families and prosperity within the region, especially the Latrobe Valley.
- The Project, if constructed, will ensure that existing coal-fired exits will be replaced, helping contribute to the security of energy generation in Victoria and connected markets.
- Creation of a supply chain, and economic hub, that will service the Project and new and related industries.
- High yielding wind regime that aligns with peak electricity demand that will provide a consistent electricity generation source.

OUR TEAM AND PHILOSOPHIES

Offshore Energy is led by an experienced management team who have over 60 years' combined experience in the Australian renewable energy industry as well as detailed experience in the power, oil & gas and resources industries. Experience has been obtained in local and international companies in those industries.

A philosophy of 'prudent avoidance' is adopted on all projects to avoid issues from the outset and design them out up front. This relies on sincere and comprehensive stakeholder information and engagement to enable an acceptable and feasible design. This philosophy has and will be consistently applied throughout Offshore Energy's business.

FURTHER INFORMATION

Andy Evans, Managing Director

Offshore Energy Pty Ltd
Level 27, 101 Collins Street
Melbourne, Victoria AUSTRALIA 3000
P: +61 400 018 087 E: andy.evans@offshoreenergy.com.au

Terry Kallis, Chairman

Offshore Energy Pty Ltd
Level 27, 101 Collins Street
Melbourne, Victoria AUSTRALIA 3000
P: +61 419 810 153 E: terry.kallis@offshoreenergy.com.au