



STAR OF THE SOUTH ENERGY PROJECT PROJECT FACT SHEET



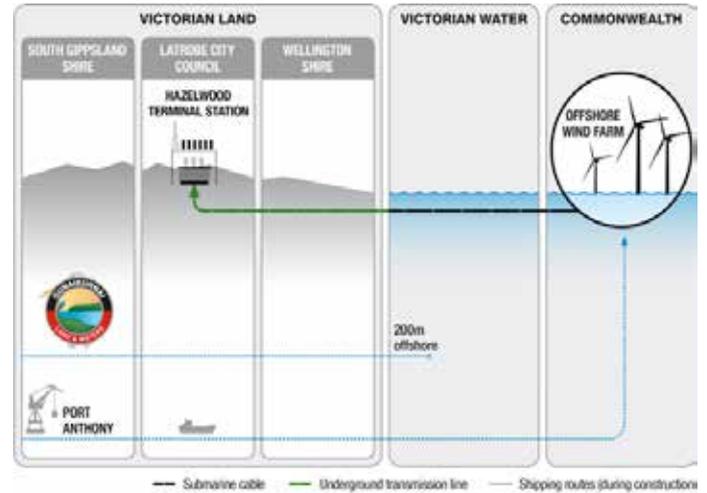
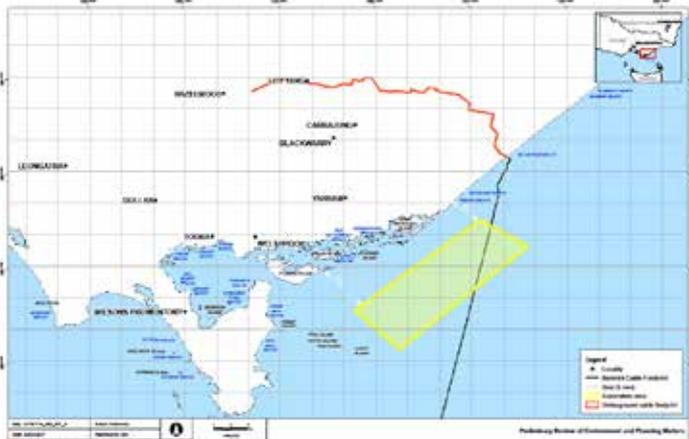
Australia's first offshore wind energy Project – the Star of the South Energy Project ('Project') - is being developed by Victorian-based company, Offshore Energy Pty Ltd, in Commonwealth waters off the coast of South Gippsland, Victoria.

PROJECT SUMMARY, LOCATION AND BENEFITS

The Project aims to make a major contribution to lowering Victoria and Australia's carbon signature and to assist in the transition from fossil fuel sourced generators – displacing some 10.5 million tonnes of CO₂ per annum and power over 1.2 million homes. The Project would see the creation of approximately 12,000 jobs (direct and indirect) during construction and 300 ongoing jobs over its 25 year operational life. Of the estimated \$8 billion to be invested during the development and construction of the Project, around half could comprise local content.

The wind farm development will involve up to 250 turbines and based on current technology of 8 MW turbines would have a capacity of approximately 2,000MW. It is expected that the capacity of the turbines at the time of construction could be at least 12MW. The wind farm is to be connected via four x 500MW high voltage transmission cables, comprising 95km of undersea/underground of cabling, directly to a strong connection point on the Victorian grid near the Latrobe Valley (refer to the map overleaf).

The Project has taken its name – Star of the South – from an 1850s ship that brought immigrants from Liverpool in the United Kingdom to the Project region in southern Victoria to start new lives in a new country full of opportunity. Like the Star of the South ship, the Project aims to introduce new opportunities for Victoria through the creation of new jobs, new business and assisting the State's transformation to a new clean energy future.



PROJECT COMPONENTS AND PRELIMINARY ENVIRONMENTAL ASSESSMENTS

The Star of the South Energy Project would involve the following separate components:

- a review of local port facilities to determine their suitability to be used in the Project either as a construction and/or operations and maintenance facility to construct and service the Project;
- the construction of at least two offshore substations and a network of cables to connect the turbines;
- the construction and assembly of up to 250 turbines located at depths ranging between 20 and 40 metres within the area delineated in yellow in the map above;
- 95km route for each of the four x 500MW undersea/underground transmission cables;
- utilisation where possible of existing transmission infrastructure or land rights.

The Project is in its early stages and Offshore Energy has applied for an exploration licence from the Commonwealth Government to undertake the necessary studies to test the feasibility of the Project. A preliminary, yet comprehensive, desk top study of the Project has been undertaken by WSP/Parsons Brinckerhoff and concludes that there are no major, unmanageable issues for the Project.

PRELIMINARY PROJECT CONSULTATION

Offshore Energy has undertaken preliminary stakeholder consultations with over 30 different parties prior, and subsequent, to the Project's announcement on 2 June 2017. Consultation with key stakeholders

is continuing, in particular with local Gippsland communities in the lead up to and following the granting of the exploration licence expected in late 2017. Offshore Energy is committed to comprehensive stakeholder and

community consultation which is considered essential to the Project's success. Offshore Energy is pleased to advise that the overwhelming feedback from parties to date has been very positive.

PROJECT SITE SELECTION

The Project site was selected to avoid environmentally sensitive areas such as RAMSAR sites, oil & gas production, minimise visual impact (with shielding from near coastal islands) while taking advantage of excellent wind speeds

and shallow water depths (between 20m and 40m) and close proximity to a large electricity market with substantial existing network connection capacity.

The WSP/Parsons Brinkerhoff environmental report informed the final

site selection and the target network connection point at Hazelwood Terminal Station in the Latrobe Valley. Offshore Energy considers it has selected the best site in Australia to develop Australia's first offshore wind farm.

OFFSHORE ENERGY PROJECT TEAM AND PROJECT PHILOSOPHIES

The Offshore Energy Project team is currently comprised of local Australian developers together with best in class local and international consultants, WSP/Parsons Brinckerhoff and Royal Haskoning DNV, who have helped develop several thousand MWs of offshore wind capacity across the world. Offshore Energy is in the process of selecting a highly experienced partner to co-develop the Project.

The Offshore Energy team intends to apply a philosophy of 'prudent avoidance' – that is to avoid issues from the outset or design them out up front. This relies on sincere and comprehensive stakeholder information and engagement to enable an acceptable and feasible design. The proposed licence area provides ample flexibility for the prudent avoidance philosophy to be applied successfully.

Offshore Energy's other important Project philosophies include "no overhead power lines" throughout the Project from the wind farm through to the point of connection in the Latrobe Valley and a commitment to "best practice community consultation" which will see a comprehensive consultation process with the community in particular with the local communities and the fisheries industry – commercial and recreational.

PROJECT FEASIBILITY ASSESSMENT

The exploration licence will provide Offshore Energy with up to a seven year period within which to determine the feasibility of the Project, although it is hoped that this will be determined in a shorter timeframe.

The feasibility assessment process will require a range of studies to be undertaken on land and in the sea including a two year wind regime measurement campaign which may involve the installation of up to two meteorological masts and/or up to

two floating measurement systems (known as FLiDAR) and two land-based LiDAR systems.

A range of approvals and permits will be required to construct the Project and will be based on the findings of a number of studies to be undertaken during the feasibility period.

FURTHER INFORMATION

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