

17 December 2021

ASX ANNOUNCEMENT

APA Group (ASX: APA)

APA TO COMMENCE STAGE TWO OF MICA CREEK SOLAR FARM

Leading Australian energy infrastructure business, APA Group (ASX: APA), today announced it has reached a Final Investment Decision (FID) to build stage two of the Mica Creek Solar Farm in Mount Isa. APA's stage two investment is underpinned by a variation to the existing offtake agreement with APA customer Mount Isa Mines Limited (MIM), a Glencore Company. The variation adds a new service for the supply of electricity from the Mica Creek Solar Farm for 15 years, requiring additional capital expenditure by APA of around \$70 million.

FID on stage two, which comprises 44 megawatts of additional solar power generation, follows APA's announcement on 1 November 2021 that APA had reached FID on stage one of the Mica Creek Solar Farm and entered into an offtake agreement with MMG Dugald River (MMG) to supply an initial 44 megawatts of renewable electricity to MMG. APA's total investment for both stages of the works is estimated to be around \$150 million.

The second stage of the solar farm is to be co-located on the same site as stage one near APA's Diamantina Power Station Complex, on land which is leased from the Queensland Government. The solar farm is expected to be operational by mid CY23.

APA's solar offtake agreement has been negotiated at a commercially competitive tariff, consistent with utility solar pricing, and will reduce the average delivered cost of power for MIM.

"This \$150 million investment will support APA's vision for a world-leading hybrid energy grid in Mount Isa and our aspiration to support the further increases of renewable energy penetration for the region," APA CEO and Managing Director Rob Wheals said.

"The support for the 88 megawatt Mica Creek Solar Farm demonstrates the enthusiasm of customers in the Mount Isa region for integrated energy solutions that can both meet their energy needs and help reduce their operational emissions.

"With continued strong interest from customers, APA is investigating a potential expansion for a third stage."

APA Group Executive Strategy and Commercial, Julian Peck, said "we have worked closely with Mount Isa Mines Limited to ensure we meet their needs as a valued customer."

About APA Group (APA)

APA is a leading Australian Securities Exchange (ASX) listed energy infrastructure business. We own and/or manage and operate a diverse, \$21 billion portfolio of gas, electricity, solar and wind assets. Consistent with our purpose to strengthen communities through responsible energy, we deliver approximately half of the nation's gas usage and connect Victoria with South Australia and New South Wales with Queensland through our investments in electricity transmission assets. We are also one of the largest owners and operators of renewable power generation assets in Australia, with wind and solar projects across the country.



APT Pipelines Limited is a wholly owned subsidiary of Australian Pipeline Trust and is the borrowing entity of APA Group.

For more information visit APA's website, apa.com.au.

Authorised for release by Amanda Cheney

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