



ASX Announcement

10 May 2021

## DELOREAN ENERGY ACQUIRES 100% OF RENEWABLE GAS TO MAINS BIOENERGY PROJECT

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### HIGHLIGHTS

- Delorean Corporation, through its wholly owned subsidiary Delorean Energy Pty Ltd, has acquired 100% of the Delorean Energy SA One Project (Salisbury Bioenergy Project).
- The Project will process commercial and industrial organic food and agricultural waste to deliver 150TJ per annum of biomethane into the gas distribution network in Adelaide under an offtake agreement with Origin Energy/AGIG.
- This Project is expected to be the first to achieve this 'green gas to mains' milestone in Australia.
- Delorean Energy previously held 30% of the Project and has acquired Clean Peak Energy's 70% share for \$2.1m cash, underpinned by tangible assets including land and cash worth above \$1.6m, plus intangible project assets including grid export connection, development approvals, finance arrangements, committed and contingent grants.
- With 100% ownership of the Project, Delorean's intention is to complete the Project investment under a finance package including cash and debt facilities with CBA, supported by approved and pending Government-funded concessional loans and grants.
- The Project will be fully-funded by existing cash reserves and aforementioned facilities and therefore the Board expects that no further equity funding is required for the Project.
- Subject to Financial Investment Decision (FID) by Delorean's Board, the Project is now expected to move into construction before September 2021.

**Delorean Corporation (ASX: DEL)** ("Delorean" or "the Company") is pleased to announce it has acquired 100% of the Salisbury Bioenergy Project ("Project"), which will process commercial and industrial organic food and agricultural waste to deliver 150TJ per annum of biomethane into the gas distribution network in Adelaide, South Australia under an offtake agreement with Origin Energy/AGIG.

The Project is expected to be the first in Australia to achieve the 'green gas to mains' milestone.

**Delorean's Managing Director, Joe Oliver, said:** "We are excited to have full ownership of the Project so we can complete FID and progress to construction with certainty in a timeline that we can control. Renewable gas is key in decarbonising the gas network and we are pleased to be pioneering this with a Project at commercial scale in Australia."

Delorean, with the support of the South Australian Government, originated and developed the Project, holding a 30% share in Delorean Energy SA One Pty Ltd (DESAO), with Clean Peak Energy Pty Ltd holding 70% of DESAO subject to funding an estimated at \$25.2 million in Project capital expenditure and closing out Final Investment Decision under a legacy shareholders agreement.



*Image: Concept design of the DESAO Project in South Australia upon completion.*

### **Details of Acquisition**

Delorean has acquired Clean Peak Energy's 70% share of DESAO for a cash payment of \$2.1m. The underlying Project assets in DESAO include:

- The unencumbered freehold project land in Edinburgh Parks, purchased in October 2019 for \$1.05m. Since the purchase date, the asset now includes a 4.68MW Export Grid Connection with SAPN and full development approval for the construction of a Bioenergy Anaerobic Digestion facility processing 125KTPA of organic waste.
- \$360,000 in cash held in DESAO
- Local authority development approvals for the Project;
- \$100,000 in SA Government grant funding for reaching FID milestone, with a further \$50,000 on facility operating reports to total \$1,000,000 of grant funding relating to the DESAO project. (attached to Delorean Energy Pty Ltd with final milestone payment subject to FID);
- Interest in ~\$2.5m ARENA grant funding application (attached to Delorean Energy Pty Ltd and currently on foot);
- Interest in \$5m concessional loan funding from South Australian Government under the Renewable Technology Fund (attached to Delorean Energy Pty Ltd).

### **DESAO Salisbury Bioenergy Project**

A summary of this DESAO Project is provided below:

- Project Name: Delorean Energy South Australia One
- Location: Edinburgh Parks, South Australia
- CAPEX ~ \$25.3m

- First green gas to mains project in Australia (150TJ biomethane to mains via Origin Energy/AGIG)
- Project Stage 1 is near ready, pending FID
- Waste Collection 60,000 tonnes per annum phase 1
- Gate Fees circa \$1,916,719 per annum
- Energy Output 150TJ/Annum capacity Biomethane output 2.0MW capacity electricity generation
- Energy Sales (inc LGC's and ACCU's)
- \$2,840,000 per annum
- Greenhouse Gas Equivalency 9,429,000 kg CO2-e per annum

### **Proposed Project Funding**

With 100% ownership of the Project, Delorean intends to complete the project investment itself under a finance package comprising:

- Project Equity: Proceeds Delorean IPO
- Project Debt: Corporate, project and asset finance provided by existing banking relationship with CBA (project finance proposal is with CBA under a wider finance restructure with CBA post IPO).
- SA Government Concessional Loan: \$5m loan under the Renewable Technology Fund Program (already previously awarded but subject to renegotiation and final approval)
- ARENA Grant Application (currently on foot): circa \$2.5m subject to negotiation/approval.

Under the proposed financing arrangements and with wider financing options also available, the Board expects that the Project is fully funded without any requirement to raise further equity funding.

Subject to FID by the Delorean Board, the Project is now expected to move into construction before September 2021 with completion and first green gas expected Sept 2022.

**Authorised on behalf of the Delorean Corporation Board of Directors by Hamish Jolly,  
Executive Chair.**

**For more information/interview please contact:**

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**About Delorean Corporation Limited**

**Delorean Corporation is a pioneering Australian bioenergy company specialising in the design, build, ownership and management of bioenergy infrastructure, associated power generation and energy retail. Delorean Corporation comprises a group of four vertically-integrated companies working together to deliver each stage of the bioenergy generation and energy retail business.**

The Delorean Corporation group began with Biogas Renewables which designs and constructs bioenergy plants in Australia and New Zealand.

The business then established Cleantech Energy to retail energy for its completed projects with retail licenses both in the Wholesale Electricity Market (WEM) and the National Electric Market (NEM) Completing the group, infrastructure developer Delorean Energy and fabricator Tekpro were established, and in 2019 all four were merged under Delorean Corporation, a vertically-integrated renewable energy generation and retail company, as it is today.

Now, Delorean Corporation, has the inhouse capability to deliver bioenergy projects across the full lifecycle, from project conception to completion, processing organic waste, generating renewable energy and monetisation of electricity, heat and gas.