



# **Delorean Corporation Ltd Managing Director's Report at Annual General Meeting 30 November 2021**

**DATE: 30/11/2021**



**The following is a transcript of a report to be made by Delorean Corporation's Managing Director, Joe Oliver, at the Company's Annual General Meeting today:**

This is the first Annual General Meeting since the Company listed on the ASX in April 2021 and Delorean Corporation has covered a huge amount of ground since listing.

Delorean's IPO was about enabling a rapid-growth strategy with Delorean increasing the scale of its existing construction and energy retail business, while building out a pipeline of high-return bioenergy infrastructure assets nationally, starting with DEL's shovel ready projects.

I'm pleased to report that we are well on the path to delivering that growth and further value for all shareholders.

Moreover, in the last three quarters Delorean has proven that it is a credible counterparty to some of Australia's most significant and iconic businesses and now stands out as a leader in the renewable natural gas sector. Delorean is on track to deliver the only current commercially viable alternative to fossil fuel gas to service the massive immediate demand for decarbonisation in Australia's gas-reliant industries.

In addition to Delorean's Engineering division's two current construction and commissioned projects (together worth \$17.7m), in November 2021 the Company was awarded preferred tenderer status for the construction and operation of Victorian water utility Yarra Valley Water's second Waste to Energy Facility (in the range of circa \$40-50m) with DEL having other construction tenders in the pipeline.

Delorean's Infrastructure division struck an MOU with national brick manufacturer Brickworks, underpinned by binding agreements to undertake feasibility and development of two new bioenergy infrastructure projects co-located with Brickworks' operations to displace fossil fuel mains gas, with option for DEL's 50% ownership of these assets.

DEL's Infrastructure division also signed an MOU with major gas pipeline operator Australian Gas Infrastructure Group (AGIG) to enable collaboration on injection of renewable natural gas into its gas network, exploring further opportunities to export gas from DEL's project or locate greenfield projects strategically for injection of renewable gas into AGIG's network.

Commencing construction of its DEVO project in Victoria and commencing siteworks on its DESAO project since listing, Delorean now has a pipeline of circa \$500m in DEL-owned infrastructure projects under active feasibility and development and has applied for circa \$30m in grants to support these projects.

From an ESG perspective, together this infrastructure portfolio will have the capacity to:

- deliver 2.8 million MWh per annum of renewable electricity and heat or 3.1 million GJ per annum of in-demand renewable natural gas
- enable 1.5 million tonnes per annum of organic waste to be captured and processed diverting from landfill and other emission outputting processes.
- Abate 1.6 million tCO<sub>2</sub> e/annum through diversion of organics from landfill and production of green energy to displace fossil fuels.



To enable project finance for these projects, Delorean appointed specialist infrastructure finance advisers Planum Partners to arrange finance initially for up to \$200m in assets, with Planum now advanced in the process for the immediate projects.

Delorean's Energy Retail division has been active in growing and consolidating its share of the WA energy retail market, recently winning large customers Hawaiian and Enviro Pipes while concurrently entering the National Electricity Market. Delorean has already increased its contracted customer consumption by a further 5% so far this financial year (to 175 MWh since 1 July 2021) and is set to continue growing through FY22.

The Energy Retail division continues to execute its Distributed Energy Resource strategy. The DER Strategy will provide DEL with an asset base that supports waste to energy, whilst risk managing the Division's retail position and ensuring access to new revenue opportunities.

Delorean continues to benefit from Australian and State government policies, subsidies and funding opportunities. In addition to the Federal National Waste Policy and State landfill levies which divert organics waste from landfill to Delorean's facilities, and the Federal Renewable Energy Target schemes to incentivise renewable energy, the Federal Government's recently released Bioenergy Roadmap Report is expected to deliver immediate commercial benefits and opportunities for Delorean, including potential access to an initial \$33m of ARENA funding committed to the roadmap initiatives.

The Bioenergy Roadmap sets out a public/private partnership framework underpinned by a series of targeted initiatives within the 2021-2030 horizon, most of which are directly relevant to the growth of Delorean's business.

The report models that by 2030, 33% of industrial heat, 23% of pipeline gas, and 8% of utility-scale/smallscale electricity generation could come from bioenergy infrastructure. Based on this modelling Australia's bioenergy sector could contribute to around \$10 billion in extra GDP per annum.

As the only ASX-listed company focussed on production of mains-grade biomethane, Delorean welcomes the Roadmap's policy focus on renewable pipeline gas.

I would like to close by thanking the Delorean Board for their continued support and leadership, Executive Chair Hamish Jolly, Non-executive director Steve Gostlow and company secretary David McArthur in the wider Board.

Also, a massive vote of thanks to the Delorean team across all Divisions, the team has shown great leadership and commitment through challenging times with COVID 19, managing and navigating project delivery challenges to underpin and support and growth of the wider business across all activities in Australia and New Zealand.

Delorean is a high-growth company leading the Australian market with commercial production of bioenergy and in demand renewable gas. DEL continues to transition from a construction and energy retail business to an energy infrastructure owner/operator, generating increasingly consistent multiple revenue streams.

Our purpose is to shape our cleaner future and are well on that pathway and ahead of a breaking wave at the back end of 2021.

**Delorean Corporation Managing Director Joe Oliver**

