



Australia's future in bioenergy and renewables

Investor Webinar

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www.deloreancorporation.com.au



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Vertically Integrated Renewable Energy Business

OUR VISION

To be recognised as Australia and New Zealand's **leading emerging renewable energy generator** and retailer, led by our **fast-growing infrastructure footprint**

STRATEGY

- The core focus of the business is to develop, construct, own and operate bioenergy infrastructure in Australia deriving revenues from acceptance of organic waste and agricultural residues, generation of renewable electricity and production of renewable natural gas.
- The **finance partnership with Palisade Impact is pivotal in the delivery of this vision.**
- Delorean currently also constructs bioenergy projects for third parties in Australia and New Zealand and retails electricity for business customers in the Western Australian electricity market.
- To further support the achievement of this vision, and to align with Palisade Impact's investment mandate, Delorean is now confining the operations of the **Energy Retail Division to DEL's own energy.**



Renewable energy & green gas



(1) EPC: Engineering, procurement and construction
(2) O&M: Operation and maintenance

Funding Partnership With Palisade Impact

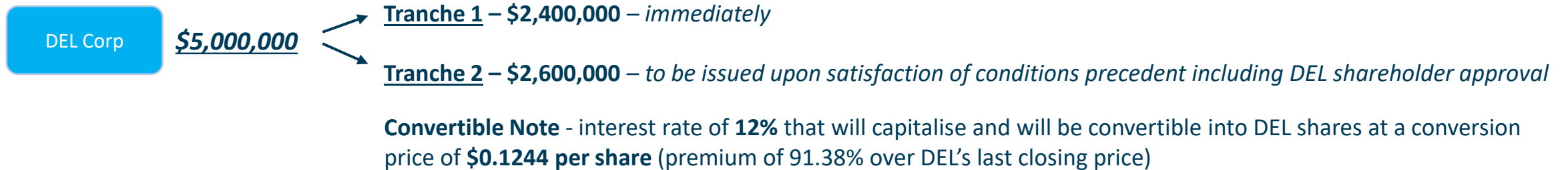
Development Funding Partnership

A Major Milestone for Delorean's Business

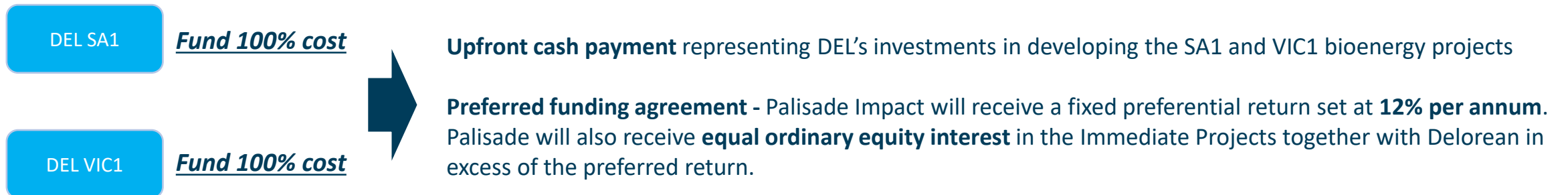
- In August 2021 Delorean announced that leading advisory firm Planum Partners had been mandated to provide **project funding for up to \$200M**
- The nuances of the arrangement took longer than anticipated given that it remains an early-stage sector within Australian renewable energy, and a **new sector** within **renewable energy finance**
- Delorean has always been a **recognised leader in the bioenergy industry in Australia** and the completion of the **funding partnership substantiates this**
- Finalising the arrangement represents a significant milestone for Australian bioenergy and Delorean Corporation

Project Finance Structure

- Palisade Impact will **invest \$5m** in Delorean to **support the Company’s working capital requirements**, including to progress the detailed design work on the Immediate Projects



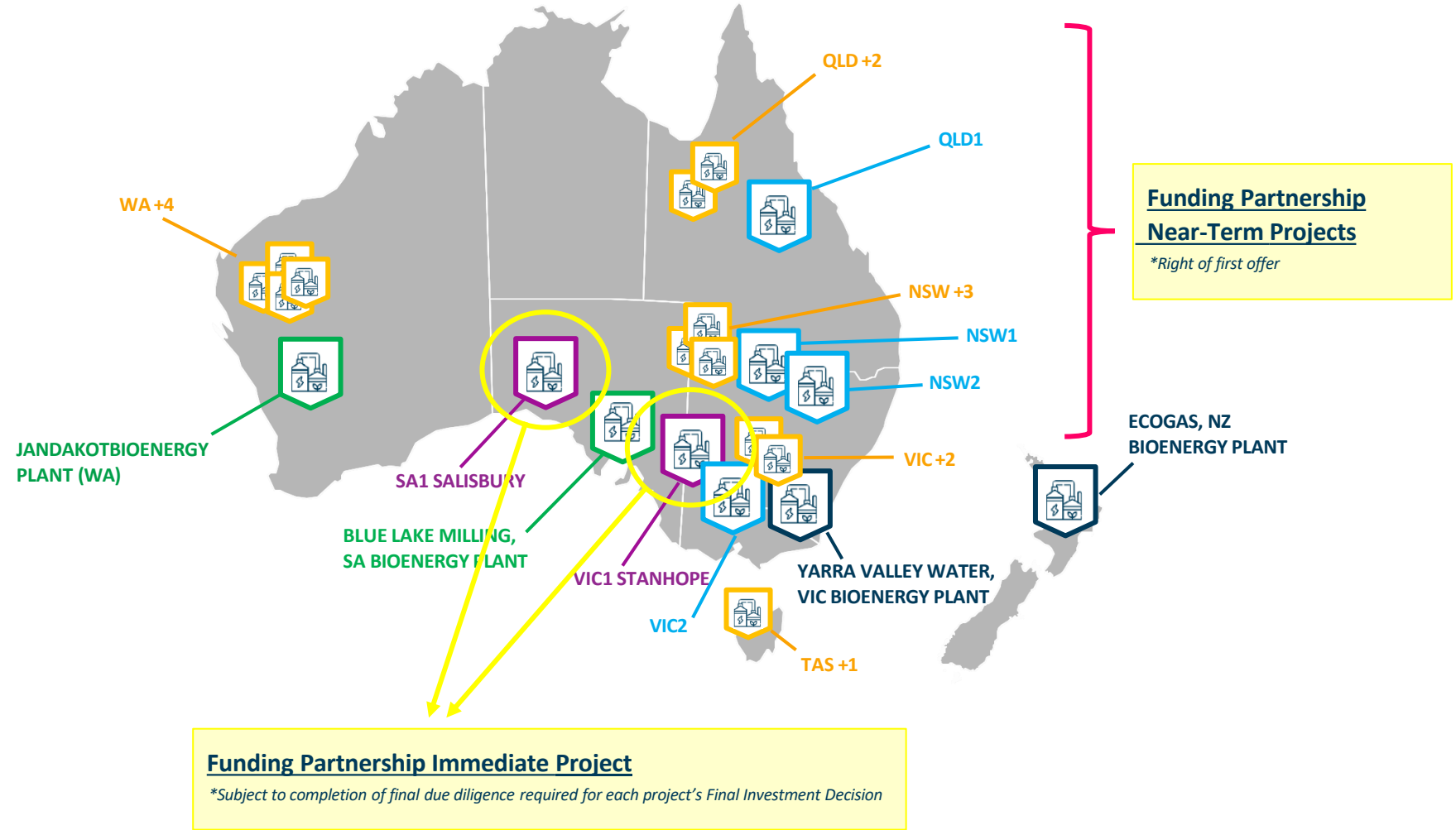
- Preferred funding agreements** - subject to satisfactory completion of due diligence on the Immediate Projects



- Long-term pipeline funding** - **Right of first offer** to fund a further three bioenergy infrastructure projects in Delorean’s project pipeline through the Funding Partnership

DEL-owned Project Development and Build Pipeline Across Australia and New Zealand

- COMPLETED PROJECTS
- EPC CONTRACTS
- DELOREAN'S CURRENT PROJECTS
- 2022 PIPELINE PROJECTS
- LONG-TERM DEVELOPMENT PIPELINE*



*Indicative per State not geographically identified

Energy Retail Division to supply Renewable Electricity And Green Gas

- Delorean's Energy Retail Division has for several years contributed to the Company's profitability
- During the last couple of years several significant macro-economic events have taken place. Coupled with a global energy crisis, the Australian energy market has experienced unprecedented volatility and price increases
- These broader energy market conditions, combined with the Company's founding vision to lead with renewable energy, has led **Delorean** to now **focus solely on the monetisation of renewable electricity and gas**
- Management reiterates that this **decision is** expected to be **earnings and cash flow positive for the Company**, as well as ensuring the future growth of the business occurs within the green energy sector
- Importantly, the Company will **retain licences** in the Wholesale Electricity Market (WEM) and National Electricity Market (NEM)

Investor Update

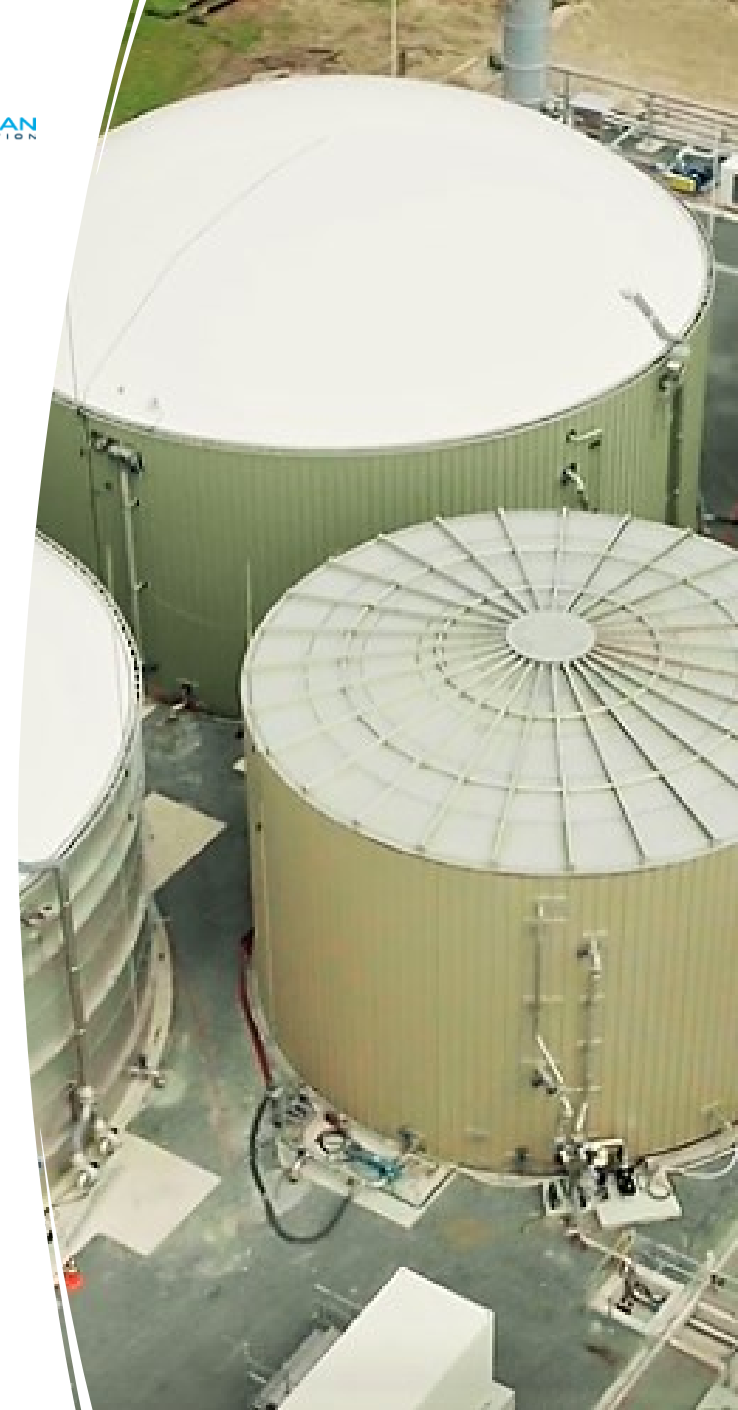
Appendix 4C Report - Q1 FY2023 Highlights



- Progress in finalisation of **Infrastructure Project Investment** towards a binding agreement to form a multi-project development funding partnership with funds managed by Palisade Impact (signed in October 2022).
- **Blue Lake Milling** project achieved practical completion with nameplate generation capacity over 23MWh per day.
- **Ecogas** construction progressing toward substantial completion and close out Q2 FY2023.
- Development stage reached in landmark collaboration with **Brickworks Building Products**
- Initial Phase works completed on \$45M **Yarra Valley Water** waste to energy project and moving into detailed design phase.
- **Energy Retail Division** price reset events to protect margin and strategic decision to confine Energy Retail activities to Delorean's renewable generation assets to derisking market exposure
- **Delorean's SA1 project** pre-approved for inclusion in pilot for Australia's first renewable natural gas certification scheme
- Delorean a **top 5 finalist** in **Australian Financial Review Sustainability Awards 2022** (Resources, Energy and Utilities category)
- Delorean a signatory to **UN Global Compact** and publication of ESG Framework and ESG Report 2022

Q1 FY2022 Cashflow

- 4C Reports broadly neutral cashflows for the last quarter



Bioenergy in Australia: Industry growth potential

Major tailwinds in the Australian renewable energy market

DEL Benefits From Current Policy and Market Tailwinds:

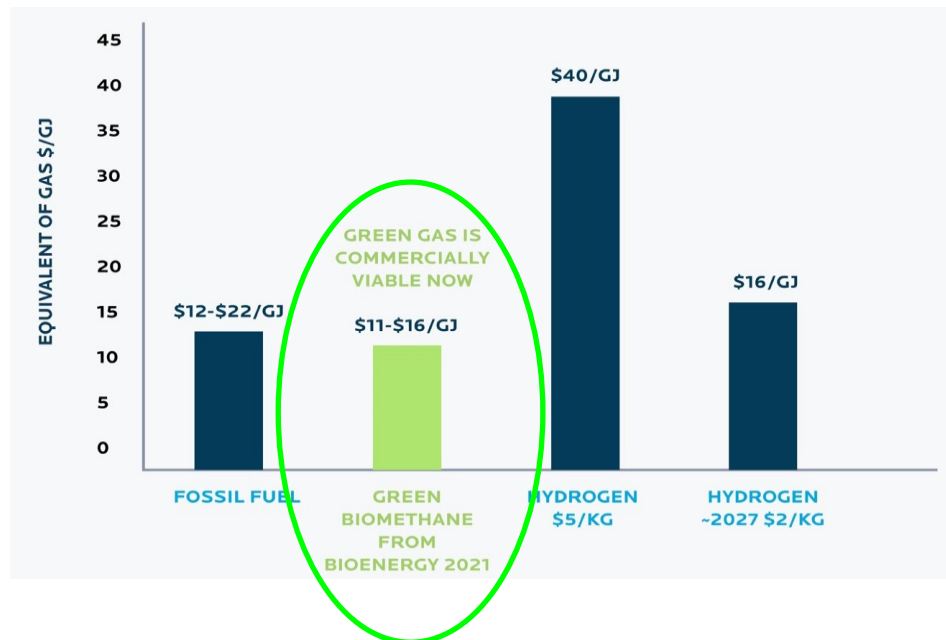
- Increase by government to **43%** carbon emission reductions by **2030**
- Federal Government signing up to the **global methane pledge**
- Federal Government announcing an **\$8.6 billion capital injection** to the **Clean Energy Finance Corporation (CEFC)** – to be invested in decarbonisation of the electricity sector and clean energy
- Australian Sustainable Finance Institute (ASFI) releasing a paper to support the development of **Australian's first sustainable finance taxonomy** – paving the way for credible ESG investing and bringing additional finance to net zero initiatives
- **Macroeconomic drivers** including soaring energy costs, governments prioritising energy accessibility and security, and the global gas crisis



Green Gas from Bioenergy

Green gas commercially viable now

Biogas is one of the **few viable alternatives** that meet emissions reductions objectives whilst also delivering an economic, consistent and competitive option to fossil fuel energy. Additionally, biomethane **can be fed directly into the existing gas networks**, providing an immediate rather than long term solution.



References:

Australian Energy Regulator: <https://www.aer.gov.au/wholesale-markets/wholesale-statistics/gas-market-prices>
PWC and World Energy Council: <https://www.pwc.com/gx/en/industries/energy-utilities-resources/future-energy/green-hydrogen-cost.html>

Bioenergy In the World

Global Market Tailwinds

Renewable Natural Gas Attracting Significant Capital From Major Players

An increasing number of **large-scale companies** are **adding bioenergy to their energy mix** to help achieve decarbonisation objectives

- **BP's \$4.1 billion low-carbon energy acquisition** - purchase of **US biogas producer** Archaea Energy. For BP, bioenergy is one of its five strategic transition growth engines that it intends to rapidly grow through this decade.
- Canada's **TC Energy \$29.3 million investment** in renewable natural gas production facility.
- **Jim Beam** spirits producer Beam Suntory has entered into an **agreement with renewables developer** to build a biogas facility at its Booker Noe facility in Boston, Kentucky.
- **Shell** among a number of other companies joining a second **bidding round to acquire Danish biogas producer** Nature Energy. The sale is due to close by the end of this year and could value Nature Energy at around **\$2 billion**
- **Macquarie Capital** acquires anaerobic digestion development in the United Kingdom.
- **Brickworks & AGIG MOUs with Delorean** demonstrating our ability to capitalise on the global growth of bioenergy, at a domestic level, though collaborations with leading Australian companies





“We see great opportunity to facilitate the race to zero, by reducing waste to landfill but also in decarbonizing harder to abate sectors.

Moreover, bioenergy presents a new sector that can catalyse future job growth for a new generation of Australians.”

- Steve Gross, CEO of Palisade Impact

Outlook for FY2023

Update Across the Segments

Infrastructure Division:

- Project Financing Agreement completed for SA1 & VIC1 Projects
- VIC1 & SA1 project commence construction
- Advance Brickworks collaboration towards FID

Engineering Division:

- Complete Yarra Valley Water detailed design completed and commence construction.
- Complete Ecogas Project (H1 FY23)
- Structural improvement of project management systems and processes

Energy Retail Division:

- Energy Retail book to be confined to renewable energy generated from Company projects. Revenues replaced with Engineering construction income.
- This strategy is expected to be earning and cash flow positive

DEL Corporate

- Investment in human capital - continue to invest in technical and management expertise to underpin its growth trajectory.





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