

Zenith Energy signs Power Purchase Agreement (PPA) with Newmont for Tanami Gold Mine

Highlights

- **Zenith Energy has executed a Power Purchase Agreement (PPA) with Newmont Australia's wholly-owned subsidiary, Newmont Mining Services Pty Ltd, to Build, Own and Operate (BOO) a 62MW Power Station at Newmont's Tanami Gold Mine**
- **Zenith Energy's total BOO capacity will increase from circa 125MW to more than 185MW following the completion of the new Power Station**
- **Supply will commence in the first quarter of 2019 for an initial 10-year term, with an option to extend the contract for a further 10 years**

Remote power generation specialist Zenith Energy Limited (ASX:ZEN) (**Zenith**) is pleased to announce that its wholly-owned subsidiary, Zenith Pacific (GTS-DBS) Pty Ltd, has executed a PPA to build, own and operate a 62MW power station for Newmont Mining Corporation's (**Newmont**) wholly-owned subsidiary, Newmont Mining Services Pty Ltd, at its Tanami Gold Mine.

The execution of the agreement follows the announcement by Zenith on 1st December 2017 that it had been selected as Newmont's preferred bidder to meet its power needs for the Tanami Gold Mine. The PPA will come into force upon satisfaction of Newmont's conditions precedent.

Under the terms of the PPA, Zenith will build, own and operate the 62MW power station, comprising 52MW gas-fired and circa 10MW of diesel back-up power generation, to reliably and efficiently service the power needs of the mine, located approximately 520 kilometres northwest of Alice Springs in the remote Tanami Desert of the Northern Territory of Australia.

The power station will incorporate natural gas generators which will provide Tanami with cost effective and clean gas fuelled power generation into the future. The PPA will have a supply commencement date of quarter one 2019, and an initial 10-year term with Newmont having an option to extend for a further 10-year term.

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Upon completion, the proposed PPA will positively impact Zenith's FY19 earnings and will have a materially positive impact in FY20 when the full-year impact of the PPA accrues to Zenith's financial results.

Zenith Energy's Managing Director, Hamish Moffat commented:

"We are extremely pleased to have signed this PPA with Newmont. We believe signing this agreement has further demonstrated Zenith Energy's ability to deliver innovative, reliable, highly efficient and cost-effective power generation solutions to support the diverse needs of its resources clients in remote locations. We very much look forward to working with the Newmont team to deliver a clean power supply solution to Tanami for many years to come."

ENDS

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