FY18 INVESTOR PRESENTATION

AUGUST 2018

ZENITH ENERGY

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ZENITH ENERGY

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CORPORATE SNAPSHOT

ZENITH ENERGY

CAPITAL STRUCTURE*

ASX Code	**ZEN**
Shares on Issue	**98,000,000**
Market Capitalisation	**$104.86 million**

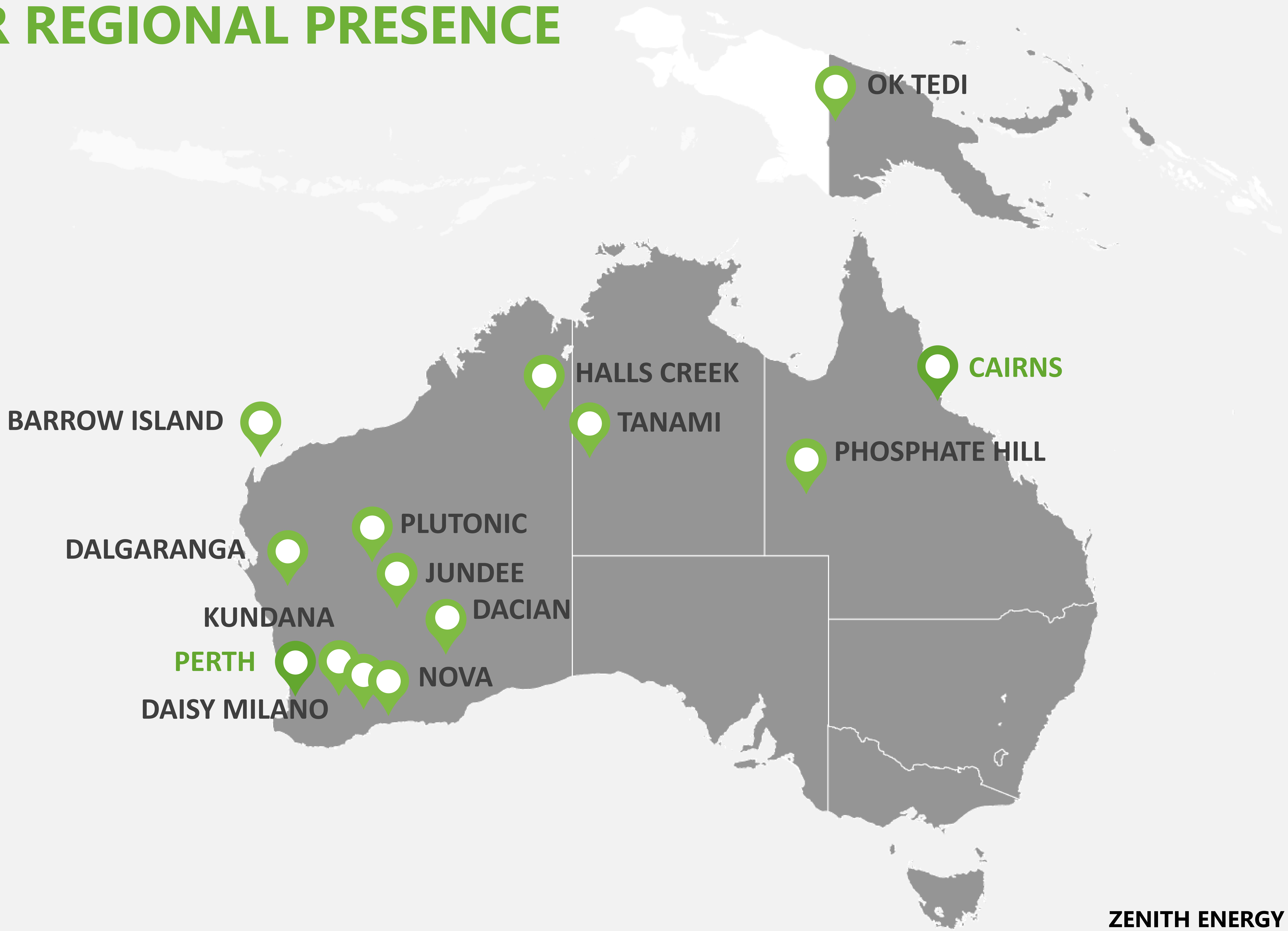
BOARD AND MANAGEMENT

Doug Walker	Executive Chairman
Hamish Moffat	Managing Director
Darren Smith	Non-Executive Director
Stephanie Unwin	Non-Executive Director
Peter Torre	Joint Company Secretary
Rebecca Stringer-Krein	Chief Financial Officer / Company Secretary
Graham Cooper	Chief Operating Officer

Share price $1.095 as at 8 August 2018

SHARE PRICE SINCE ASX LISTING, MAY 2017

OUR REGIONAL PRESENCE



ZENITH ENERGY

BUILDING AUSTRALIA'S LEADING INDEPENDENT POWER PRODUCER

ZENITH ENERGY

- Serving resources and energy sector clients operating in **remote locations**
- Specialising in **tailored, reliable, cost effective solutions** utilising gas, diesel, solar and hybrid generation
- Tier 1 clients with **12 contracts in place** and robust pipeline of opportunities
- **Perth and Cairns offices** delivering solutions across Australia and South East Asia
- Total generation capacity in excess of **423MW** under control and expanding rapidly

WHAT WE DO

ZENITH ENERGY

ZENITH ENERGY

(Interactive fly-through of Tanami Project not available on PDF upload)

INTEGRATED HYBRID SOLUTIONS

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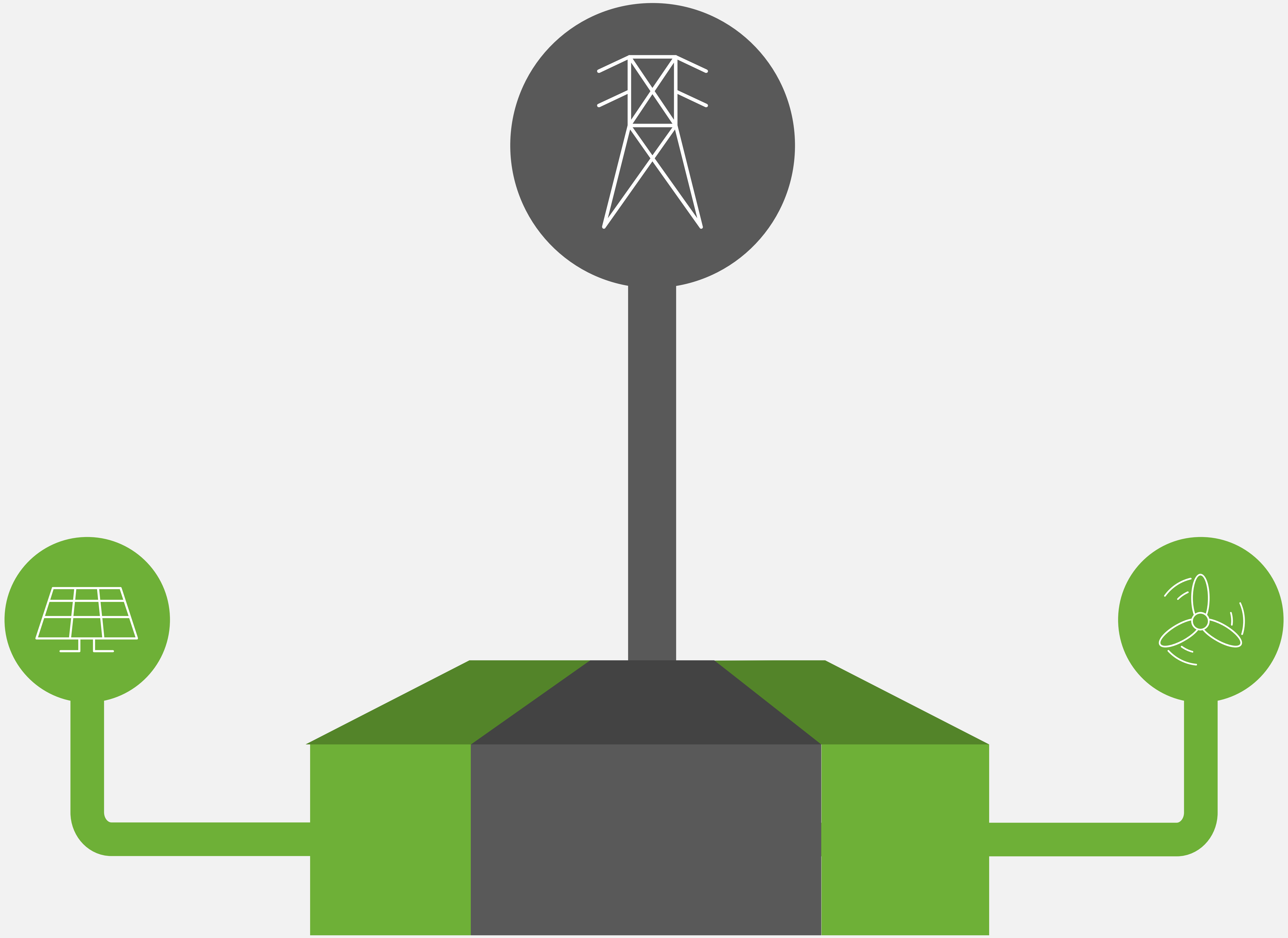


OUTPERFORMING FORECASTS

Preliminary FY18 earnings demonstrate successful delivery of innovative remote power solutions

ZENITH ENERGY

REVENUE

$51.81m | +64%*

EBITDA

$18.22m | +85%

NPAT

$8.47m | +171%

PROPERTY, PLANT & EQUIPMENT

$75.94 | +93%

**all percentages are over the previous corresponding period (30 June 2017)*

STRONG BALANCE SHEET GROWTH

ZENITH ENERGY

	2018	2017	2016
	$m	$m	$m
Cash	1.99	19.29	2.52
Receivables	9.22	3.78	4.70
Inventories	2.69	0.65	1.21
Current Tax Asset	0.76	1.38	0.43
Non-Current Tax Asset	0.84	0.77	0.32
Property, Plant & Equipment	75.99	39.43	24.77
Intangibles	0.01	0.01	0.01
Other Assets	4.92	3.85	0.61
TOTAL ASSETS	**96.42**	**69.16**	**34.56**
Current Liabilities (ex debt)	9.69	5.36	3.62
Current Debt*	7.41	16.63	3.73
Current Tax	1.58	0.10	-
Non Current debt	30.73	8.17	16.81
Other	2.46	2.86	3.24
TOTAL LIABILITIES	**51.86**	**33.12**	**27.41**
NET ASSETS	**44.56**	**36.04**	**7.15**
NET TANGIBLE ASSETS	**44.55**	**36.03**	**7.14**

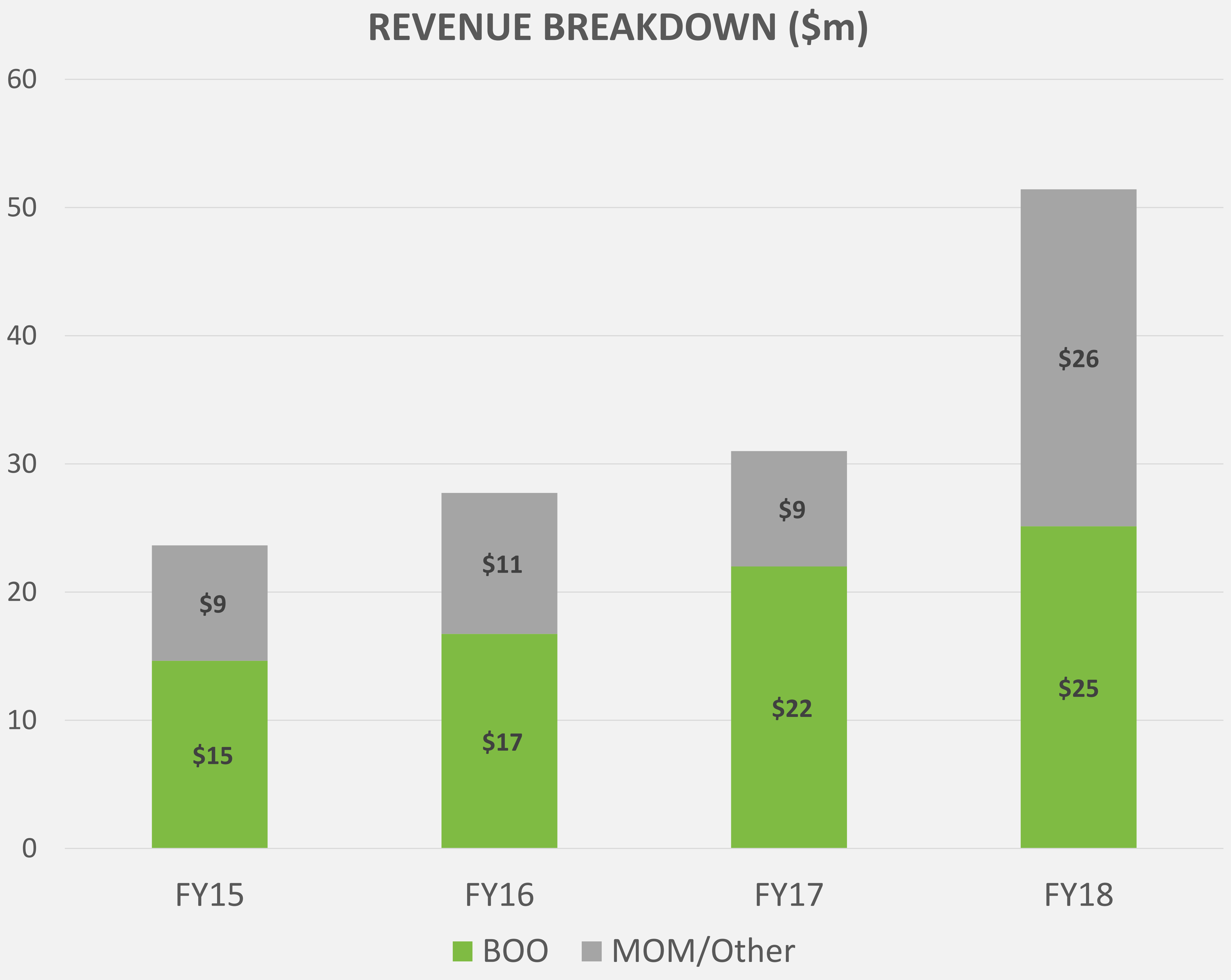
	2018	2017	2016
EPS (cents)[1,2,3]	8.65	5.88	3.93

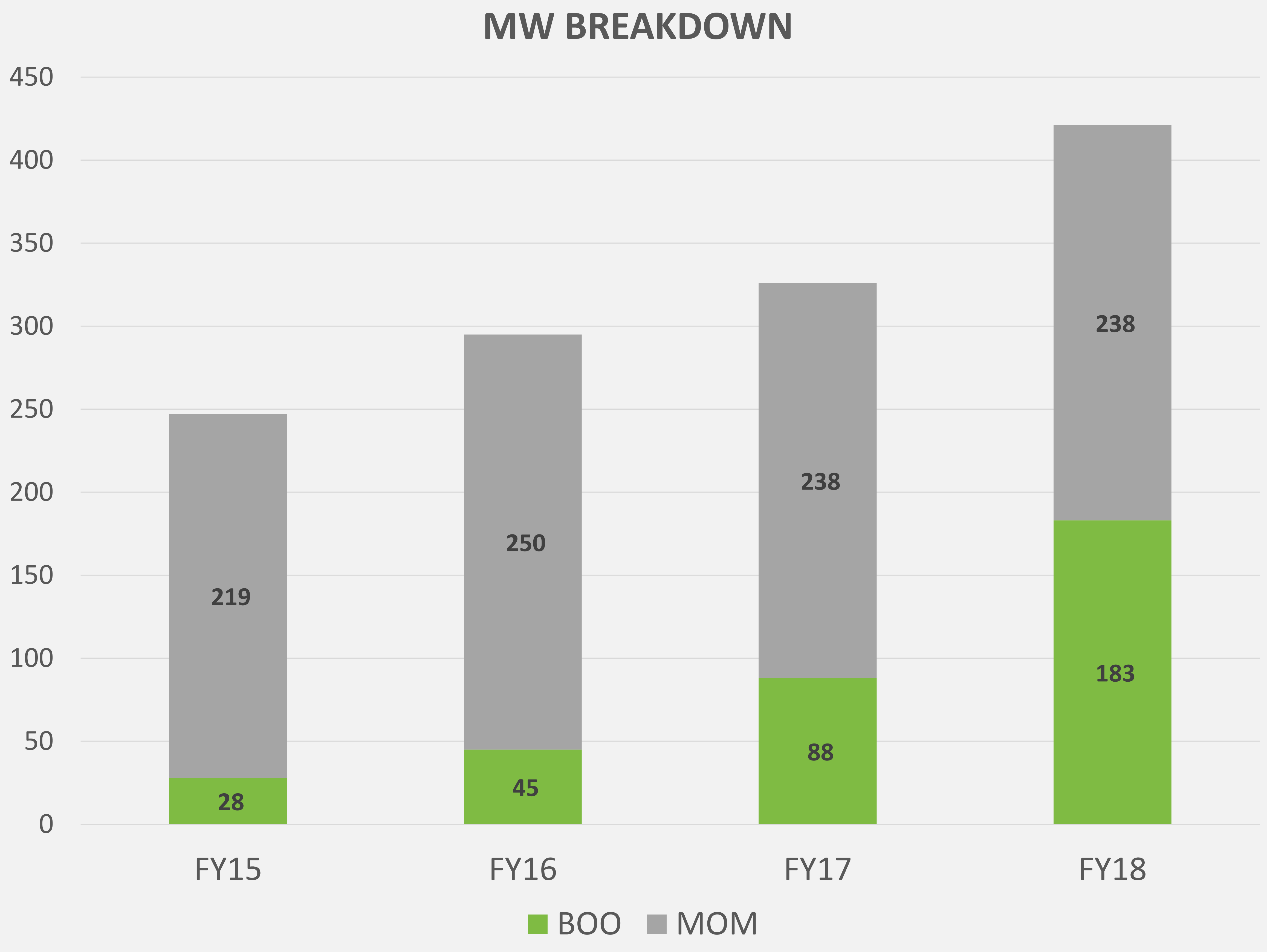
1. 2018 EPS based on Preliminary Results
2. 2017 EPS based on weighted average ordinary shares of 53.15m
3. 2016 EPS based on weighted average ordinary shares of 40.80m

*At 30 June 2017, Zenith was in the process of converting a $16m Trade Advance facility to a long term Equipment Finance facility, this was finalised after balance date.

STRONG GROWTH IN BOO

Build Own Operate contracts were expected to account for $23m of total revenue in FY18, BOO exceeded expectations and delivered ~$25m during this period





Outlook FY19

FY18 demonstrated Zenith's ability to successfully deliver multiple power stations in a single period. FY19 will deliver full year benefit of the Mt Morgans and Dalgaranga power stations, with the company focussing on its BOO revenue stream, expected to be ~$35-38m[1,2,3,4].

REVENUE

$50m-$55m

EBITDA

$19m-$21m

1. Inclusive of MOM revenue component for two hybrid projects, where it is not feasible to isolate BOO v MOM margins
2. Tanami expected to commence production of power under the PPA in Q3 FY19
3. Barrow Island will transition from a hybrid to a full BOO PPA at the end of construction in December 2019
4. BOO Revenues forecast to grow ~$10 - $13m over FY18

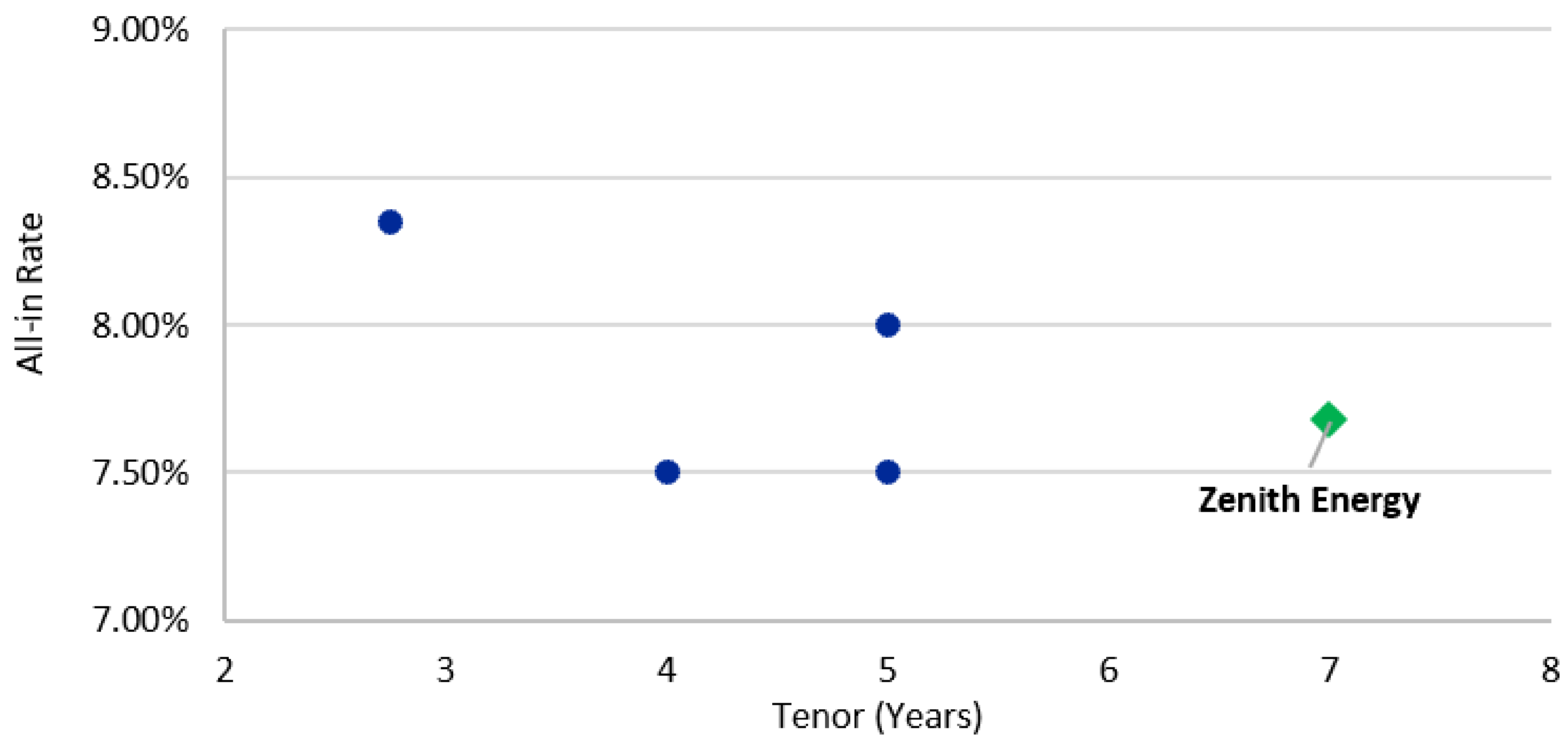
New FIIG Originated Bond

Benefits of the 7 year FIIG Bond

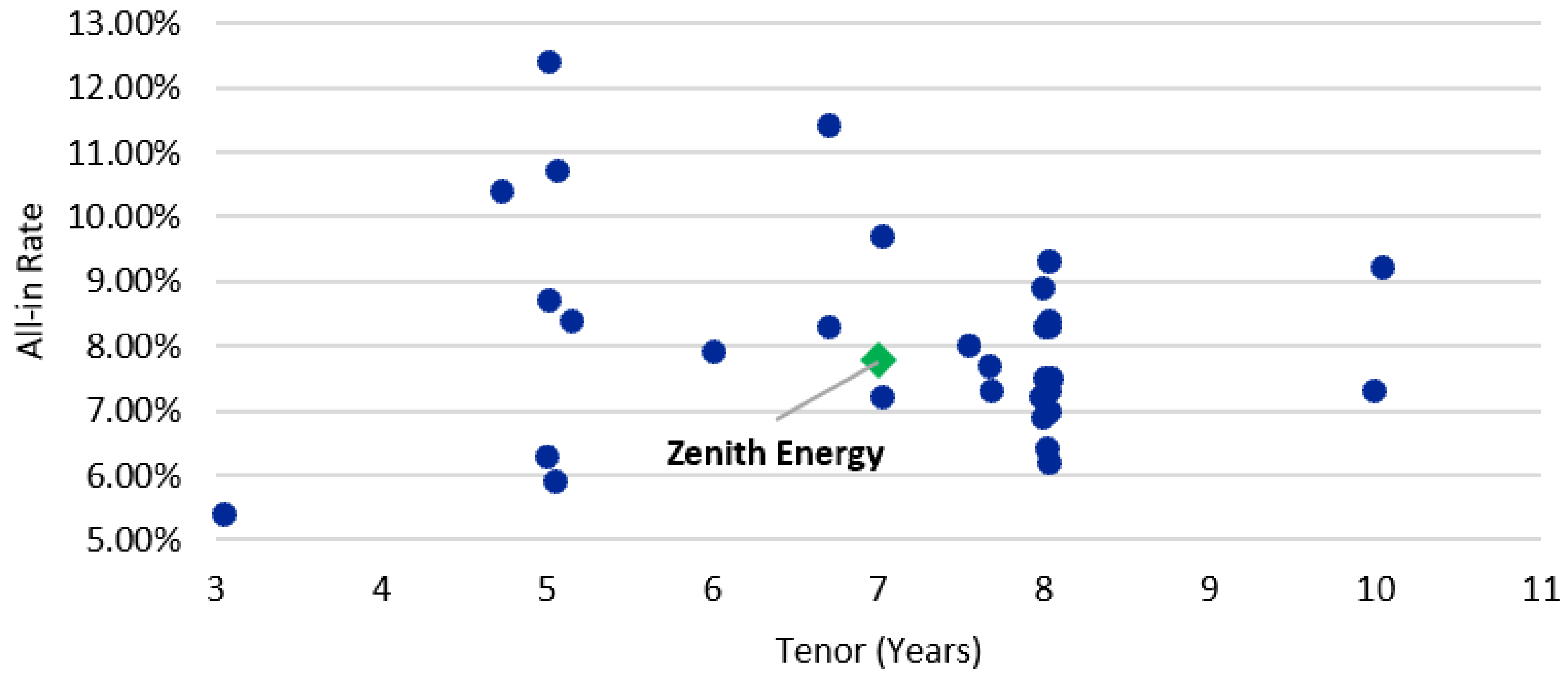
- ✓**Long term capital:** Provides long term funding certainty and removes any short term refinancing risk with CBA debt facility maturing in 2021 and more appropriately aligns with the long-term contractual nature of Zenith's Power Purchase Agreements (PPA).
- ✓**Diversify funding sources:** Limits funding concentration with each debt provider and allows Zenith an opportunity to establish new debt financier relationships for future new projects.
- ✓**Tailored solution and cash flow benefit:** Amortises 75% of the face value of the Bond over the term of the bond and includes a principal repayment grace period limiting cash flow impact for investment in further project development activities (i.e. recognises the duration of the construction of a new power stations).
- ✓**Terms and Conditions**: Aligns with existing senior debt covenants and does not impose any further unnecessary restrictions, including distributions.
- ✓**Subordinated security position**: Provides a platform that allows other senior debt providers to provide additional senior debt funding, subject to an agreed level of external permitted financial indebtedness.
- ✓ **Competitive pricing and favourable tenor (demonstrated market appetite)**:
  - ✓**Against bank debt funding:** FIIG's 7.55% fixed rate compares favourably considering the long term tenor of the FIIG bond, noting that appetite for long term senior debt funding is limited in the Australian bank market;
  - ✓**Against FIIG recent issuances**: Strong funding appetite from FIIG debt investors demonstrated by comparing recent FIIG issuances with Zenith enjoying the benefit from the longest tenor and competitively priced outcome (refer top right graph); and
  - ✓**Against comparable global transactions:** Tenor and pricing outcome achieved by Zenith demonstrates that the Bond compared favourably to recent global bond issuances in the Utilities, Metals and Mining, Oil and Gas sectors (after adjusting for establishment fees and AUD-USD swap rates) – refer bottom right graph. Further, it is worth noting that US bond issuances benefits from a larger and deeper liquidity pool but would likely require a significantly larger commitment (>US$200m).

Selected transactions

Selected AUD comparables (FIIG recent issuances)



Selected US comparables (B-BB credit rating), AUD adjusted



Source: Piper Jaffray, FIIG, KPMG internal analysis

DELIVERING ON ROBUST PIPELINE OF OPPORTUNITIES

ZENITH ENERGY

Continued delivery of innovative, reliable and cost effective solutions:

Barrow Island Project: Ten-year contract to supply electricity under an upgraded BOO PPA agreement with Chevron Australia*

Phosphate Hill Project: One-year extension of its MOM Power Purchase Agreement (PPA) with Incitec Pivot

Tanami Gold Project: Ten-year contract to supply electricity under a BOO PPA with Newmont Mining Services

Mt Morgans Project: Power station was commissioned on 28 March, 2018 under the Eight-year BOO PPA with Dacian Gold

Dalgaranga Project: Power station became operational on 17 May, 2018 under the Six-year BOO PPA with Gascoyne Resources

**Executed in August, 2018*

EXCEEDED EXPECTATIONS

ZENITH ENERGY

And materially expanded contracted position and growth pipeline

AT IPO

- Build Own Operate (BOO) capacity of **95MW**
- Pipeline of **124MW** of near term opportunities

TODAY

- Since listing, converted **95MW** of pipeline to contracted BOO capacity of ~of **183MW**
- Expanded pipeline to **400MW** of near term opportunities

TOMORROW

Aim to convert significant % of the 400MW pipeline to contracted capacity

- Expand pipeline of prospective remote power generation opportunities
- Continue to explore early opportunities in renewable power, smart-grid, storage and small-scale CNG/LNG

Converted 95MW of pipeline to contracted capacity

Aim to convert material portion of 400MW pipeline to contracted capacity

TIER 1 CLIENTS ACROSS AUSTRALIA AND SOUTH EAST ASIA

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2018
- **Newmont Mining Services** – BOO 62MW
- **Barrow Island** – BOO 20MW

2017
- **Halls Creek** – BOO 6MW
- **Dacian Gold** – BOO 17MW
- **Gascoyne Resources** – BOO 15MW
- **Kundana** – BOO 14MW

2016
- **Jundee** – BOO / MOM 37MW

2015
- **Nova Nickel** – BOO 19MW Diesel 6MW PV
- **Phosphate Hill** – MOM 40 MW

2014
- **Ok Tedi** – MOM 142 MW
- **Plutonic** – BOO / MOM 32MW

2012
- **Daisy Milano** – BOO 12MW

2008
- **Barrow Island** – BOO / MOM 16MW

2006
- **Zenith Pacific founded**

CONTRACT TERMS

AVERAGE PPA TERM	7.3YRS
AVERGE STATION AGE	1.7YRS
AVERAGE REMAINING TERM	5.86YRS

FUEL TYPE

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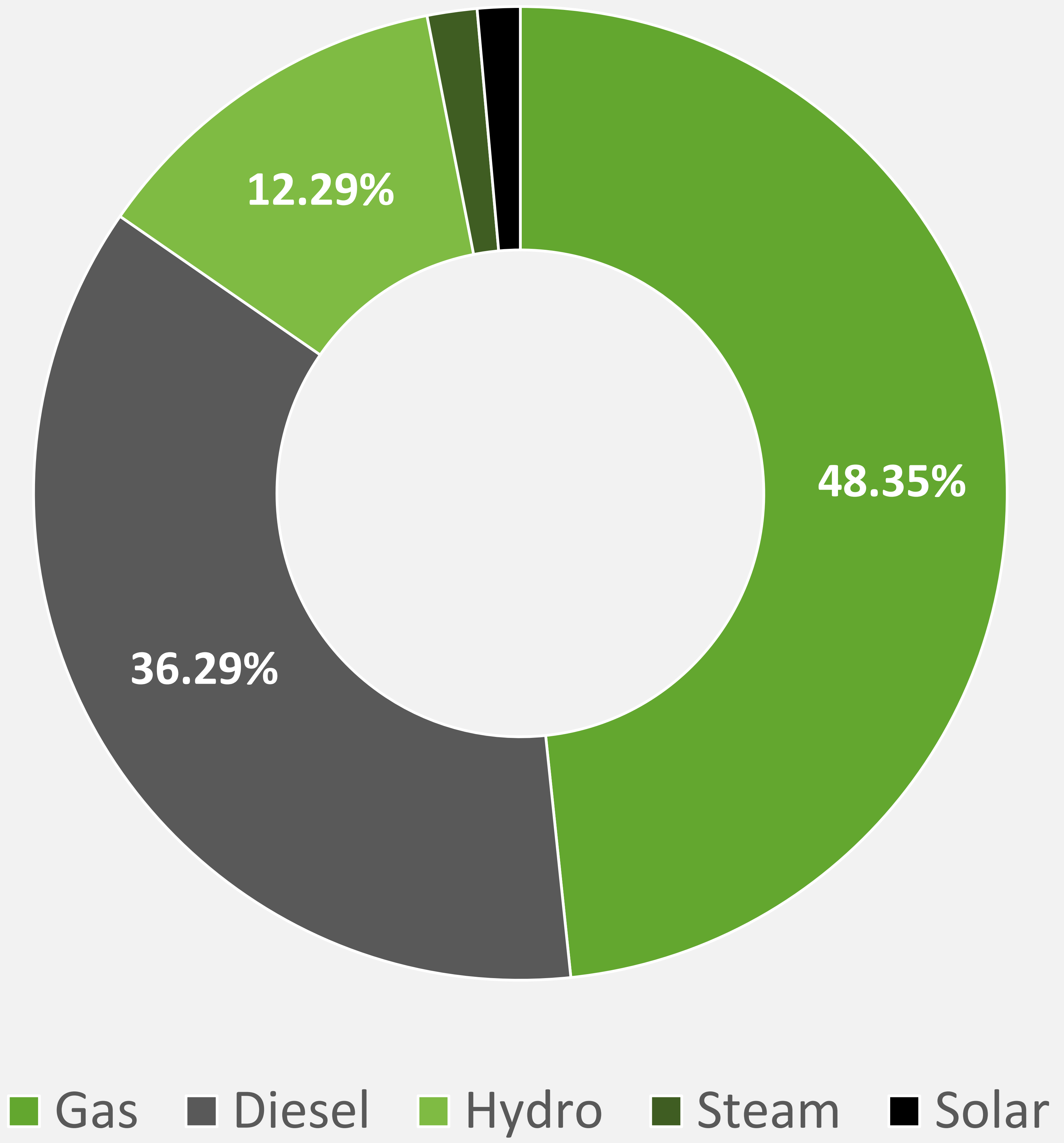
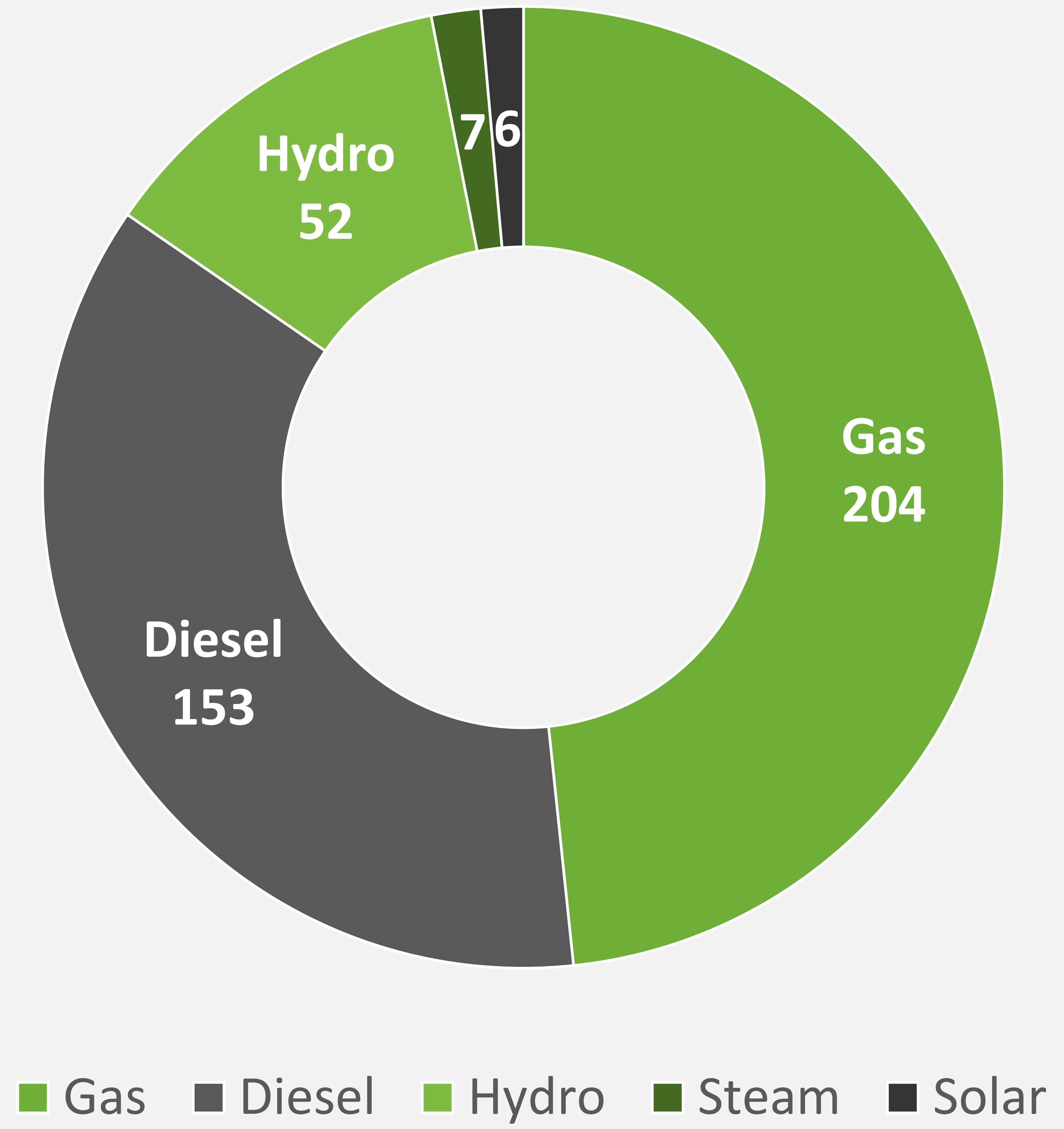
TOTAL CONTRACTED CAPACITY BREAKDOWN



FUEL TYPE MW BREAKDOWN



* Zenith has 26MW of dual fuel generating capacity, which are run using 99% gas

OUR VISION, MISSION AND STRATEGY

ZENITH ENERGY

VISION

To be the leading independent energy provider specialising in reliable, sustainable and innovative solutions

MISSION

Power solutions no boundaries

CREATE THE ZENITH WAY

Building on our people, systems and processes

ESTABLISH OPERATIONAL EXCELLENCE

Embracing technology to drive operational excellence

GROW OUR BUSINESS

Remain competitive by leveraging the core and adjusting to the new energy landscape

S — **SAFETY:** ***Safety for people and the environment.***
A commitment to protecting the safety, health and wellbeing of our team, our contractors, our customers and the environment in which we operate

P — **PERFORMANCE:** ***Delivering sustainable energy solutions***
Dedicated to providing safe, reliable and sustainable solutions with real benefits to our customers and our shareholders

A — **ACCOUNTABILITY:** ***Taking ownership***
Valuing the ability of our people and organisation to work diligently and honor our commitments, responsibly and with integrity

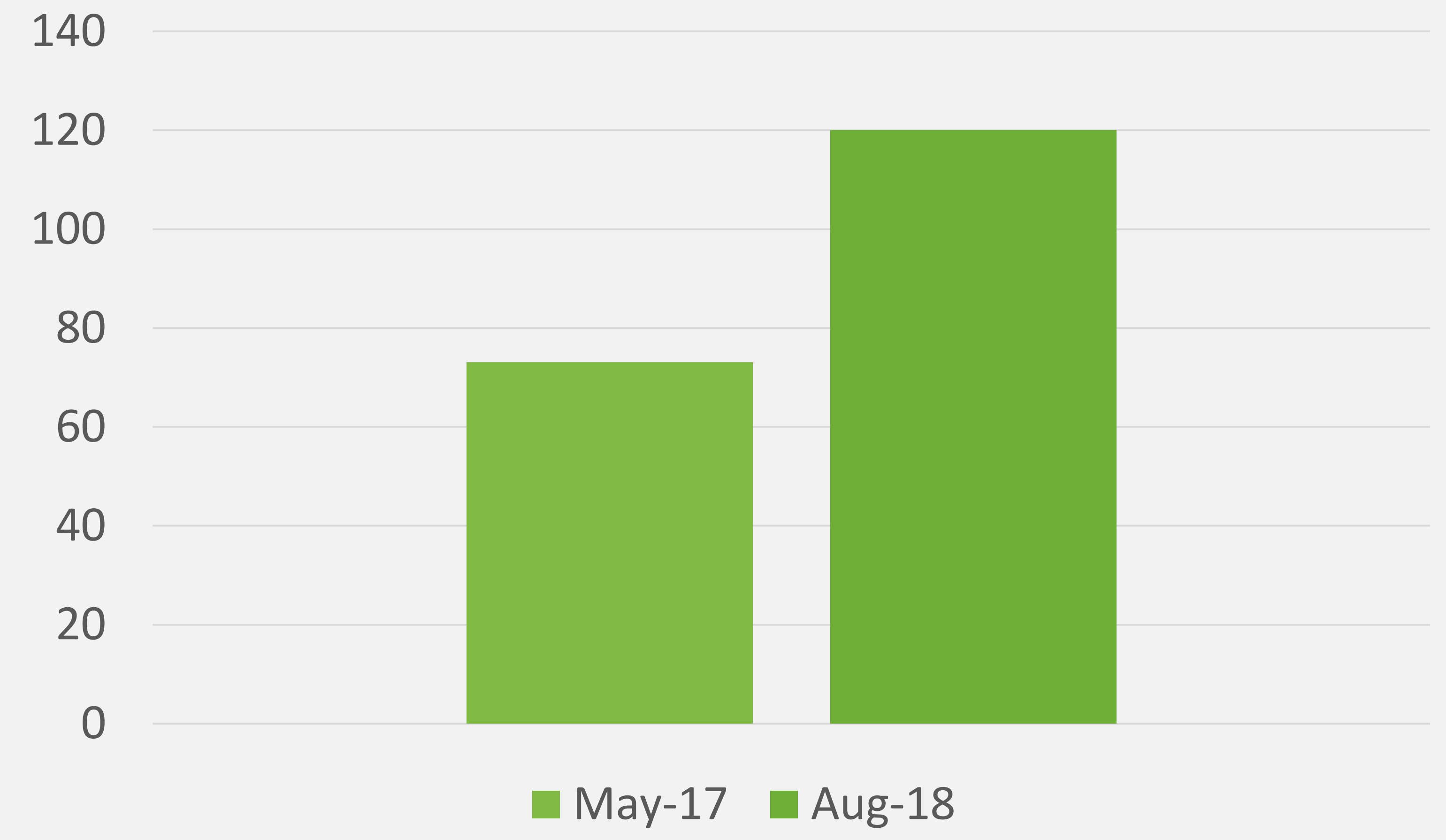
R — **RELIABILITY:** ***Consistency in the supply of energy***
Inspiring confidence in our business model, our products and further enhancing our reputation in the market

K — **KNOWLEDGE:** ***Innovative Solutions & People***
A commitment to continuous technical development and innovation of our products, services and our team

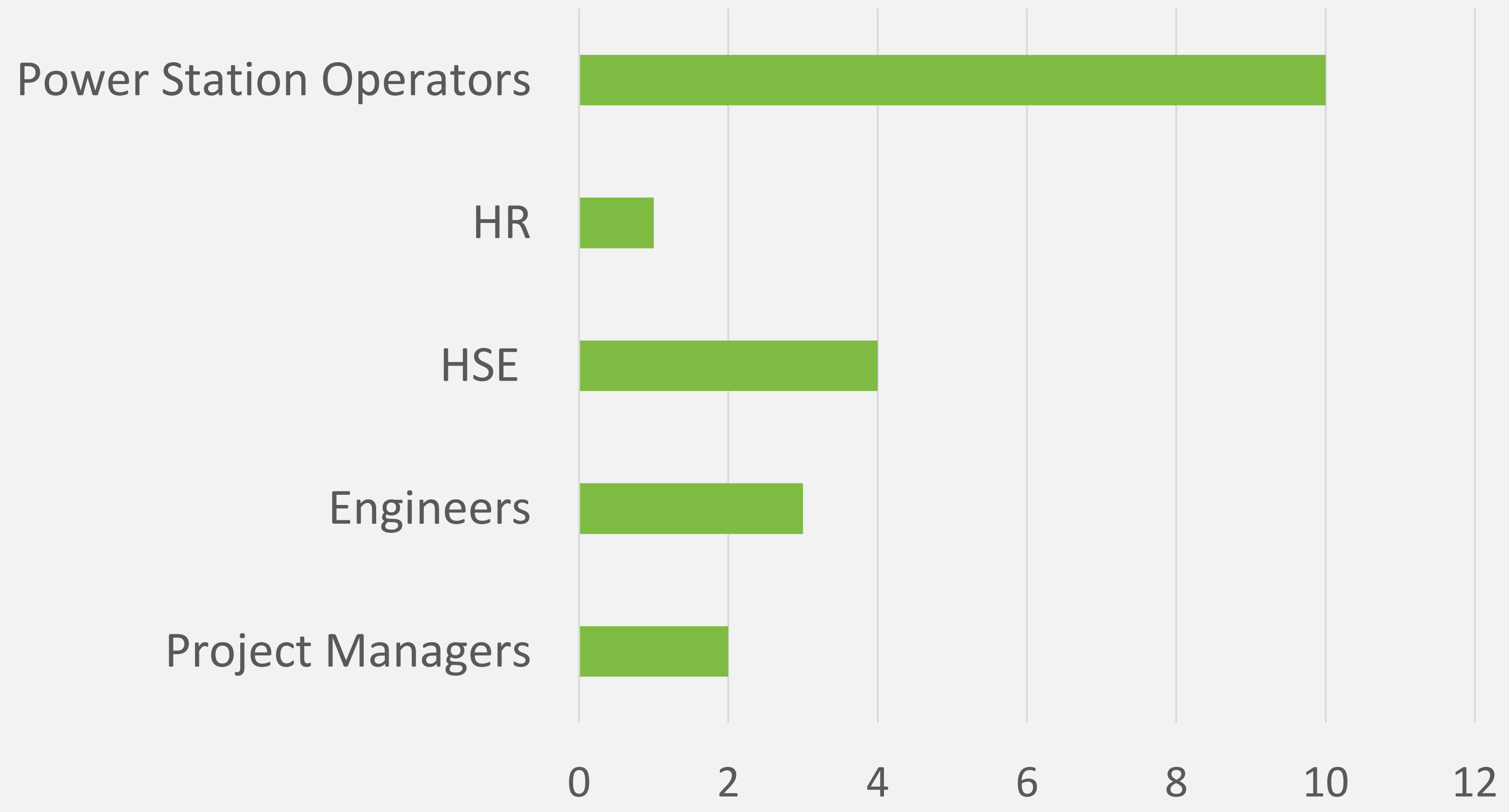
PEOPLE

ZENITH ENERGY

EMPLOYEES



KEY ROLES ADDED FY18

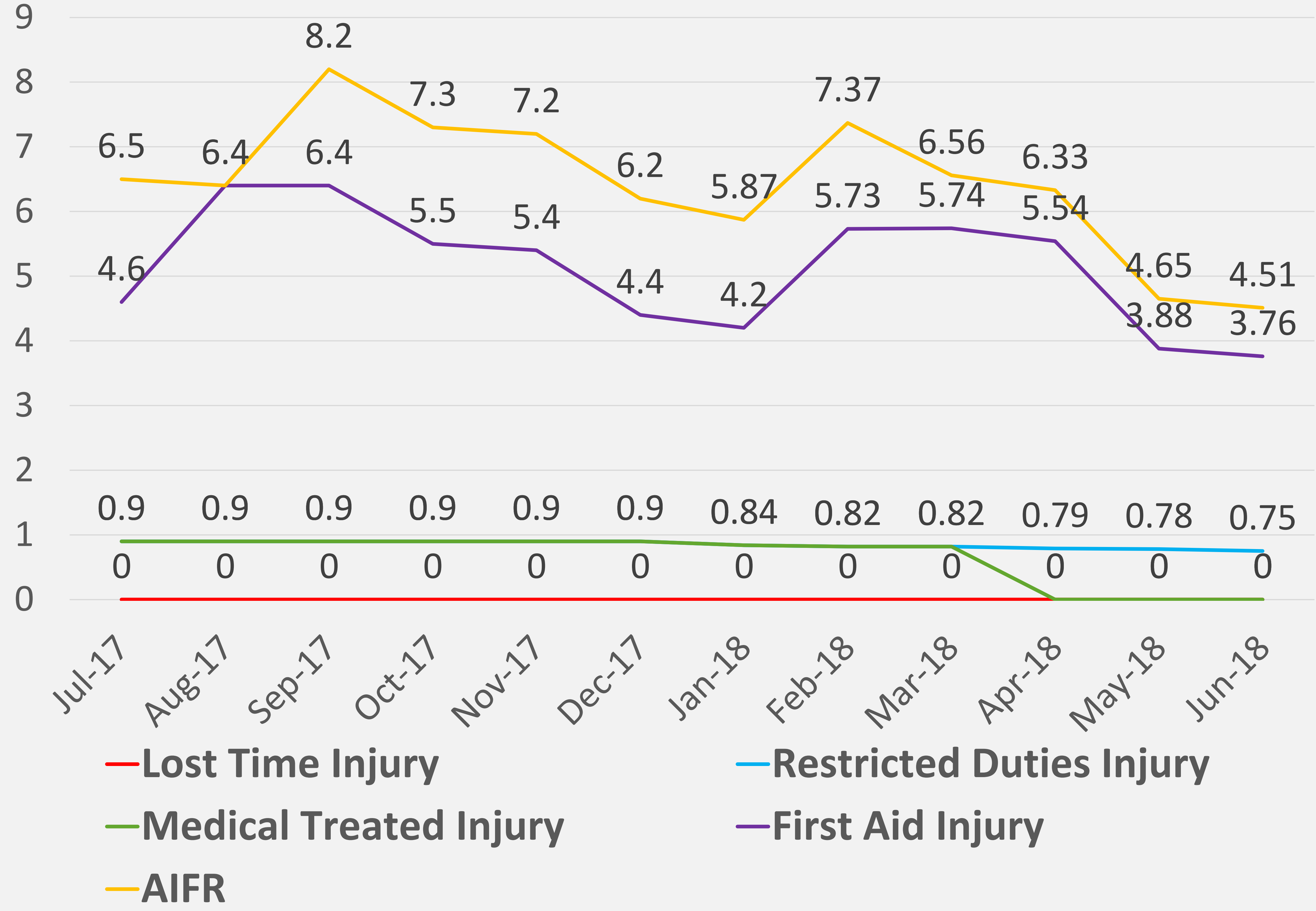


SAFETY

ZENITH ENERGY

LTI MAN HOURS

INJURY FREQUENCY RATE



WELL-POSITIONED FOR FURTHER GROWTH

- BUILDING A STRONG TRACK RECORD OF DELIVERY
- ROBUST PIPELINE OF OPPORTUNITIES
- EXPERIENCED AND CAPABLE MANAGEMENT TEAM
- STRONG BALANCE SHEET

Dead Bullock Soak Construction

ZENITH ENERGY

ZENITH ENERGY

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