



ASX RELEASE

11 February 2020

FY20 Interim Financial Results Presentation

Remote power generation specialist, Zenith Energy Limited (**ASX: ZEN**) (**Zenith** or '**the Company**'), is pleased to provide the attached Investor Presentation on the FY20 Interim Financial Results.

ENDS

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Investor Presentation

FY20 Interim Financial Results



Power Solutions. No Boundaries.

February 2020



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Investment Highlights

- Long-term contracted earnings with tier one clients provide security of annuity stream
- Build, Own and Operate (BOO) transition generating higher margins and strong cash flow
- Pipeline of target opportunities in excess of 450MW
- Favourable competitive landscape, strong client relationships
- Take-or-pay arrangements provide downside protection, units can be redeployed or sold
- Our clients' organic expansion – through exploration success and mine-life extension – is driving power consumption demand and brownfields opportunities
- Experienced Board, executive team, senior management and engaged workforce



Australia's Leading Independent Power Producer

Strategic Delivery

- Serving resources and energy clients in remote locations across Australia and South East Asia
- Specialising in tailored, reliable, cost effective solutions utilising gas, diesel, solar and hybrid generation
- 226MW in contracted build, own and operate (BOO) power stations, plus a manage, operate and maintain (MOM) and EPC offering
- Total generation capacity in excess of 384MW under control and expanding
- 11 BOO contracts in place with an average remaining term of 5.5 years
- +450MW pipeline of qualified future projects

Corporate Snapshot



CAPITAL STRUCTURE*

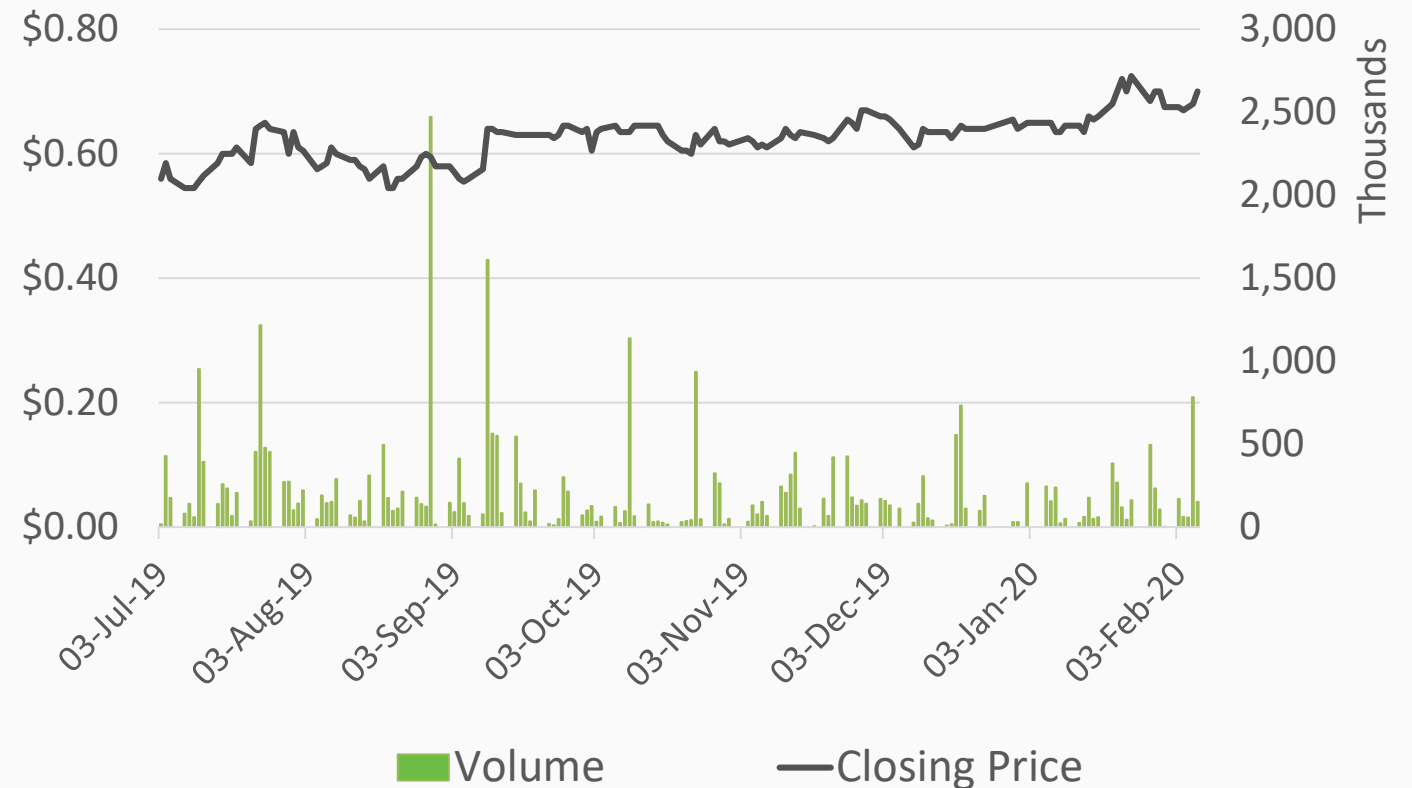
ASX Code	ZEN
Shares on Issue	149,385,586¹
Market Capitalisation	\$104.57 million²

BOARD AND MANAGEMENT

Doug Walker	Executive Chairman
Hamish Moffat	Managing Director
Peter Torre	Non-Executive Director
David Riekie	Non-Executive Director
Peter Tazewell	Chief Financial Officer / Company Secretary
Graham Cooper	Chief Operating Officer

1. As at 31 December 2019
2. Share Price \$0.70 as at 7 February 2020

6-MONTH SHARE PRICE

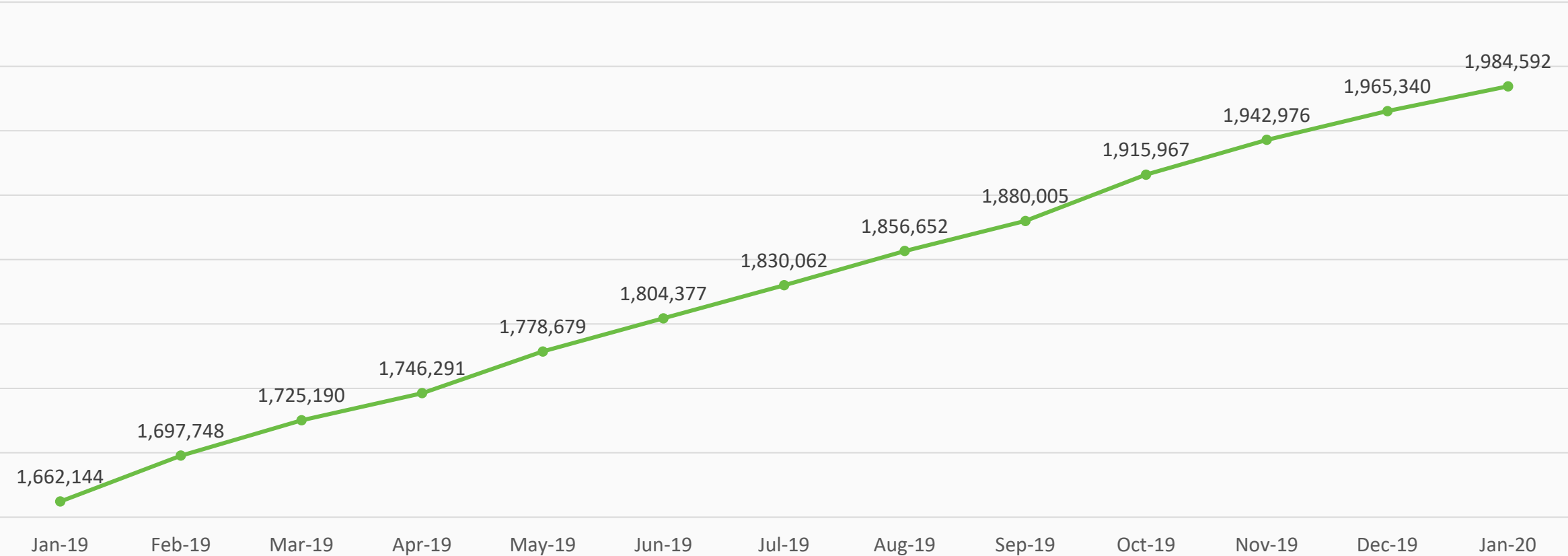


Safety Performance



LOST TIME INJURY
MAN HOURS

MONTHLY MAN HOURS



1H FY20 Performance

Outperforming Forecasts

1H FY20 earnings demonstrate successful delivery of innovative remote power stations



REVENUE

\$29.4m +28.4%



EBITDA

\$14.8m +74%



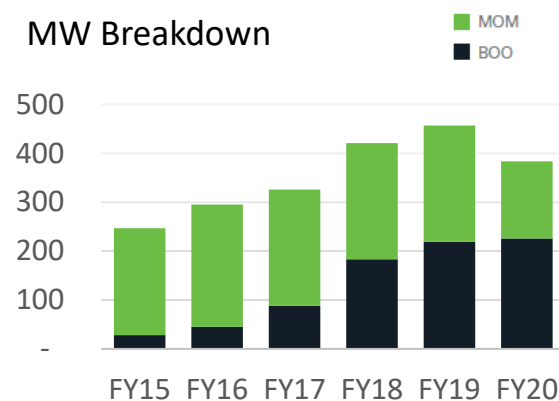
PROPERTY, PLANT & EQUIPMENT

\$163.6m +10.4%

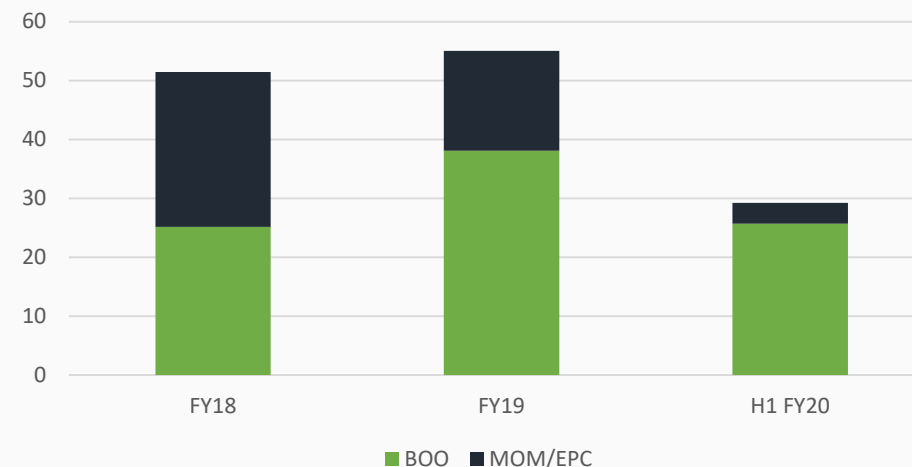
Strong Growth In BOO

BOO revenue grew strongly to \$25.7m reflecting the Company's successful portfolio transition to annuity-based streams

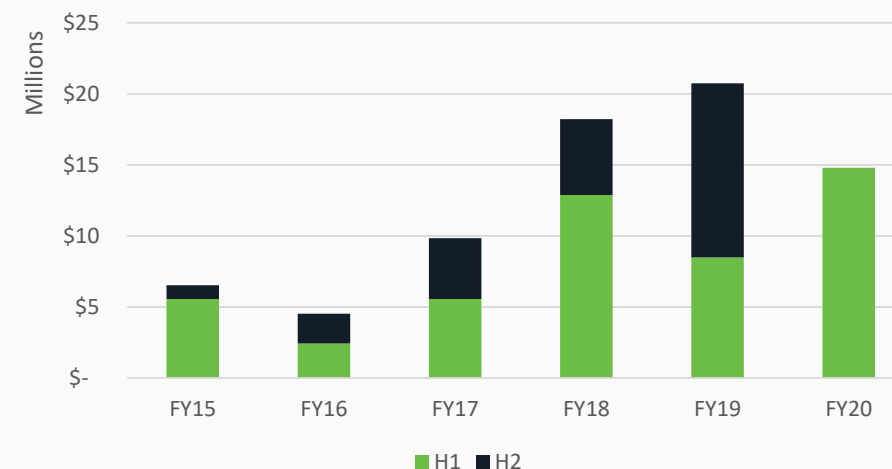
MW Breakdown



Revenue Development



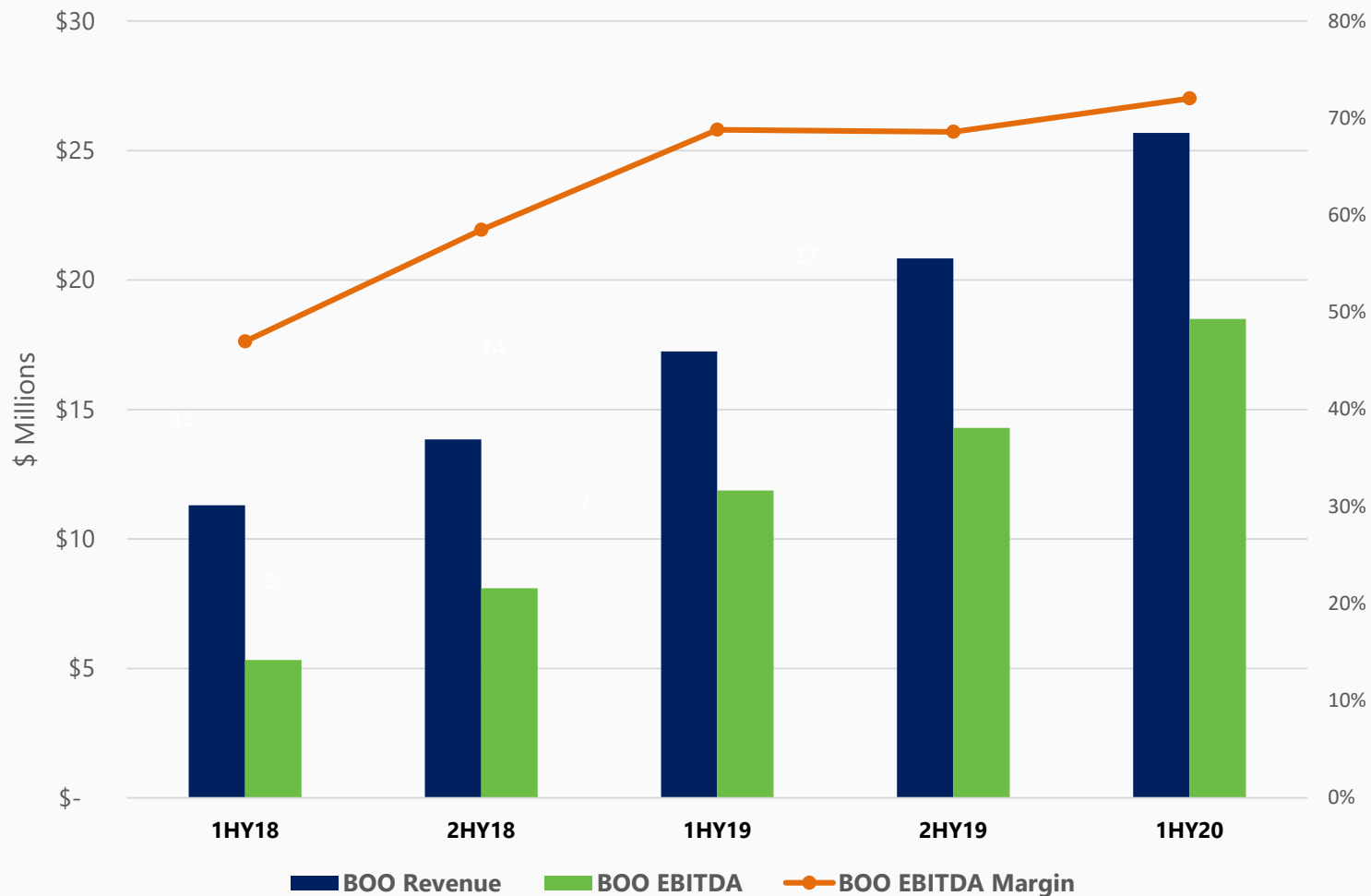
EBITDA Development



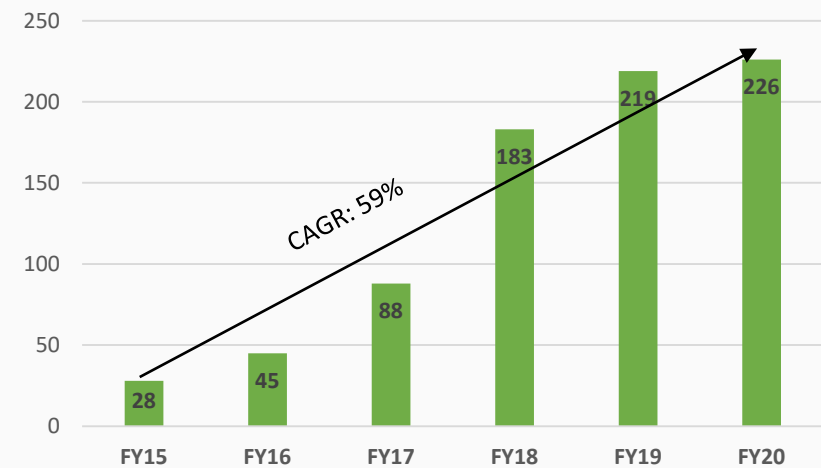
BOO Transition Generating Higher Margins



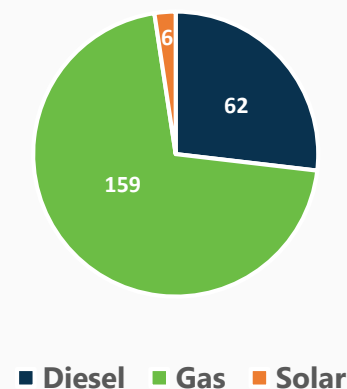
Revenue & EBITDA Breakdown



BOO MW Growth



BOO Fuel Source (MW)



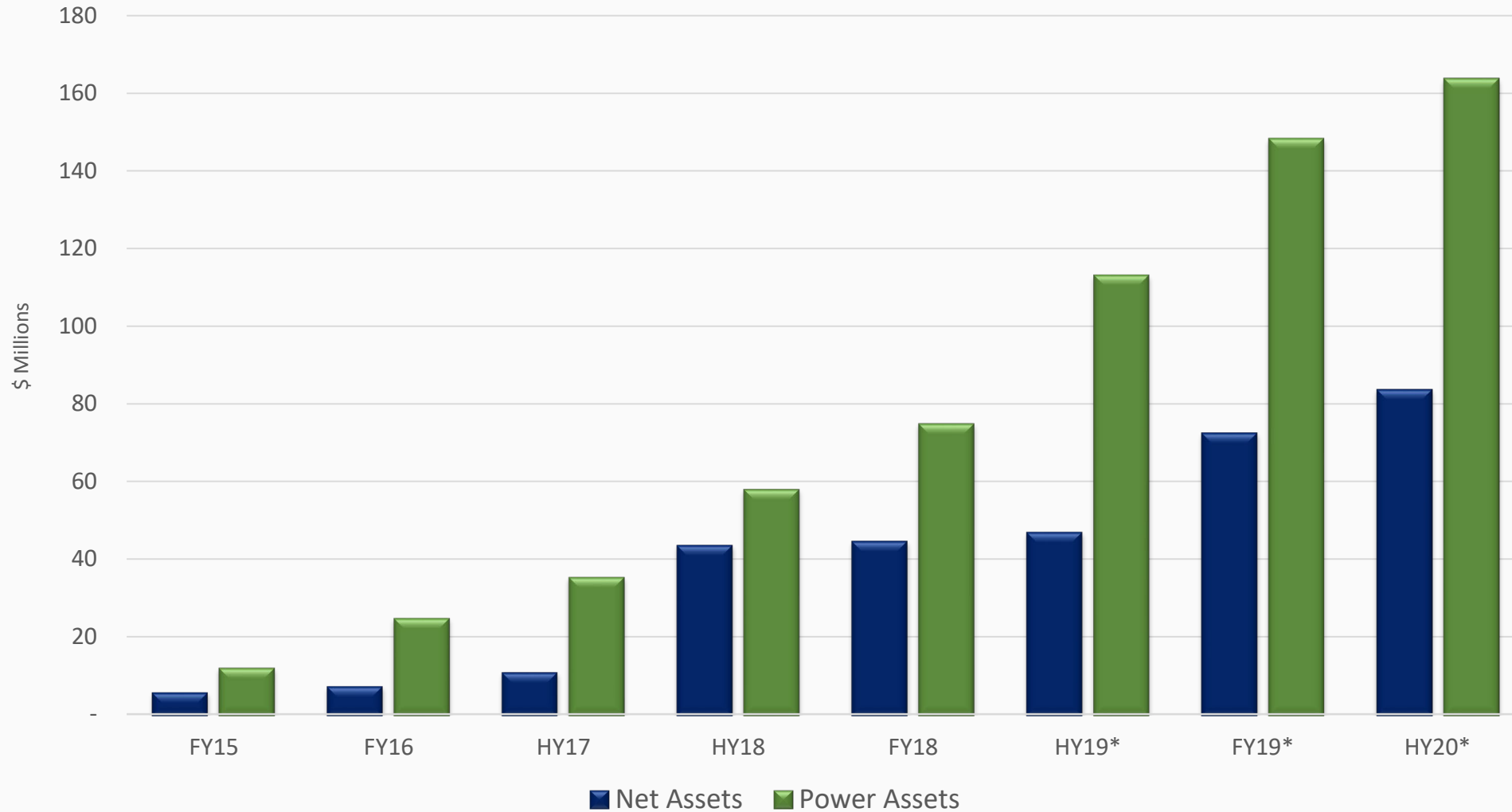
Balance Sheet & Funding

\$m	1H FY20	FY FY19	1H FY19
Cash	0.6	7.3	0.8
Receivables	12.2	8.4	10.3
Inventories	8.5	7.0	11.9
Tax Assets	2.3	1.0	0.9
Property, plant & equipment	163.6	148.2	114.2
Other assets	6.8	7.5	4.9
TOTAL ASSETS	194.0	179.4	143.0
Current liabilities	5.9	6.3	9.9
Current financial debt	18.6	20.6	17.4
Tax liabilities	0.5	-	-
Non-current financial debt	81.9	75.4	63.9
Other	3.0	2.9	3.1
Provisions	2.0	1.8	1.9
TOTAL LIABILITIES	111.9	107.0	96.2
NET ASSETS	82.1	72.4	46.8

Growth in the BOO segment has been funded from internal cash generation, equity markets and debt

- **PP&E** | Increased by \$49.4m over LTM
- **Net Debt 30 June** | \$99.9m
- **Gearing (ND:ND+E)** | 54.8%
- **Corporate Facilities** | \$120m
- **Facility Headroom** | \$18m as at 31 January 2020
- **Capex to complete currently contracted projects** | \$10.1m as at 31 January to complete Barrow Island, Jundee and Daisy Milano

Strong Asset Backing



Growing Portfolio

2019	 Kirkalocka BOO 14.5MW	 Daisy Milano BOO 18.3MW		
2018	 Newmont Goldcorp BOO 62MW	 Barrow Island BOO 20MW	 Nova Nickel BOO 19MW Diesel 6MW PV	
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 40MW		
2014	 Ok Tedi MOM 142MW	 Plutonic BOO / MOM 32MW		
2012	 Daisy Milano BOO 12MW			
2008	 Barrow Island BOO / MOM 20MW			
2006	 Zenith Pacific founded			

Nova Nickel Hybrid Diesel-Solar PV Facility

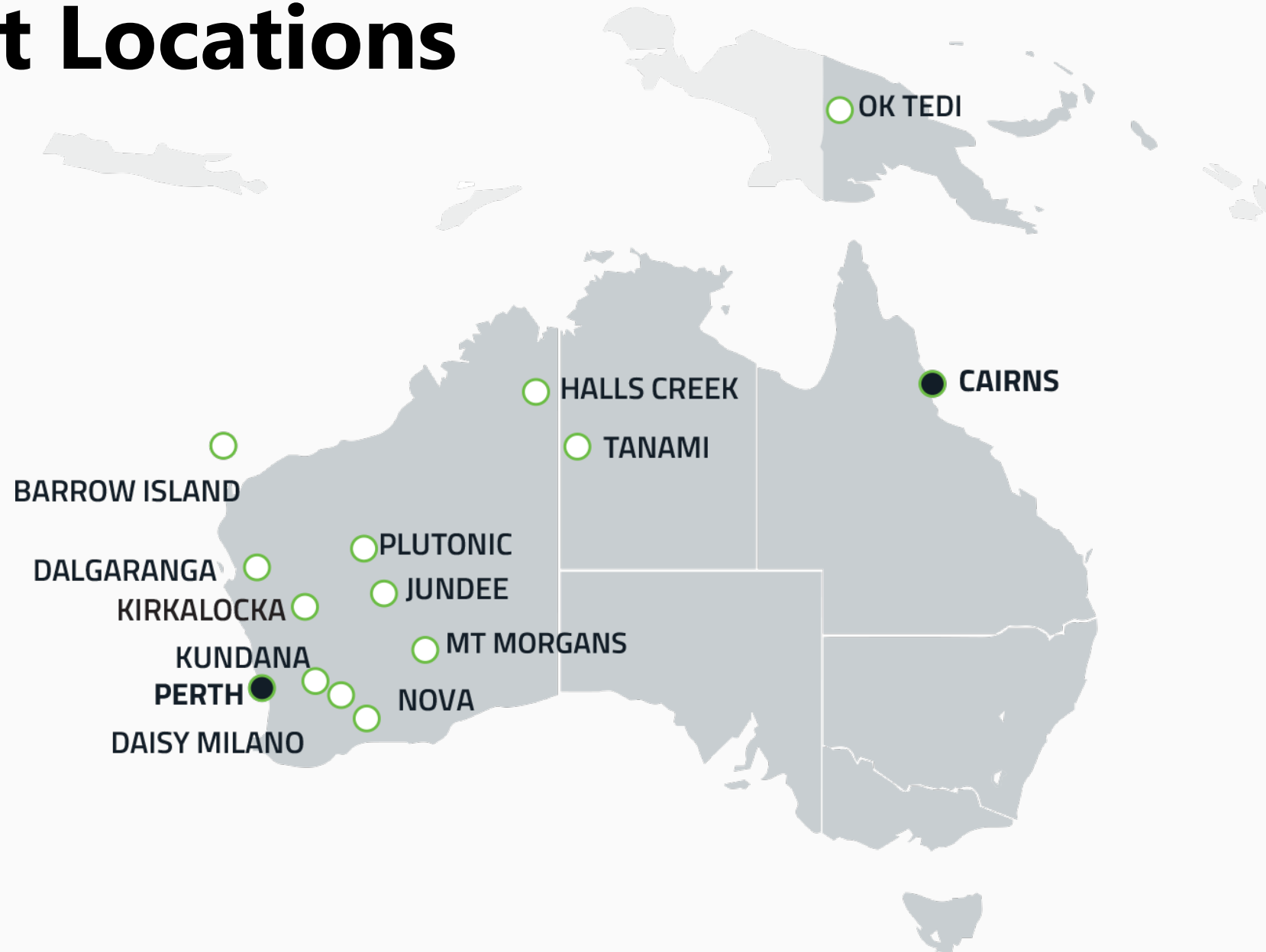
- In an Australian-first, Zenith has completed the design and construction of a solar farm at Independence Group's (IGO) Nova Nickel mine to offset diesel usage in its existing power station.
- At 5.67MWp the facility represents the world's 8th largest Solar PV project integrated into a mining operation.
- This is Australia's first hybrid diesel-Solar PV application not involving the installation of battery storage & is also the first hybrid diesel-Solar PV installation to be funded on a purely commercial standalone basis without support from ARENA or other government agencies.



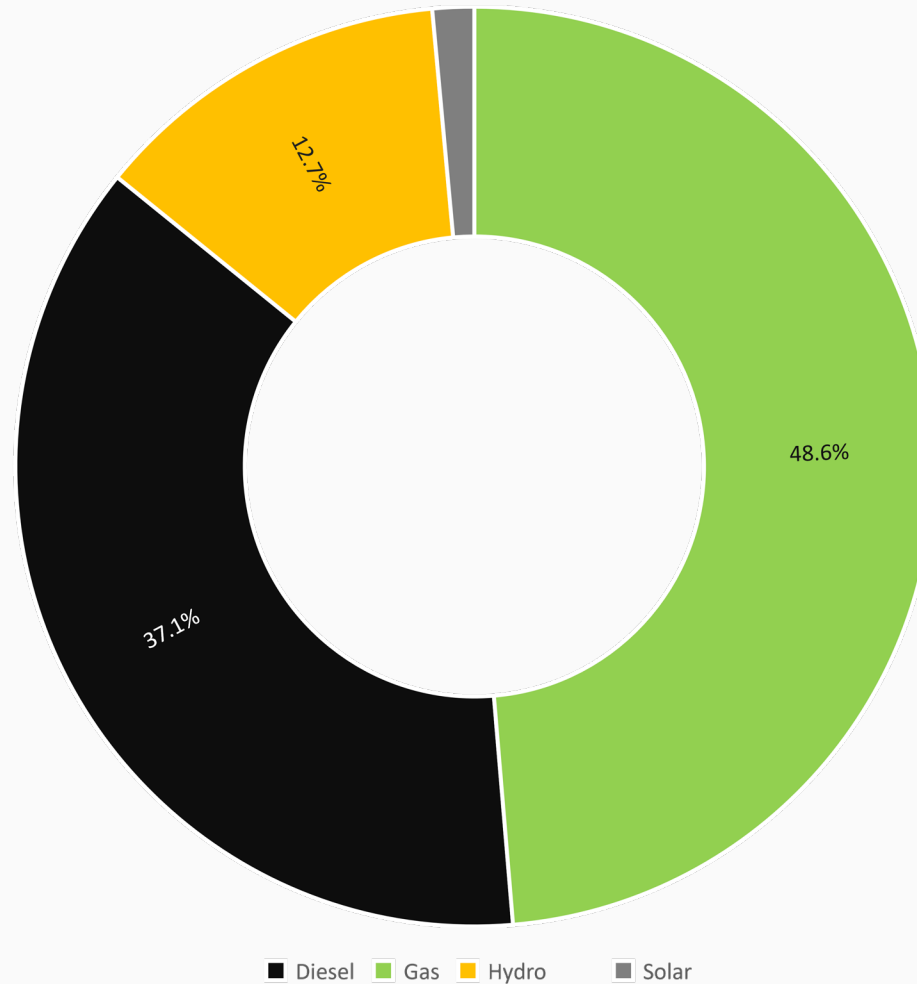
Nova Operating Performance



Client Locations



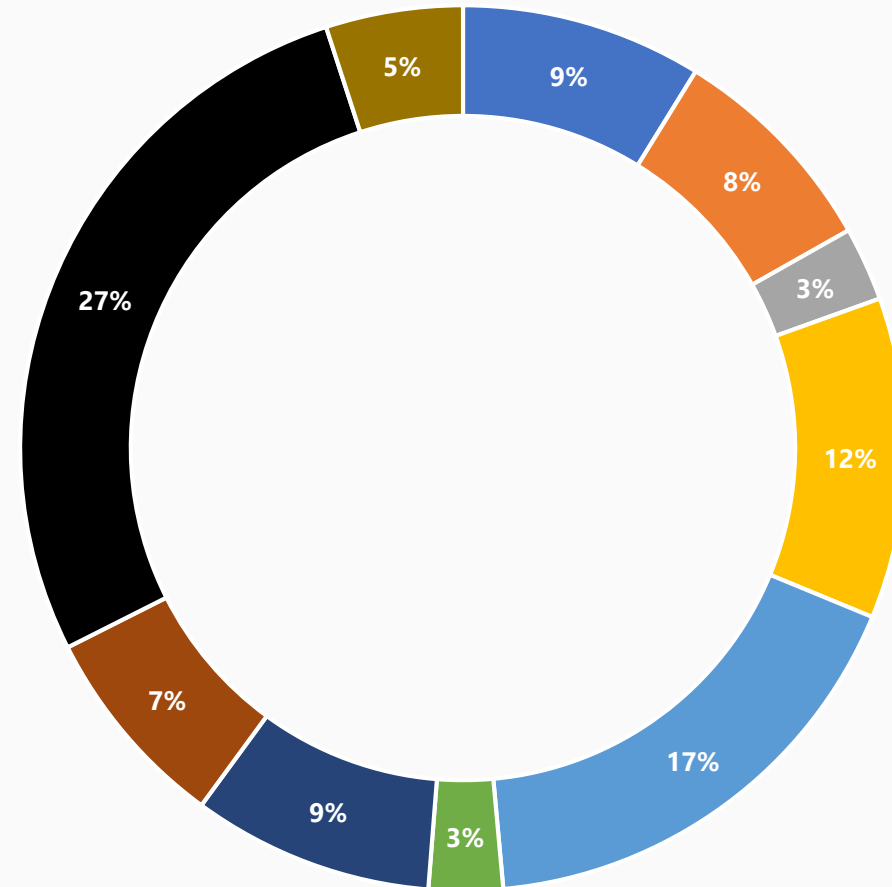
Fuel Breakdown



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

Installed Capacity for BOO Clients

- Long-term relationships with tier one clients
- ~70% of BOO contracted capacity with clients that have market capitalisation above A\$1bn



■ Chevron

■ Northern Star Resources

■ Newmont

■ Silver Lake

■ Pantoro Resources

■ Adaman Resources

■ Superior Gold

■ Dacian Gold

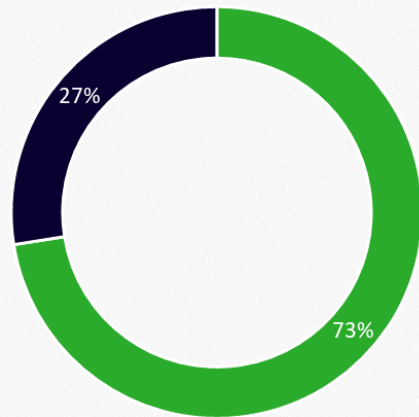
■ Independence Group

■ Gascoyne Resources

Strong Growth Pipeline

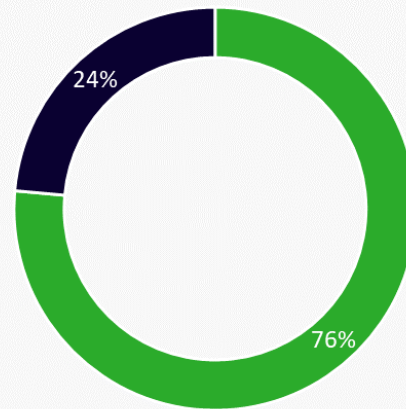
- Pipeline of qualified target opportunities in excess of 450MW (another 700+MW identified growth opportunities not included in pipeline)
- Criteria for inclusion: BOO project, within current geographies, FID within 24 months, at bid/actively engaged in negotiation

Development Type



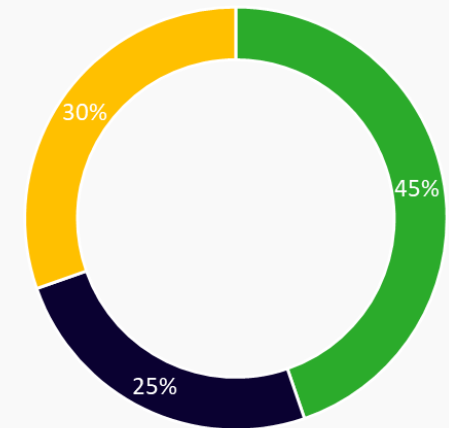
■ Greenfield ■ Brownfield

Customer Type



■ New ■ Existing

Proposed Fuel Source



■ Gas (Pipeline) ■ Gas (LNG) ■ Other/Hybrid

Vision, Mission and Execution

VISION	To be the leading Independent Power Producer specialising in reliable, sustainable and innovative solutions		
MISSION	Power Solutions. No Boundaries.		
EXECUTION	The Zenith Way	Operational Excellence	Business Growth

Underpinned by our values



Growth – No Boundaries

Strong track record of delivery

Robust pipeline of opportunities

Experienced and capable management team

Strong balance sheet

High-strength counterparties

- Key point 6



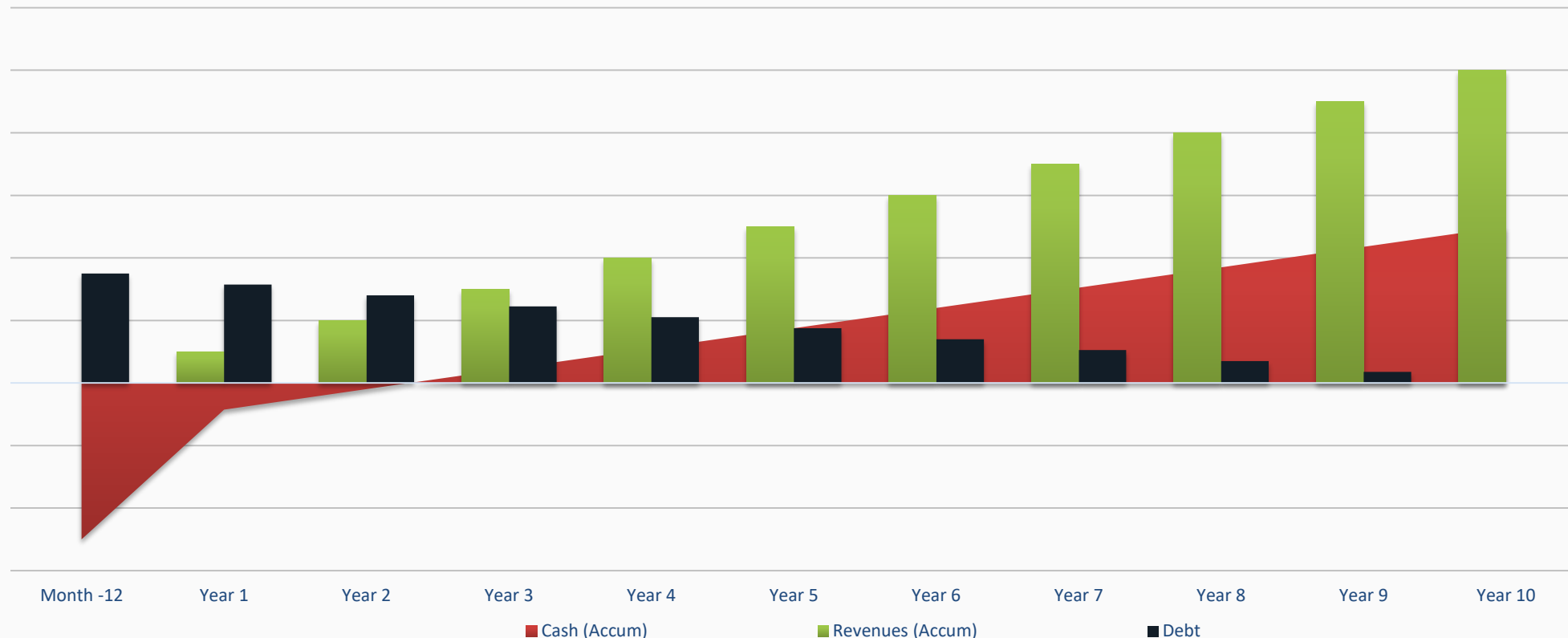
Appendices



Project Lifecycle*

- BOO projects take 6-12 months to construct, with cash outflows peaking at Practical Completion (PC)
- Revenues and EBITDA contribution commence at PC
- Rapid debt paydown following construction generates long-term cash and revenue upside

10 year PPA - Generic Project Lifecycle



* Generic example only, not based on any specific Zenith project.