



ISSUED CAPITAL
Shares 366.8M
Options 4.9M

KPS CONTRACT
CAPACITY
204MW

HYDRO CONTRACT
CAPACITY
6MW

20 November 2014

2014 AGM PRESENTATION

Pacific Energy Limited is pleased to provide the presentation to be delivered at today's Annual General Meeting of Shareholders.

End.

About Pacific Energy

Pacific Energy is an ASX listed (ASX: PEA) power generation project developer and owner.

Headquartered in Perth, Western Australia, Pacific Energy is focused on the development, ownership and maintenance of mine site and renewable energy power stations.

Kalgoorlie Power Systems, a wholly owned subsidiary of Pacific Energy Limited, is a leading provider of power generation infrastructure to the mining and resources sector in Australia. The business operates a build, own, maintain execution model with 204MW of contracted capacity at 19 mine site locations across Australia.

Pacific Energy Hydro, a wholly owned subsidiary of Pacific Energy Limited, owns and operates 6MW of hydro power generation capacity located approximately 70 kilometres east of Melbourne, Victoria. The Company's hydro assets commenced operation in 1992 and comprise two separate power stations located at the Cardinia Reservoir and Blue Rock Dam.

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PACIFIC ENERGY LIMITED

POWER GENERATION

AGM PRESENTATION



PACIFICENERGY

November 2014
ASX: PEA



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Power Station Developer & Owner – approx 210MW

Pacific Energy Limited (ASX: PEA)

Kalgoorlie Power Systems (KPS)
204MW



Hydro
6MW



Power station developer, owner and electricity supplier

FY14 Highlights

Financial

- FY14 Record Result – \$35.0M Adjusted EBITDA, up 22% on prior corresponding period
- Outlook: FY15 EBITDA Guidance \$33 - 35M
- FY14 Final Dividend Declared – 1.5 cents fully franked
- Record Total Dividend FY14 – 2.5 cents fully franked (expect to recur)
- New \$63M ANZ Credit Package approved, documented and signed (subject to CBA settlement)
 - Term to 2018; \$10M Limit increase; Deferred repayment profile.
 - Structured to fund next KPS growth phase.

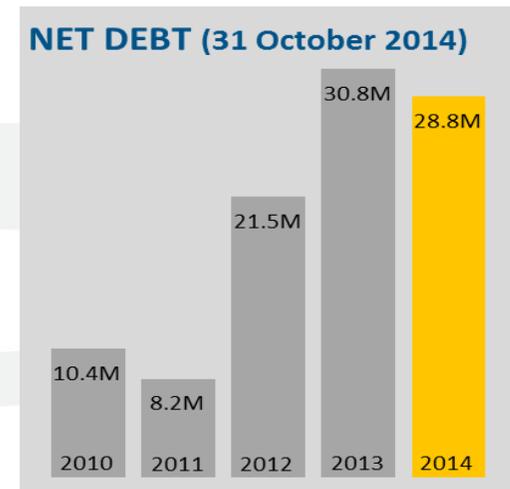
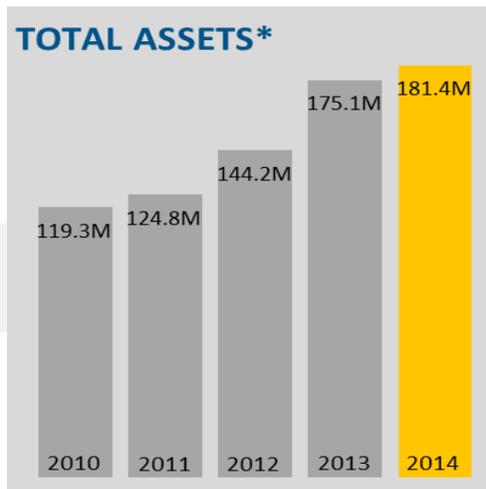
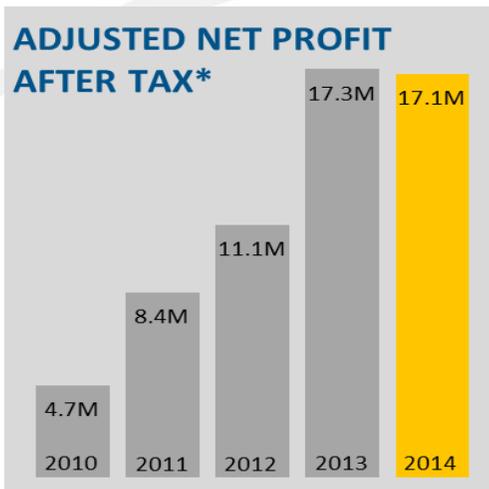
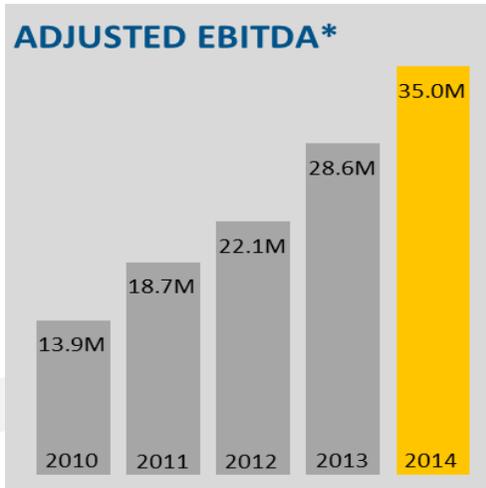
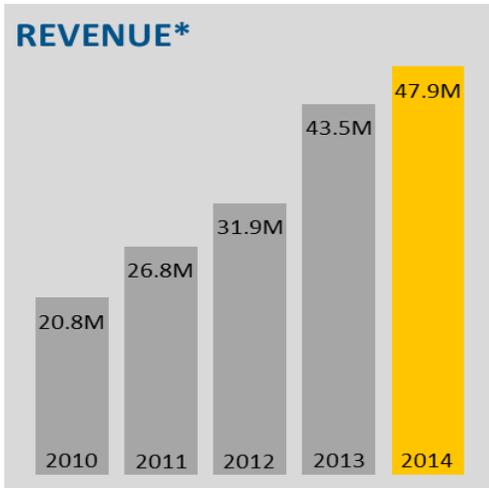
Operational

- New KPS General Manager – Experienced contract mine power supply business manager
- Increased Adjusted EBITDA Earnings – Reduced Employee/Personnel Costs
- Perth Workshop and Office Complex completed – on-time & budget \$12.6M

Outlook

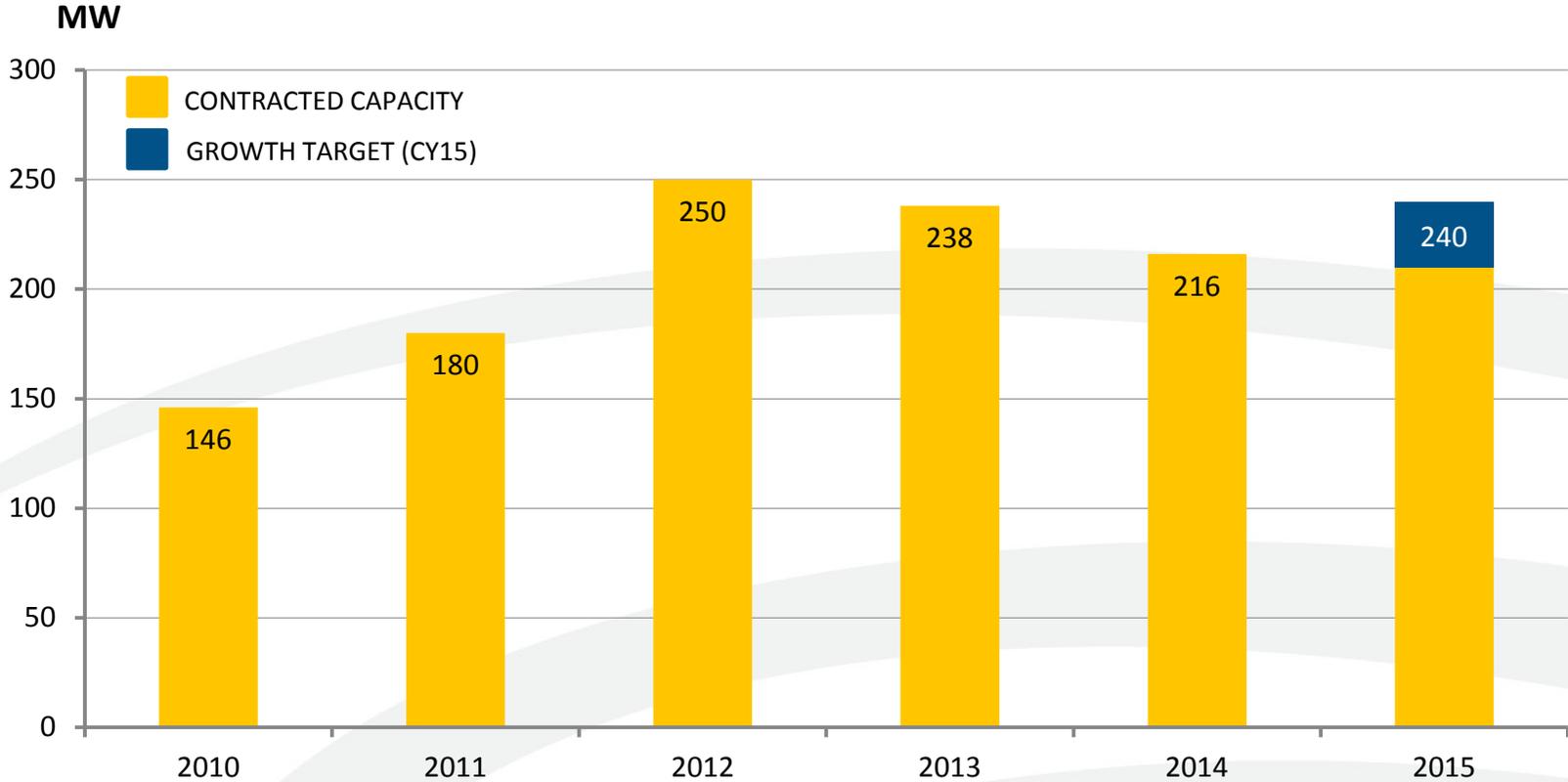
- Competitive Advantage innovations continue
- New Contract negotiations advancing

Record Earnings Result



* At 30 June 2014

Growth Momentum



Group contracted capacity approximately 210MW (includes 6MW hydro in Victoria)

Quality Client Portfolio



Major resource companies and revenue diversity brings opportunity

Existing KPS Contracts

Contract	Client	2014	2015	2016	2017	Mine Life
Tropicana	Anglo Gold	LONG TERM CONTRACTS	LONG TERM CONTRACTS	LONG TERM CONTRACTS	LONG TERM CONTRACTS	2028 →
Garden/ Moolart Well	Regis	LONG TERM CONTRACTS	LONG TERM CONTRACTS	LONG TERM CONTRACTS	LONG TERM CONTRACTS	2018 →
DBS	Newmont	LONG TERM CONTRACTS	MINE LIFE	MINE LIFE	MINE LIFE	2028 →
Granites	Newmont	LONG TERM CONTRACTS	MINE LIFE	MINE LIFE	MINE LIFE	2028 →
Jacinth	Iluka	LONG TERM CONTRACTS	LONG TERM CONTRACTS	LONG TERM CONTRACTS	LONG TERM CONTRACTS	2019 →
Degrussa	Sandfire	LONG TERM CONTRACTS	LONG TERM CONTRACTS	LONG TERM CONTRACTS	LONG TERM CONTRACTS	2020 →
Carosue	Saracen	LONG TERM CONTRACTS	LONG TERM CONTRACTS	LONG TERM CONTRACTS	MINE LIFE	
Gwalia	St Barbara	LONG TERM CONTRACTS	LONG TERM CONTRACTS	LONG TERM CONTRACTS	MINE LIFE	
Other	Other	LONG TERM CONTRACTS	LONG TERM CONTRACTS	LONG TERM CONTRACTS	MINE LIFE	up to 2022 →

■ LONG TERM CONTRACTS
 ■ MINE LIFE

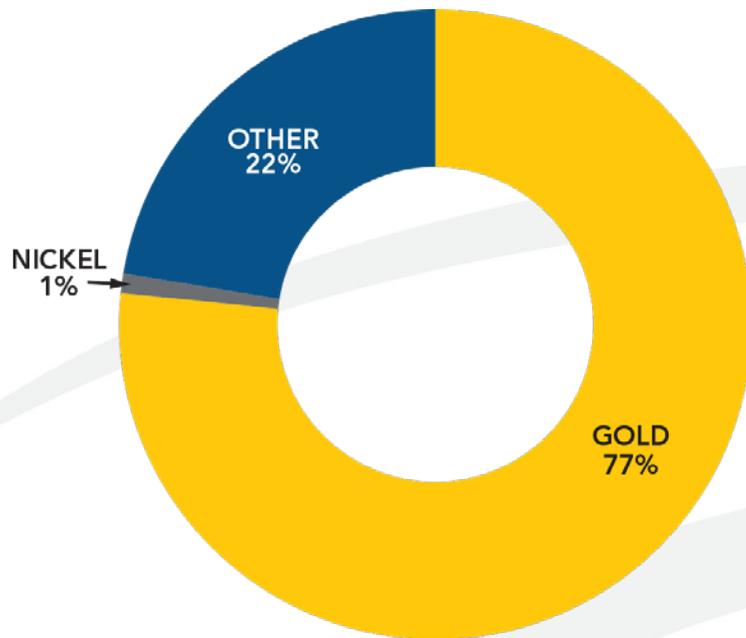
KPS – National Footprint



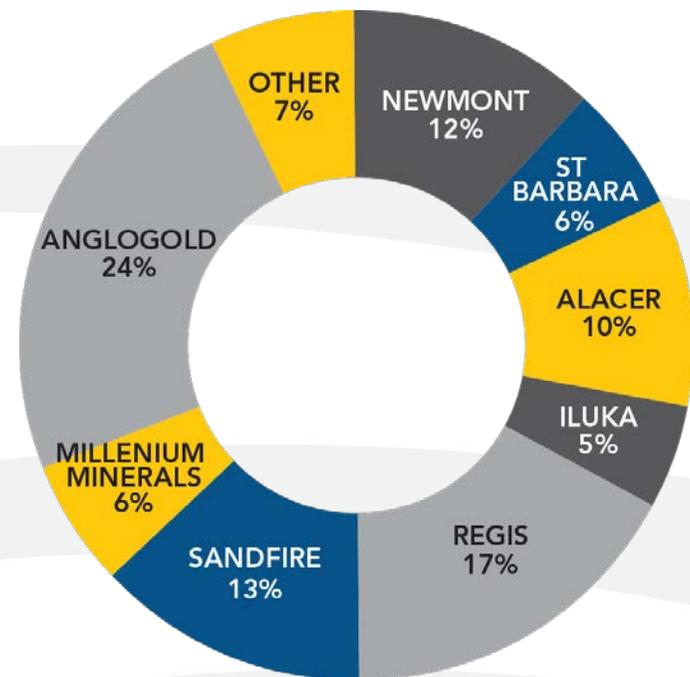
KPS has an established and significant market position

Diversified & Contracted Revenue Forecasts

Revenue (2014 to 2018)



Client revenue (2014 to 2018)

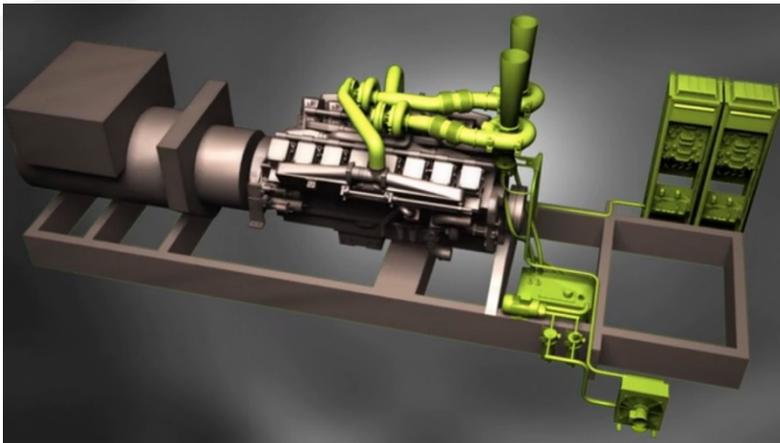


Portfolio gold commodity exposure focussed

Competitive Advantage – Technology

Focus on resource sector cost reduction is driving market focus towards reduced fuel consumption and cheaper fuel substitutes

- **Access to lower cost fuels (natural gas)**
- **Dual Fuel – gas and diesel fuel flexibility providing clients with lowest cost fuel option available**
- **Waste Heat Recovery – proven fuel consumption savings technology**
- **Proven low cost delivery – fit for purpose design and innovation**
- **Automated control - < 40 employees for 210MW of generation capacity**



Enhanced competitive advantage and opportunities to leverage KPS capabilities

Waste Heat Recovery – Fuel Saving Solution

Pacific Energy Benefits

PEA EBITDA enhancement*	20MW	100MW
	\$1.2M pa	\$6.0M pa

** Fuel savings only based on current diesel fuel prices @ \$1.00/litre*

- **KPS competitive advantage enhanced – 7% fuel savings (evidence of further improvement)**
- **KPS and Mine Client share fuel saving and emission reduction benefits**
- **Earnings growth achieved from existing power station fleet**
- **100MW waste heat recovery solution roll-out over 2 - 3 years (24MW contracted to date)**

Investment Rationale

INDUSTRY FUNDAMENTALS

- Projects underpinned by resources production phase exposure
Competitive, low cost solutions to support mine life extensions & viability

RESOURCE SECTOR COST FOCUS

- Demand for long term cost effective power solutions remains (all infrastructure constrained environments)

NEW MARKETS

- Clear strategy and significant market opportunities remain for new replacement and cost reduction technology (gas displacement of diesel)

STRONG RELATIONSHIPS

- Strong relationships with global and Australian based miners provides ongoing opportunities
- Business development /innovation partnership focus

NEW INNOVATION FOCUS

- Focus on competitive advantage/innovation/technology
- Leading industry reputation

SUSTAINABLE DIVIDEND POLICY

- KPS business generates significant surplus cash flows to fund future growth and dividends to shareholders

Strong outlook for continued demand and significant business opportunities for KPS

Conclusion

Thank You
Q&A

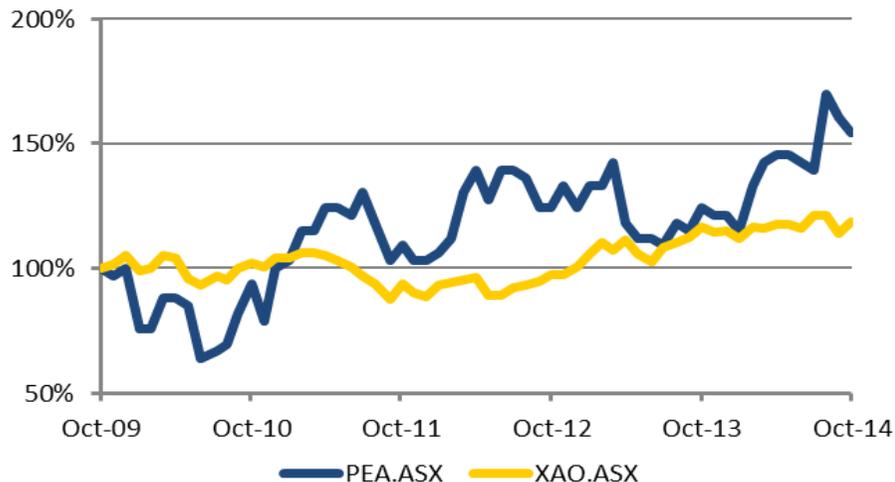


Gwalia Deeps Power Station

Pacific Energy Limited

Corporate Snapshot

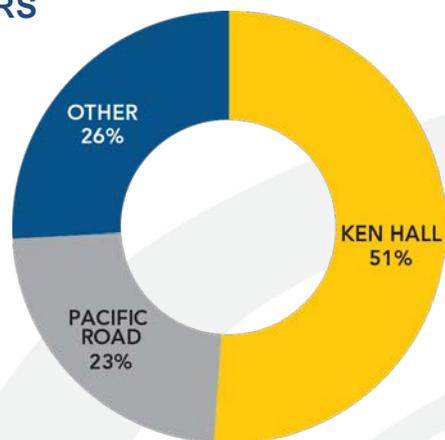
SHARE PRICE PERFORMANCE (LAST 5 YEARS)



TRADING SUMMARY & CAPITAL STRUCTURE

▪ ASX Code		PEA
▪ 12 month high	\$	0.58
▪ 12 month low	\$	0.37
▪ Current share price	\$	0.53
▪ Shares outstanding	m	366.8
▪ Market capitalisation	\$m	194
▪ Cash	\$m	12
▪ Debt	\$m	41
▪ Enterprise value	\$m	223

KEY SHAREHOLDERS



DIRECTORS AND MANAGEMENT

Director	Position
▪ Cliff Lawrenson	Non Executive Chairman
▪ Adam Boyd	Managing Director & CEO
▪ Ken Hall	Executive Director
▪ Louis Rozman	Non Executive Director
▪ Stuart Foster	Non Executive Director