



ASX Announcement

24 OCTOBER 2022

DELOREAN CORPORATION ENERGY RETAIL DIVISION UPDATE

HIGHLIGHTS:

- Delorean reaffirms that its core strategy is to develop and build out bioenergy infrastructure for the generation of renewable electricity and supply of renewable natural gas.
- The Company will now strategically confine its energy retail operations to the monetisation of energy only from its own bioenergy projects, as those projects continue to come online.
- This strategy is expected to be both earnings and cashflow positive for the Company, freeing up cash-backed prudential and contract securities and reducing the Company's exposure to risk in the WA electricity market.
- The Company will retain all its existing energy retail licenses in WA and the Eastern States to underpin its bioenergy infrastructure asset pipeline.

Delorean Corporation Limited ("Delorean" or "Company") provides the following market update in relation to its Energy Retail division.

Delorean confirms that its core strategy is to develop and build out bioenergy infrastructure for the generation of renewable electricity and supply of renewable natural gas. This strategy is reaffirmed by the Company's ASX announcement 19 October 2022 regarding its multi-project development funding partnership with Palisade Impact. Under the Company's vertically integrated business model, Delorean retains the capability to develop and build bioenergy projects, as well as licenses to retail electricity and gas including (inter alia) electricity retail licenses in the National Electricity Market and Western Australian Wholesale Electricity Market.

Delorean's historical and current energy retail division activities are confined (except for one customer) entirely to business customers in the Western Australian electricity retail market. The aggregate electricity demand to service this customer book presently outstrips the available sources of electricity supply from bioenergy in WA, requiring DEL to 'top up' its electricity requirements via bilateral contracts with energy wholesalers and from the wholesale electricity market.

The company has undertaken a strategic review of its Western Australian energy retail operations in the current market and has formed the view that to align with its infrastructure roll-out strategy, Delorean should confine its retail operations as far as possible to the monetisation of energy only from its own bioenergy projects, as those projects continue to come online.

This move will see the Company ceasing to engage new customers within the Western Australian electricity market and looking to undertake the orderly winding down of its Western Australian energy client book for the foreseeable future. The Company will also consider the divestment of that Western Australian energy retail customer book, but notes that any such divestment would require consultation with ASX prior to any completion.



Delorean continues to manage its WA customer portfolio to address rising energy and Large Scale Generation Certificate pricing, including the use of bilateral wholesale supply contracts to hedge its positions, and allowable Material Adverse Event pricing resets under customer contracts to protect electricity retail margins.

Ceasing to provide Western Australian energy retail services at this time and in the current circumstances is expected to be both earnings and cashflow positive for the Company, freeing up cash-backed prudential and contract securities and reducing the Company's exposure to risk in the WA electricity market.

Delorean intends to retain its WA electricity retail license on an ongoing basis for the purposes of servicing future customers from its evolving bioenergy infrastructure pipeline.

High Level Financial Summary:

The historical, current and forecast financial summary for the Energy Retail division is outlined below:

	FY20		FY21		FY22		FY23 (Forecast)	
	Revenue	Profit	Revenue	Profit	Revenue	Profit	Revenue	Profit
Retail	22,741,941	1,102,691	22,827,642	(1,215,214)	35,398,813	(532,658)	10,494,000	(722,000)

Authorised on behalf of the Delorean Corporation Board of Directors by Hamish Jolly, Executive Chair.

For more information/interview please contact:

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About Delorean Corporation Limited

Delorean Corporation is a leading Australian bioenergy company. Delorean specialises in the design, build, ownership and management of bioenergy infrastructure. In addition to bioenergy power generation, Delorean also holds energy retail licenses in support of sale of energy from its bioenergy assets. Delorean Corporation is a vertically integrated company positioned in two high growth industries; renewable energy and waste management.

Delorean Corporation comprises an Engineering Division, Infrastructure Division and Energy Retail Division. Through these divisions Delorean Corporation has the inhouse capability to deliver



bioenergy projects across the full lifecycle, from project conception to completion, processing organic waste, generating renewable energy and monetising the sale of green electricity, heat and gas.

DEL's projects produce renewable energy whilst reducing the volume of waste going to landfill, utilising a model that generates multiple revenue streams.

