

CEFC and NAB finance AACo solar installations

\$443,000 finance from CEFC (\$937,000 project)

SUMMARY

The Clean Energy Finance Corporation (CEFC) and National Australia Bank (NAB) are co-financing Australia's largest beef company, Australian Agricultural Company Limited (AACo), in a \$937,000 project for installation of solar photo voltaic (PV) units across 15 grid-connected sites in Queensland.

AACo is the oldest continuously operating company in Australia. It is listed on the Australian Stock Exchange and is a world leading provider of beef and agricultural products.

"This is a great demonstration project. As the relative cost of solar energy generation continues to fall, the business case is strengthening for the utility and commercial sectors to embrace solar. However, there are still impediments to business investment in solar. The CEFC can catalyse investment and increase capital to fund the market and reduce finance costs of both shorter-term bank funding and longer-term investment."

Oliver Yates
CEO, Clean Energy Finance Corporation

PROJECT IMPACT

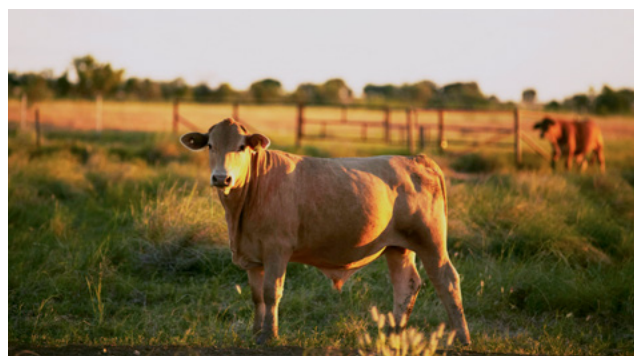
AACo will reduce its grid energy consumption and carbon emissions at 15 grid-connected locations by around 30 per cent through installing solar PV systems, ranging from 2 kilowatts to 99 kilowatts.

Locations include stations at Julia Creek, Normanton, Dalby, Surat and Comet.

The solar PV systems will enable AACo to cut current grid energy consumption and associated carbon emissions by just under 30 per cent.

Finance for the project from NAB and CEFC enabled AACo to realise the energy cost savings, whilst keeping capital available for its other developments underway.

The solar installations are part of AACo's plans to secure its sustainable long-term future.



FINANCE

The total cost of the project is \$937,000, with CEFC providing a \$443,000 loan facility and NAB financing the balance. The CEFC finance (originally through Low Carbon Australia, which is now integrated into the CEFC) is structured so the savings from the project and new revenue streams cover the capital and financing costs. This project has thus proceeded with AACo being able to keep capital available for its other developments underway.

SOLAR PV IN AUSTRALIA

The number of Australian homes with solar power systems passed one million in March 2013, with installed capacity of about 2.5 gigawatts, representing around 1.2 per cent of Australia's electricity needs. The residential market accounts for over 90 per cent of solar PV installations. There is significant scope for growth in the utility and commercial sectors.



CEFC involvement in the market can help achieve a number of strategic objectives:

- Increase distributed PV take up across residential, SME, corporate and government Australia wide using innovative new technology e.g. smart control and storage
- Bring globally successful business models to Australia
- Catalyse and increase capital to fund market and reduce finance costs of both shorter-term bank funding and long-term investors

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"The solar program is part of our plans to implement sustainable environmental management that protects and enhances the resources that support our production systems and helps us secure our long-term future."

David Farley
CEO and Managing Director, AACo



AA Co is the oldest continuously operating company in Australia. It is listed on the Australian Stock Exchange and is a world

leading provider of beef and agricultural products. It has over 600,000 head of cattle, 19 cattle stations, 2 feedlots and three farm sites across more than 7.2 million hectares of land within Queensland and the Northern Territory.

Infinity Solar is installing the solar systems for AA Co. It is one of the largest providers of renewable energy solutions in Queensland and northern New South Wales, and also operates in the Northern Territory.

Trina Solar is supplying the PV panels. It is an internationally recognised manufacturer of PV modules listed on the New York Stock Exchange. Trina Solar is a vertically integrated solar manufacturer with capabilities of solar modules, solar cells and solar wafers.

SMA Solar Technology is supplying the PV inverters. It is a global leader in the development, production and sale of PV inverters. SMA is represented in all important photovoltaics markets in 21 countries.



The Australian residential market accounts for over 90 per cent of solar PV installations.

The Clean Energy Finance Corporation (CEFC) has been established by the Australian Government to mobilise capital investment in renewable energy, low-emissions technology and energy efficiency in Australia.

The CEFC's flexible mandate and commercial approach provide an opportunity to achieve genuine market-based change by helping overcome the financial barriers that have previously prevented clean energy investment at scale.

Learn more at www.cleanenergyfinancecorp.com.au

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