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Media Release

Global-first partnership in power and food supply

Regional Victoria will become an international leader in intensive, protected crop farming relying mainly on renewable energy production following the signing of a three-way Memorandum of Understanding (MoU) between a sustainable energy producer, an agribusiness and the State Government.

In a global-first, Neoen Australia, Nectar Farms and the Victorian Government today signed an agreement that will result in the construction of the Bulgana Green Power Hub (BGPH) and a 30-hectare expansion of Nectar Farms' greenhouse facility at Stawell.

The two projects represent a \$565 million investment which will result in the creation of 600 jobs. More than 930 indirect jobs will also be created.

Premier Daniel Andrews joined Neoen Australia's Managing Director Franck Woitiez and Nectar Farms' CEO Stephen Sasse at the BGPH site to sign the MoU which guarantees Nectar Farms 10 per cent of BGPH's energy with the remaining 90 per cent being fed directly to the grid.

Welcoming the agreement, Northern Grampians Shire Council Mayor Tony Driscoll said securing Nectar Farms at Stawell was a major boost for the area and would create significant jobs for the region.

"If we had not been able to negotiate this agreement between Neoen and the State Government, future expansion of Nectar Farms and subsequent jobs would have been lost to Stawell and Victoria," he said.

"By ensuring the greenhouses have a reliable, competitive power supply, the company can grow its business here."

Nectar Farms began construction of 10 hectares of greenhouses after securing a parcel of land from Stawell Gold Mines earlier this year. However, expensive and insecure energy supply halted plans for expansion.

"What Nectar Farms needed was surety of supply at a competitive price," Cr Driscoll said. "This agreement gives them that."

Under the MoU, the State Government, Neoen Australia and Nectar Farms have agreed to work together in good faith to develop terms for the Government to provide support for the BGPH. This will allow Neoen to supply Nectar Farms with power at a competitive price.

Neoen will build a 63 turbine wind farm 20kms east of Stawell. All required planning approvals and landowner agreements are in place. Neoen plans to include lithium-ion battery storage of 20 megawatts, or 34 megawatt hours, capacity in order to provide sustainable, baseload equivalent power to Nectar Farms.

Mr Woitiez said this project was the first of its type globally and demonstrated Australia's capacity and capability to develop cutting edge renewable energy technology on an industrial scale.

"By working with the Victorian Government we are able to significantly contribute to the food and fibre sector by providing stable renewable power and energy to an intensive agriculture business," Mr Woitiez said.

"We applaud the Victorian Government for taking on this initiative, thinking innovatively and working with industry to make it work."



Neoen will work with Siemens-Gamesa to deliver this innovative, ambitious and ground-breaking project, leveraging both its expertise and its partners' presence in Victoria to create value for all stakeholders.

Nectar Farms is an Australian-owned agribusiness dedicated to 'smart farming' with a focus on glasshouses, hydroponics and high-wire cultivation using innovative technology. It aims to produce fruit and vegetables sustainably to meet both domestic and export market demand.

Nectar Farms has an exclusive agreement to supply Costa Group, the largest fruit and vegetable wholesaler in Australia.

When Nectar Farms' plans to look elsewhere for expansion due to power supply and cost were revealed, Northern Grampians Shire stepped in and facilitated discussions between the agribusiness and Neoen Australia.

Mr Sasse said Nectar Farms would purchase a parcel of land adjacent to the wind farm for the construction of the greenhouses.

"Due to a number of constraints, ability to expand at our existing Stawell site was not viable. We were examining a number of interstate and overseas options as we needed to significantly grow our business. Being able to source energy behind the meter directly from Neoen made Stawell the most viable option.

"Securing a sustainable and secure energy supply will allow us to significantly expand production capacity and bring much needed jobs to the Stawell region," Mr Sasse said.

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FAST FACTS:

- ✓ **\$565m to be invested in regional Victoria including:**
 - **\$350m** in the Bulgana Green Power Hub
 - **\$215m** in Nectar Farms' 30ha advanced glasshouse facility
- ✓ **Enduring, stable employment for the region:**
 - **315** direct and **786** indirect jobs during construction
 - **271** full time direct and **151** indirect ongoing jobs for the life of the assets
- ✓ **Western Victoria to become the Southern Hemisphere hub for protected cropping:**
 - Sustainable production of fruit and vegetables to meet both domestic and export market demand
 - Significant boost to agricultural and horticultural research and development capacity
- ✓ **Help to cement western Victoria as a centre for renewable energy**
 - A renewable energy project that creates jobs and supports the agriculture sector and food and fibre industry
 - Demonstrate the benefits of commercial partnership agreements for energy supply models, particularly in the agricultural sector
 - Reduce Victoria's greenhouse gas emissions by more than 780,000 tonnes per year



Neoen

Neoen was created in 2008 as a sustainable energy producer and has a solid track record in renewable energy.

Neoen is the primary independent producer of renewable energy in France and, with a wealth of experience and expertise behind it, has expanded rapidly throughout Europe, Africa, America and Australia since 2012. Neoen's main shareholders are Impala SAS, the fund Capénergie II (managed by Omnes Capital) and BpiFrance.

Neoen's financial strength, experience and openness towards the international market has positioned it to become one of the key players in the renewable energy sector. Neoen has more than 1100MW of renewable assets operating or in construction, including the biggest solar plant in Europe in Cestas (France) inaugurated during the Climate Change Conference (COP21) in December 2015.

Neoen has 450MW of renewable projects either operating or under construction in Australia, with a goal of reaching 1000MW by 2020. The Neoen model, as an independent energy producer, ensures delivery of high quality long-term projects with both sustainable and economic outcomes.

In Australia, Neoen has invested more than \$1b in renewable energy projects.

In early 2017, Neoen purchased the fully approved Bulgana Wind Farm. Neoen has added a battery component to this development to create the Bulgana Green Power Hub (BGPH) with the capacity to generate 202MW of wind power and 20MW/34MWh of lithium-ion battery storage.

Nectar Farms

Nectar Farms is an Australian-owned agribusiness dedicated to transforming the current Australian farming model through promotion of 'smart farming' with a focus on glasshouses, hydroponics and high-wire cultivation using innovative green technology.

Nectar Farms uses the latest technology available to agriculture; growing high margin crops on low grade land, in close proximity to population centres. This Smart Farming approach enables Nectar Farms to maintain a strategic competitive advantage both domestically and for export opportunities.

Nectar Farms is demonstrating the latest technology in the combination of semi-closed glasshouses with variable spectrum LED lighting – the cutting edge of the industry. This approach results in, better quality, nutrition and reduced costs.

Nectar Farms is building a 10-hectare glasshouse in Stawell with initial trials underway. It has an exclusive agreement to supply Costa Group, the largest fruit and vegetable wholesaler in Australia.