



PROVIDENCE INFRASTRUCTURE FUND

FUND DESCRIPTION

Providence infrastructure Fund aims to provide investors with exposure to a diversified portfolio of infrastructure assets in Australia, we invest by following a patient and disciplined investment approach. Our projects and funds are purposefully chosen to drive long-term societal value and attractive returns for our fund investors.

For the first quarter of calendar year 2020, the fund has distributed 5.5% p.a. return.

KEY ASSET UPDATE

The Yarranlea Solar Farm is Providence's landmark project for FY2020. Located 50km south west of Toowoomba QLD, the facility is being constructed by Risen Energy with direct grid connectivity via Ergon Energy's 100/33kV substation in Yarranlea.

Yarranlea is currently undergoing the fourth and final stage of Hold Point testing for grid connection. The project is moving towards and estimated settlement at the end of April 2020.

Project's commissioning, R1 & generator registration were completed in DEC-19, 3 of the 4 hold points have now been signed off by Ergon. Fourth hold point underway and moving into final stage, including testing of 100% of solar farm output, across entire solar farm, range of power quality, system event analysis tests.

PROJECT OVERVIEW

Location	Yarranlea / Pittsworth QLD
Land Area	302 hectares (ha)
Generation Capacity	102.5 MWac
Construction	Risen Energy

YARANLEA SOLAR PLANT– COVID-19 IMPACTS

SHORT TERM IMPACT WITH DEMAND SKEWED POTENTIALLY BENEFITING SOLAR

Short Term Temporary Impact

- ▶ The COVID-19 issue is expected only to have an impact over next 3-6months
- ▶ Discussions with Baringa, our energy consultants for operations, while still early, show an impact only on their short-term forecast but minimal changes to mid or long-term forecasts.

Large Increase in residential demand during day

- ▶ Typically the market peaks in the morning and afternoon during high residential use. This tends to be due to the large number of small appliances in Australian households which are relatively less efficient than large building system uses.
- ▶ With the move to working from home this will increase residential demand and daytime demand.

Reduced residential solar during day

- ▶ The increased residential usage during the day will decrease the residential solar impacting the NEM demand. As such the midday demand volume is likely to be relatively higher.
- ▶ This will benefit the solar weighted average pricing.

YARRANLEA SOLAR PLANT– COVID-19 IMPACTS (CONTINUED)

Factories, mines and large power consumption to continue

- ▶ COVID-19 is not likely to have an impact on the large power consumers in the market. In fact the high-power consumers (ie Tomago smelter, Cadia mine etc) will continue operation.
- ▶ This is expected to provide a solid base for daytime electricity demand.

Reduced Commercial Demand

- ▶ The commercial demand will reduce as shopping centers, function centers and commercial buildings get shut down.
- ▶ This demand reduction however is expected to be offset by the residential increases outlined above.

Yarranlea O&M Impacts

- ▶ As Yarranlea construction is now complete with all spares on site, there is expected to be minimal supply chain issue for the plant operation.
- ▶ Our key O&M personnel are located locally to the solar farm and supported by the Risen Brisbane office. We have inbuilt redundancy in our workforce, limiting impacts from COVID-19.
- ▶ The Solar Farm can also be operated remotely should there be an outbreak locally to the site.

OTHER UPDATES

PARTNERSHIP WITH NETSTACK

Providence Asset Group has partnered with Nedstack to co-develop and deliver hydrogen-based power-to-power solutions for the Australia and Pacific region solar market to offer affordable solar energy with the potential to introduce to Europe in the future.

Nedstack will supply a 600 kilowatt rated power PemGen fuel cell power system and will support Providence in the design, development and deployment of the total power-to-power system on a minimum viable product demonstrator. This demo-site will also use H2store hydrogen hydride storage technology developed within the Providence Group.

The 600 kW demonstration project will be installed at the Yarranlea solar farm in Queensland, Australia. The demonstrator is also partially funded by an Australian federal government CRC-P grant under the title: Using

AI and a hybrid ESS solution to fully integrate solar generation into the distribution system. The partnership should offer a scalable and configurable extension platform to other solar farms in Australia and the Pacific.

GOVERNMENT FUNDING TO BOSST SOLAR FARM

Providence Asset Group has partnered with Manilla Community Renewable Energy Inc (MCRE) to form Manilla Solar. the company that will drive the development of the 4.5MW solar farm on a 15ha block on the Manilla Rd, within 3km of the electricity sub-station. NSW Minister for Energy and Environment Matt Kean announced on 10th March that the NSW Government has thrown its support behind this project with the announcement of \$3.5 million in funding, the fund will greatly expand the potential of this project and assisting with the provision of cutting-edge ‘hydrogen’ technology to support the solar farm and its storage capacity.