



EPURON

Joint Media Release

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Ark Energy to acquire market-leading Australian renewable energy developer, Epuron

Ark Energy Corporation Pty Ltd (Ark Energy), a wholly-owned Australian subsidiary of Korea Zinc Company Ltd (Korea Zinc), today announced it will acquire a 100% interest in Epuron Holdings Pty Ltd (Epuron), a leading utility-scale wind and solar energy developer in Australia.

Following completion of the transaction, Ark Energy will:

- acquire ~4,200MW of early-stage development projects located across National Electricity Market (NEM) states with a focus on wind and solar sites in Queensland, New South Wales and Tasmania;
- acquire a further investigation pipeline of ~4,800MW;
- continue to deliver ~5,860MW of projects under existing Joint Development Agreements (JDAs) with high-quality counterparties;
- integrate one of Australia's most experienced and successful early-stage development teams which includes 24 professionals with experience across all aspects of renewable energy development including scoping, identification, feasibility, community engagement, early development, final development through to pre-construction;
- own and operate ~7MW of fully contracted off-grid solar generation assets in the Northern Territory; and
- own a 50% stake in Fulcrum3D, a renewables technology and data company that provides solutions for monitoring and forecasting renewable energy sources.

Commenting on the transaction, Yun B. Choi, Chairman of Ark Energy and Vice Chairman of Korea Zinc said this friendly acquisition allows us to accelerate Korea Zinc Group's energy transition and contributes to Ark Energy's long-term ambition to develop a new green energy export corridor from Australia to South Korea.

"Ark Energy's commitment to accelerate the energy transition requires us to significantly enhance our capability to develop and build-out a large renewable energy portfolio. We will leverage our parent company's strong balance sheet to expand Epuron's existing business model and leverage the group's internal demand from the production of green non-ferrous metals, and our own demand from green hydrogen production, to fast-track the build-out of Epuron's development portfolio," Mr Choi said.

Ark Energy's Vice Chairwoman, Kathy Danaher, said that in addition to the significant portfolio of highly attractive development projects, a key attraction for Ark Energy was the proven track record of the Epuron team who have experience across all aspects of renewables and energy storage as well as a broad set of skills from scoping sites through to pre-construction.

"We look forward to welcoming the team into the Ark Energy family and providing an environment where they can grow under an expanded business model," Ms Danaher said.



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Martin Poole, Co-Founder of Epuron said that Epuron has been part of a significantly changing energy market since its establishment over 18 years ago.

“With the energy transition accelerating, it is a hugely positive step for us to be joining a group with Ark Energy’s track record and shared vision to scale up investment in renewable energy production in Australia. We have made a significant contribution to Australia’s energy transition to date and look forward to doing even more over the next chapter with Ark Energy,” Mr Poole said.

Epuron’s fellow Co-Founder, Andrew Durran, said Epuron has developed over 3,000MW of capacity with ~1,000MW of that now operating or under construction, as well as a significant and growing pipeline.

“Our decision to bring in Ark Energy as new owners follows a strategic review in which we decided to pivot towards long term ownership of our renewable energy projects in Australia. With Ark we are excited by the potential to apply our experience to more projects and play an even larger role in Australia’s energy transition,” Mr Durran said.

The acquisition is subject to standard regulatory approvals. It is expected to be completed in the first half of 2022.

About Ark Energy

Ark Energy Corporation Pty Ltd is an Australian subsidiary of Korea Zinc Co. Ltd., which is the largest producer of zinc, lead and silver in the world and is listed on the Korea Composite Stock Price Index (KOSPI) with a market capitalisation of approximately A\$11.7 billion. Korea Zinc has a proud 25-year history in Australia. Through its Sun Metals zinc refinery in Townsville, Korea Zinc is the largest private sector employer in Townsville, deeply embedded in the community and has made a significant contribution to the regional economy of North Queensland for more than two decades.

Ark Energy was founded by Yun B. Choi, Vice Chairman of Korea Zinc, in the beginning of 2021. Ark Energy’s mandate is to decarbonise the energy supply of Korea Zinc, which was the first major refiner in the world to join RE100 and commit to powering its global operations from 100% clean energy by 2050. Yun B. Choi and his team embarked on the journey back in 2017 with the development of the 124MW Sun Metals solar farm which is co-located with the zinc refinery in Townsville and is the largest integrated industrial use solar farm in Australia. Ark Energy is accelerating the group’s energy transition as it aims to produce ‘green’ zinc. Earlier in 2021, Ark Energy acquired a 30% stake in Acciona Energy’s 923MW MacIntryre wind farm in Queensland which is scheduled to be commissioned by 2025.

Ark Energy’s mission is to be the most competitive producer of green hydrogen in the world and to be an extreme user of hydrogen. Ark Energy is leveraging and expanding on the group’s existing investments across the hydrogen value chain to achieve this mission, with the ultimate goal of becoming a major exporter of green hydrogen. Phase 1 of Ark Energy’s SunHQ hydrogen hub (SunHQ) in Townsville is the first hydrogen project in Australia which will use all the green hydrogen it produces and is jointly supported by the Australian Renewable Energy Agency (ARENA) and the Clean Energy Finance Corporation (CEFC). The Queensland Government has also provided a A\$5 million grant for SunHQ and has recently granted a development approval for the project.

www.arkenergy.com.au



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About Epuron

Founded in Sydney in 2003 by Andrew Durran and Martin Poole, Epuron is one of Australia's longest operating and most experienced developers of utility-scale wind and solar energy projects. The company has been a leader in the growth of Australia's renewable energy capacity over the past two decades.

Epuron's track record includes a number of Australia's most prominent renewable energy projects. Its first development approval was Cullerin Range wind farm in New South Wales (NSW), which was commissioned in 2009 and its most recent was issued for Boulder Creek wind farm in Central Queensland in October 2021. The company's current portfolio of wind and solar projects spans across NSW, the Northern Territory (NT), Queensland and Tasmania and it has also constructed and owns and operates several solar power stations in the NT.

Epuron prides itself on an inclusive and collaborative approach to working with landowners, communities, local councils, state regulators and electricity grid operators to identify and design efficient projects that will make a meaningful contribution to Australia's energy transition.

www.epuron.com.au

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