



Media Release

15 July 2015

Renewable mining project raises the global bar

The Australian Renewable Energy Agency (ARENA) today announced \$20.9 million support for a 10.6 MW solar PV installation with storage at the DeGrussa Copper Mine in Western Australia.

ARENA CEO Ivor Frischknecht said the \$40 million project is set to bolster the mining industry's confidence in renewable energy.

"Once completed, this will be one of the world's largest integrated solar installations providing peak power load to a mining operation," Mr Frischknecht said.

"Single axis tracking and storage are planned to allow more renewables to be used. Solar will provide the majority of Sandfire's daytime electricity requirements, offsetting approximately 5 million litres of diesel per annum, which is more than 20 per cent of total diesel consumption."

Solar engineering company juwi will construct and operate the project, which is owned by global renewable energy firm Neoen. Onsite assembly will be undertaken in conjunction with Perth based contractor OTOC Australia. The Clean Energy Finance Corporation has committed up to \$15 million in debt finance towards the project.

The installation will be integrated into the existing 19 MW diesel generator facility to provide power to the mine owned by Sandfire Resources NL (Sandfire) under a 6 year power purchase agreement. If the mine continues operating past this point, ARENA funding will be paid back as the plant continues to generate solar energy.

Mr Frischknecht said the project joins a small but growing number of renewable powered mines globally and would be a world leading example that drives further advancements.

"Remote industries in Australia currently rely on 1.2 GW of power from diesel fuel that is prone to price volatility and supply interruptions," Mr Frischknecht said.

"Renewables are already competitive with fossil fuels in many off-grid applications, offering a strong, secure and reliable alternative to trucked-in diesel.

"ARENA support will help overcome the early-mover costs currently facing renewable mining projects. The undertaking at DeGrussa is supported by modelling showing similar projects could be viable without government subsidies in the near future.

"As with all ARENA supported projects, a detailed knowledge sharing plan has been developed to share operational data and information about the risks, diesel savings achieved and strategies to enable higher penetrations of renewables."

A [media kit](#) containing images and the other parties' media releases is available.

ARENA

ARENA was established by the Australian Government to make renewable energy technologies more affordable and increase the amount of renewable energy used in Australia. ARENA invests in renewable energy projects, supports research and development activities, boosts job creation and industry development, and increases knowledge about renewable energy. ARENA is currently supporting more than 200 projects and is actively seeking new projects to support.

juwi

The juwi Group is one of the world's largest renewable energy companies specialising in the Engineering, Procurement and Construction ("EPC") of utility scale projects. With approximately 1,000 employees worldwide, juwi has been responsible for the development, design, construction and operation of more than 1,500 solar PV projects and the installation of more than 800 wind turbines with a cumulated capacity of over 3,400MW.

Sandfire Resources NL

Sandfire Resources is a leading mid-tier Australian mining company which operates the high-grade, low cost DeGrussa Copper-Gold Mine in Western Australia and is developing a global portfolio of high quality resource assets. The DeGrussa Mine has an annual production range of 65-68,000 tonnes of copper and 36-38,000oz gold. Sandfire have an aggressive \$20 million p.a. exploration program in the region to further extend the mining operation at DeGrussa.

Clean Energy Finance Corporation

The Clean Energy Finance Corporation (CEFC) invests using a commercial approach to overcome market barriers and mobilise investment in renewable energy, energy efficiency and low emissions technologies. Since its inception, the CEFC has committed over \$1 billion in finance to investments in clean energy projects valued at over \$3 billion. The CEFC operates under the Clean Energy Finance Corporation Act 2012.

Neoen

Neoen, an independent energy company, was founded in 2008 on the initiative of French business leader Mr Jacques Veyrat. The company is a subsidiary of Impala, a diversified investment Group with over 6000 employees and a global presence. Capenergie II fund (managed by Omnes Capital), and Bpifrance the French public investment bank, are the minority shareholders of Neoen. Neoen develops, finances, builds and operates power plants based on renewable energies (solar, wind and biomass). Neoen is active in France, Portugal, Australia, Mexico, Egypt and El Salvador, and seeks to achieve installed power of over 1000 MW by 2017. Acting in Australia since 2012, Neoen's approach is based on a long-term commitment to its stakeholders and the Community.

OTOC

OTOC Limited is a diversified infrastructure and survey solutions company. OTOC's Surveying Division are highly regarded surveying consultants with expertise in land and cadastral, infrastructure and engineering surveying, aerial mapping, town planning and urban design. OTOC has a clear strategy to create a premium multi-disciplinary national surveying business. OTOC Australia is a leading provider of infrastructure construction and maintenance services for government, civil infrastructure and resources and projects.