



8 August 2016

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Australian Securities Exchange Limited

LEIGH CREEK ENERGY LIMITED

ASX ANNOUNCEMENT

ElectraNet appointed for strategic advice on electricity transmission studies

Leigh Creek Energy (ASX: **LCK**) is pleased to provide an update on recent progress regarding power generation for external customers and associated analysis of infrastructure options for the Leigh Creek Energy Project (**LCEP**).

LCK has commissioned ElectraNet Pty Ltd (**ElectraNet**) to provide strategic advice and conduct studies on high-voltage electricity transmission and connection to the National Electricity Market (**NEM**).

The LCEP will have need for its own base load power generation and initial market analysis shows that there is a strong potential to provide base load power to external customers.

The LCEP's main aim is to produce gas (methane) for the eastern Australian market. To achieve this ambition we will need to produce base load power on site for our own needs. Recent changes in the South Australian electricity market now afford an opportunity to potentially produce base load power for external customers and possible peaking power at times when renewable energy is not being despatched at sufficient levels to meet demand.

Analysis of South Australia's electricity market has also identified the potential to consider peaking power opportunities so that the LCEP can produce power at times when the State's vast wind energy network is not producing at capacity.

The initial engagement is focussed on:

1. Route options
2. Transmission infrastructure options
3. Grid connection opportunities
4. Risk mitigation strategies

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About ElectraNet

ElectraNet provides energy and infrastructure solutions across Australia, owning and operating over \$2.5 billion of electricity transmission assets that transport electricity over long distances and to remote areas. ElectraNet's clients include power generators, South Australia's electricity distributor, SA Power Networks, and large directly-connected clients.

ElectraNet is a private company owned by:

- State Grid International Development Asia & Australia Holding Company – 46.56%
- YTL Power Investments Limited – 33.50%
- Hastings Investment Management Pty Ltd – 19.94%

Commenting on the commissioning of electricity transmission infrastructure and route determination studies Mr David Shearwood, Managing Director of LCK said:

“We are delighted to be working with the South Australian specialist in high-voltage electricity transmission, ElectraNet.

At present, the changes in electricity and gas markets across eastern Australia afford LCK many opportunities to bring reliable energy into South Australia.

Our work with ElectraNet helps focus more detailed analysis ahead of investment decisions with this work to include route options, transmission infrastructure choices and grid connection opportunities.

LCK is now considering base load power generation for long term customers but also investigating peaking power that would swing into production when wind energy is not dispatching. This is particularly important in higher power demand periods (generally summer months) when South Australia relies on power being available via interconnectors with Victoria.

We look forward to sharing further updates with you as major milestones are met.”

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About Leigh Creek Energy

Leigh Creek Energy Limited (LCK) is an emerging gas company focused on developing its Leigh Creek Energy Project (LCEP), located in South Australia. The LCEP will produce high value products such as electricity, methane and fertiliser from the remnant coal resources at Leigh Creek utilising In Situ Gasification (ISG) technologies, and will provide long term growth and opportunities to the communities of the northern Flinders Ranges and South Australia.

The Company is committed to developing the LCEP using a best practice approach to mitigate the technical, environmental and financial project risks to as low as can be reasonably achieved.

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