

Octopus Renewable Energy Opportunities (OREO)

octopusinvestments
A brighter way

About Octopus

Octopus is one of the largest specialist renewable energy investment managers in Europe, with an experienced team based in Australia. Octopus Group is a multi-strategy independent investment manager, with over 800 employees in London, New York, Melbourne and Sydney, and approximately \$16 billion of funds under management.

The launch of Octopus's Australian office was based on the belief that the company's experience in renewable energy in Europe can help shape Australia's energy transition away from fossil fuels, providing a cleaner and more sustainable future. Octopus Australia is led by Managing Director Sam Reynolds and comprises thirteen individuals across Melbourne and Sydney.

The Market

Despite a large reliance on coal, Australia is poised to follow examples set by the UK and Europe in a transition to renewable energy, as the cost of such technologies continue to fall. Over the next 30 years, c\$170 billion is forecast to be invested into Australia's renewable energy infrastructure, as the existing coal-fleet reaches obsolescence and is retired from the generation mix.

With constraints on supply alongside population growth, energy prices are likely to remain high, creating an attractive opportunity to invest in a relatively defensive asset class.

About OREO

Fund Structure	Australian Unit Trust
Target Total Return	IRR: 7.5% net
Target Yield	4-5% net
Target Distributions	Bi-Annual
Fund Term	Open Ended
Liquidity	Quarterly*
Minimum Investment	\$100,000
Management Fees	0.95%
Performance Fees	20%
Return Hurdle	7.5% net

About the Fund

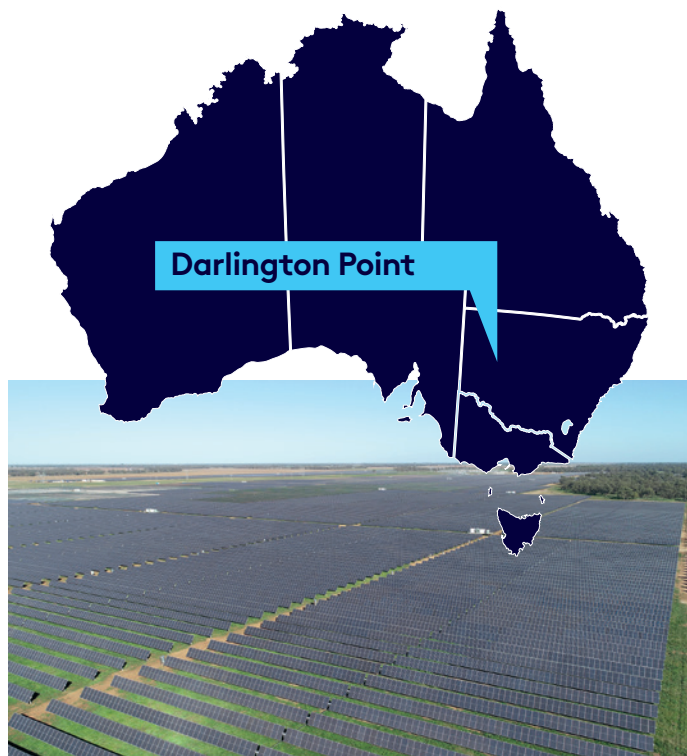
OREO object is to participate in the investment into Australia's transition towards a renewable energy future. The Fund is focused on construction ready and operational utility scale renewable energy sites. OREO's primary focus is on building a diverse, multi-state, multi-technology, Australian renewable energy portfolio.

Revenue for the portfolio will be generated through a mixture of the sale of energy via fixed term and fixed price contracts ("Power Purchase Agreements") and wholesale energy trading. One of OREO's key differentiators is its unique and institutional seed asset in Darlington Point Solar Farm. The Fund aims to return a net IRR of 7.5% (post fees, pre tax), with a 4-5% net yield, which will be distributed on a bi-annual basis to investors.



* subject to terms outlined in Term Sheet.

Seed Asset: Darlington Point Solar Farm



About Darlington Point

OREO Available H1 2021

Presently financed by a separate Octopus fund where the mandate in Australia is limited to select construction opportunities (not buy and hold).

Site will be substantially de-risked with Grid connection secured and site operational.

Darlington Point Solar Farm

Size	\$500m EV, 333MWp
PPA	55% of output contracted for 11 years with Delta Energy
Grid Connection	Established agreement in place with TransGrid. Connection to transmission network located onsite.
Project Status	Available H1 2021
OREO Status	Seed Asset
Investor Base	Institutional

Current Pipeline

Octopus Australia has commenced discussions with a range of Solar PV developers to capitalise on the market opportunity in Australian renewable energy. Octopus is sourcing, screening and performing due diligence on a number of projects. Octopus Australia's deal pipeline consists of live, well-qualified investment opportunities located in Victoria, New South Wales, Queensland, South Australia and Western Australia. The team is progressing talks on a diverse pipeline to put through a stringent due diligence process. Octopus is in continuous contact with these developers and has had constructive discussions including submitting initial non-binding offers and progressing due diligence in many cases.

OREO Pipeline Opportunity

