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PALISADE LAUNCHES INTERA RENEWABLES

INTERA Renewables

Palisade Investment Partners (**Palisade**) is pleased to announce the establishment of Intera Renewables, the next phase in its renewable energy investment strategy.

Palisade, as an early investor in the clean energy sector, manages and operates a diverse portfolio of renewable energy assets, comprising six wind farms and one solar farm across four Australian states (Queensland, South Australia, Victoria and Tasmania). These assets total nearly 1.5GW of installed generation capacity on a 100% ownership basis, making Palisade one of Australia's largest renewable energy investors.

Intera Renewables (**Intera**) is a newly established renewable energy platform, aggregating five of Palisade's operational renewable energy assets into a single entity of scale, with a common ownership, governance, management and financing structure. Intera will uniquely focus on a combination of long-term value creation through organic growth, with particular emphasis on developing and constructing new renewable energy projects, while concurrently providing investors with stable income returns underwritten by its existing, high-quality portfolio of operating assets.

Roger Lloyd, CEO of Palisade said: "We are delighted to be announcing the launch of Intera at a time of unprecedented momentum within the energy sector. This momentum is being driven by a combination of the inevitable retirement of fossil fuel generation, coupled with ambitious net zero targets across the Australian economy, requiring significant investment in renewable energy generation, storage and transmission.

Palisade's extensive track record combined with the scale of its existing portfolio, positions Intera to take advantage of the intrinsic growth opportunities created by this thematic, while continuing to provide investors with stable high-quality income returns through the platform".

In establishing Intera, Palisade has executed a A\$1.3 billion single portfolio financing facility secured against the combined pool of Intera assets, replacing existing individually financed asset level debt. The new portfolio facility leverages the highly contracted and geographically diverse cashflows of the entity, to achieve superior financing terms and significantly enhanced flexibility to utilise debt funding for strategic purposes.

Simon Parbery, Executive Director at Palisade said "Intera's material scale, geographic diversification and combination of long-term investment grade PPAs has provided a foundation for us to structure a portfolio financing with significant flexibility and debt capacity above a conventional single asset project financing structure. This allows Intera to utilise its balance sheet to pursue strategic objectives, further optimising Intera's unique competitive advantage in the sector".

Palisade Integrated Management Services (**PIMS**) will provide operational management services to Intera. PIMS provides management services to ten individual assets within the Palisade portfolio, including its existing portfolio of renewables assets.

Darren Sexton, PIMS' CEO and General Manager of Renewables said: "The ability to manage Intera as a single business rather than as individually managed assets, will allow for a greater suite of business and growth opportunities, as well as increased ability to optimise the performance of the existing portfolio through synergies and economies of scale".

Intera will be owned by Palisade's Renewable Energy Fund (**PREF**), Palisade's Diversified Infrastructure Fund (**PDIF**), Palisade direct investment clients, HESTA and the Clean Energy Finance Corporation (**CEFC**), plus Aware Super, who will be a co-investor in Intera.

PREF will have approximately 50% ownership interest in Intera Renewables and has a mandate to invest in both operating and development phase renewables assets in Australia. The fund aims to provide investors with diversified exposure to assets across locations, technology and offtaker. PREF was established in 2016, with a total return since inception to 31 December 2022 of 13.3% per annum, including 7.4% gross income.

PDIF will coinvest alongside PREF for an additional ~7% exposure in Intera. PDIF has provided investors with a total gross return of 13.0% per annum, including 7.7% of gross income, over the 10 years to 31 December 2022.

HESTA Head of Portfolio Management Jeff Brunton said: "As a long-term investor, HESTA is looking to invest more in the transition to a low carbon future, with a target of 10% of the total portfolio invested in renewables and other climate solutions by 2030.

To achieve this target, we're looking for ways to invest efficiently and at scale. The Intera model is one approach that's helping us to achieve this and we look forward to building this platform with our investment partners."

Aware Super Senior Portfolio Manager – Infrastructure, Mark Hector said: "As one of the nation's leading super funds dedicated to delivering strong risk adjusted returns for our 1.1 million members, we're excited to deepen our \$2 billion commitment to renewable energy and climate solution opportunities. The addition of the Intera Renewables platform offers attractive benefits such as geographic diversification, reduced downside exposure and enhanced scale and operational efficiencies."

Intera's seed assets are comprised of Hallett 1 Wind Farm (South Australia), Snowtown 2 Wind Farm (South Australia), Granville Harbour Wind Farm (Tasmania), Macarthur Wind Farm (Victoria) and Ross River Solar Farm (Queensland), for a combined installed capacity (100% basis) of ~1GW, and first 12-months EBITDA of ~\$150m per annum on an Intera proportionately owned basis.

Intera's portfolio financing facility was provided by a banking consortium comprising Australia and New Zealand Banking Group, Bank of China, Commonwealth Bank of Australia, Industrial and Commercial Bank of China, ING Bank (Australia) Limited, Mizuho Bank Ltd, MUFG Bank Ltd, Sumitomo Mitsui Banking Corporation and Westpac Banking Corporation.

Macquarie Capital acted as financial adviser, King and Wood Mallesons as legal advisor and Clayton Utz as tax advisor in relation to the transaction.

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About Palisade Investment Partners

Palisade is an independent, global infrastructure and real assets manager.

Our primary focus is generating outstanding risk-adjusted returns for our institutional and wholesale investors by investing in mid-market infrastructure and infrastructure adjacent assets in a sustainable manner.

For more information, visit us online:

[Palisadegroup.com](https://palisadegroup.com)

About the Clean Energy Finance Corporation

The CEFC is a specialist investor at the centre of efforts to help deliver on Australia's ambitions for a thriving, low emissions future. With a strong investment track record, we are committed to accelerating our transition to net zero emissions by 2050. In addressing some of our toughest emissions challenges, we are filling market gaps and collaborating with investors, innovators and industry leaders to spur substantial new investment where it will have the greatest impact. The CEFC invests on behalf of the Australian Government, with a strong commitment to deliver a positive return for taxpayers across our portfolio.

About HESTA

HESTA is the largest superannuation fund dedicated to Australia's health and community services sector. An industry fund that's run only to benefit members, HESTA now has more than one million members (around 80% of whom are women) and manages close to \$70 billion in assets invested around the world.

For more information, visit: <https://www.hesta.com.au>

About Aware Super

Aware Super is one of Australia's top performing and largest industry super funds with A\$155 billion FUM. We invest to achieve strong risk-adjusted returns over the long-term for more than 1.1 million members. As one of the world's top 50 institutional investors, we take an active management approach to responsibly invest across alternative assets, including infrastructure, real estate and private equity, as well as liquid markets.

Our integration of responsible ownership principles enables us to manage risk and generate returns, while also supporting the communities in which our members live, work and retire. To date, we have invested \$2 billion across infrastructure, private equity and fixed income into renewable energy and climate solution opportunities.

For more information, visit <https://aware.com.au/>



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