

18 July 2017

Steve Masters  
Chief Executive  
ElectraNet  
PO Box 7096  
Hutt Street Post Office  
ADELAIDE SA 5000

Email: [consultation@electranet.com.au](mailto:consultation@electranet.com.au)

Iron Road House  
Level 6, 30 Currie St  
Adelaide 5000  
South Australia

GPO Box 1164  
Adelaide 5001  
South Australia

T: +61 8 8214 4400

F: +61 8 8214 4440

[admin@ironroadlimited.com.au](mailto:admin@ironroadlimited.com.au)

Dear Steve

## Re: Eyre Peninsula Electricity Supply Options PSCR Feedback

Adelaide-based Iron Road Limited (ASX: IRD) is the developer of the US\$3.7 billion *Central Eyre Iron Project* (CEIP), located on the Eyre Peninsula. The CEIP comprises a magnetite mining and minerals processing operation (mine) together with the required infrastructure to support the operation and logistics chain to market (including heavy haulage rail, power, water supply and a deep sea port).

The CEIP will provide tangible benefits for the duration of its operating life and beyond, supporting direct and indirect employment opportunities and upgrading regional infrastructure to the benefit of the wider community. The project is expected to create approximately 2,000 direct jobs during construction and +700 permanent jobs during operation.

The CEIP Mining Lease and Development Approval were granted by the South Australian Government on 3 May 2017. The rail and port component has been declared a Priority Project by Infrastructure Australia, one of only ten Projects nationwide, and the CEIP enjoys Major Project Facilitation by the Australian Government, the only South Australian project to receive this status.

Iron Road expects to make a Final Investment Decision (FID) by the end of 2017, with financial close expected during 2018. The Company is currently assembling a number of key project partners, with China Railway Group (CREC) pivotal to the commercialisation of the project. Three major banks have formally expressed interest in providing debt finance for the project and discussions with these entities are advanced.

**A vital component for the CEIP will be the provision of a 275kV power transmission line to provide power to the mine site for the operation of the mine and beneficiation plant.** The intention is that the project will link into the power grid at Yadnarie West substation. To do so requires upgrades to the existing grid and various substations. Iron Road will rely on existing transmission line easements to meet its project schedule and an upgraded double circuit 275kV transmission line from Cultana to Yadnarrie West. A single circuit 275kV line is required from Cultana to Davenport. Additionally, a transmission line and substation is required for port operations at Cape Hardy, situated 20km north of Tumbly Bay.

**Iron Road is strongly supportive of ElectraNet's Regulatory Investment Test for Transmission (RIT-T) and specifically Option 4 as documented in the Project Specification Consultation Report (PSCR). This involves the full replacement of the Cultana to Port Lincoln transmission line, upgraded to double circuit 275kV.**

Yours sincerely

A handwritten signature in black ink, appearing to read "Andrew Stocks".

**Andrew Stocks**  
Managing Director

