18 January 2018

Steve Masters
Chief Executive
ElectraNet
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ADELAIDE SA 5000
Email: consultation@electranet.com.au

Dear Steve

Re: Eyre Peninsula Electricity Supply Options – Regulatory Investment Test for Transmission

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 development 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 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, and the CEIP enjoys Major Project Facilitation by the Australian Government, the only South Australian project to receive this status. Iron Road is currently pursuing project funding.

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 Yadnarie West. Additionally, a transmission line and substation is required for port operations at Cape Hardy, situated 20km north of Tumby Bay.

Iron Road is strongly supportive of ElectraNet’s Regulatory Investment Test for Transmission (RIT-T) and Supply Option 4B as detailed in the Project Assessment Draft Report (PSDR). This involves a new double-circuit 275kV line between Cultana and Yadnarie and a new 132kV double circuit line between Yadnarie and Port Lincoln.

Yours sincerely

Andrew Stocks
Managing Director