

PROPOSED CENTAURI 1 POWER STATION 168MW

Source: Eneabba Gas Ltd (<http://www.eneabbagas.com.au/viewStory/Centauri+1++Power+Station>)

While no firm projections for the Centauri 1 Power Station 168MW and the future energy customer base have been finalised, the engagement of ACIL Tasman has provided a Market Model that gives management an estimate of opportunities and also attempts to place a range of values attributed to the IMO Capacity Payment, that are an integral part of the conditional power station generating capacity approval.

Any future commercial feasibility, the funding and detailed financial projections, will be subject to a separate and unique commercial proposal, specifically focused on the feasibility and operation of that plant. A separate funding, capital raising or other financial arrangement will be put in place at the time such a commercial proposal may be considered by the Company. This advised intention, also explains why certain timely and preliminary approvals and conditional certifications have been sought by the Company, should this future investment be considered by the Company.

In August 2004, the Company sought initial design and budget pricing indications from two gas turbine power station manufacturers. The basis of selection, apart from economical operation costs, was to have maximum flexibility of the generation plant, along with equipment capable of the meteorological requirements particular to the area. Operation and energy outputs of the plant would have to be maintained within the constraints of summer temperatures regularly in excess of 41° C.

In addition to the IMO specifications for SWIS energy supply, the Company also required the budget specification to meet the 100MW output on days where temperatures exceeded 45° C for up to 3 hours, being previously recorded meteorological data in the area. From those detailed enquiries, the Company selected GE Energy as the preferred equipment provider, with the configuration selected being four (4) units GE LM6000 gas turbines (with "as built" model specifications to be agreed, once final gas testing had been undertaken).

The Company also appointed engineering and power station consultants, Worley Parsons to assist in further development of specification of the power station with GE Energy and also lodgments to Western Power for interconnect negotiation and transmission technical requirements. The Company lodged with the Office of Energy, an Expression of Interest in regard to the Wholesale Electricity Market and SWIS, on 6th December 2004. Further lodgments were also made with the IMO to secure certification of a base load 100MW power station for connection to SWIS no later than July 2008.

While initial budget pricing and design parameters have been undertaken by the Company, the final detailed plant configuration has been confirmed with GE Energy. As a guide to prospective investors, the Company has been provided budget estimates for a "turnkey plant" that fall within the industry benchmark of approximate plant cost of \$1.0m / MW (or approx \$150 m).

Final site selection for the Centauri 1 power station is on the Brand Highway.

Basis of Design

Location	area near Dongara, Western Australia	
Elevation	50 m ASL	
Design Range	10° C – 40° C see comments*	
Rel Humidity	20% - 100%	
Primary Fuel	natural gas	
Secondary Fuel	gas and syngas	
Seismic zone	UBC Zone 2	
Wind	100 MPH	160 KPH
Sound prox	85dBA at 1.0m horiz : 1.5m vert	
Sound in field	65 dBA at 150 yds	: 125 m