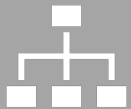


Risk Management



An Inherent Component of Projects



With strategic management, risks associated with schedule, budget, quality, and stakeholders can be systematically identified, analysed, and managed



Allows teams to leverage insights gained from managing risks to enable better decision-making, refine strategies, and strengthen resilience against future challenges



Risk Assessment



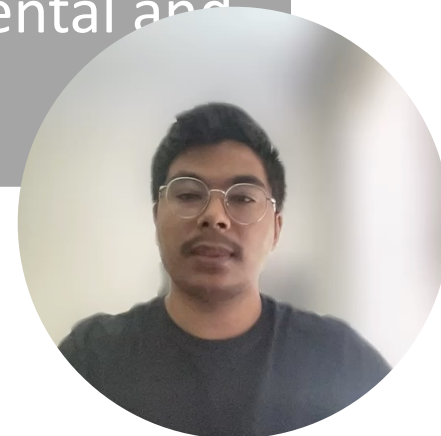
Environmental and Social Considerations



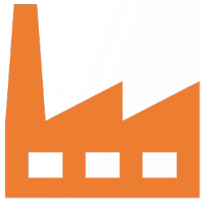
Initial risk assessment focused on potential objections from local landowners and biodiversity concerns



Location on an abandoned mine site minimized environmental and social risks



International Procurement and Financial Risks



Equipment sourced from international suppliers like First Solar , SMA , and NEXTracker



Foreign exchange financial risk introduced additional complexities for project financing



Inexperienced teams heightened risks due to uncertainty in costs and lack of historical data on similar projects



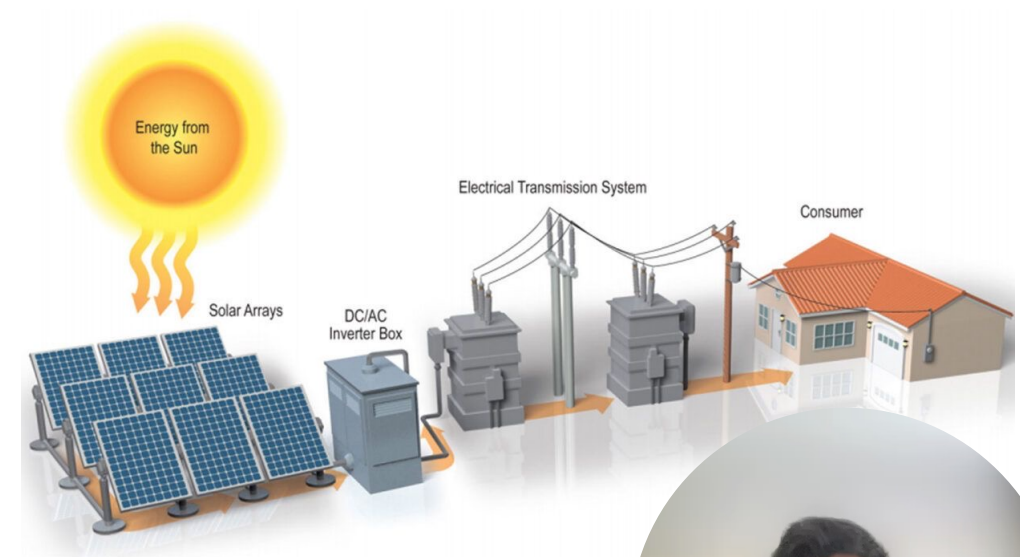
Grid Connection Challenges



Grid connection providers often being government entities resulted in non-negotiable terms on price and connection timing



Grid connection was identified as the longest and riskiest part of the project



Planning Stage Risk Management



Risk Transfer Mechanism

- Genex transferred construction and finalisation risks to UGL, ensuring they handled potential issues like equipment malfunctions or construction delays



Revenue Assurance

- Power Purchase Agreements signed with Origin Energy and Energy Australia for 10 to 20 years, enhancing revenue certainty



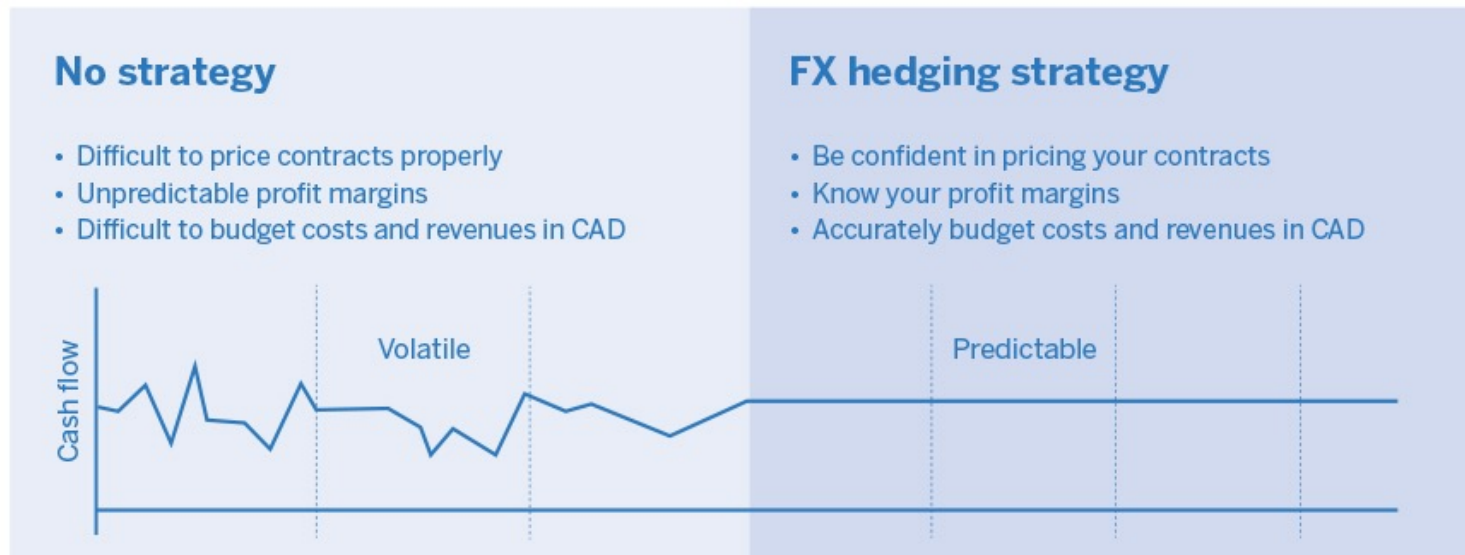
Execution and Future Risk Management Strategies



Enhanced Hedging Mechanisms

- Implement more sophisticated hedging mechanisms like forward and futures contracts to mitigate unforeseen market volatility

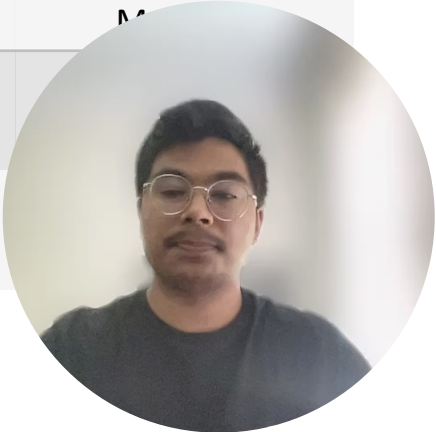
With FX hedging, you can mitigate your risk from fluctuating currency.



Risk Register Utilization

- Use of a risk register to identify potential setbacks within the project and implement controls for better project budget management and stakeholder expectation management

Risk Event	Probability	Impact	Priority	Strategy	Accountability
Grid Connection Delays	4	Catastrophic (5)	20	Expedite negotiations and approvals with grid operators	Project Manager
Cost Overruns due to Currency Fluctuations	3	Major (4)	12	Implement financial hedging strategies	Financial Manager
Supply Chain Disruptions for Solar Panels	3	Major (4)	12	Develop alternative supplier relationships	Procurement M
Environmental Permit Delays	2	Moderate (3)	6	Engage early with regulatory bodies	
Community Opposition	2	Moderate (3)	6	Strengthen community engagement plans	



PESTELG Framework Application

- Identification of external factors impacting the project including Political, Economic, Social, Technological, Environmental, Legal, and Global factors
- Emphasis on early engagement with grid operators and regulatory authorities to avoid project delays



Comprehensive Feasibility Studies

- Advised to conduct extensive studies beyond solar radiation richness to identify and plan for potential challenges
- Adequate budgeting and resource allocation for timely grid connection completion recommended

