



Geothermal Update 2013

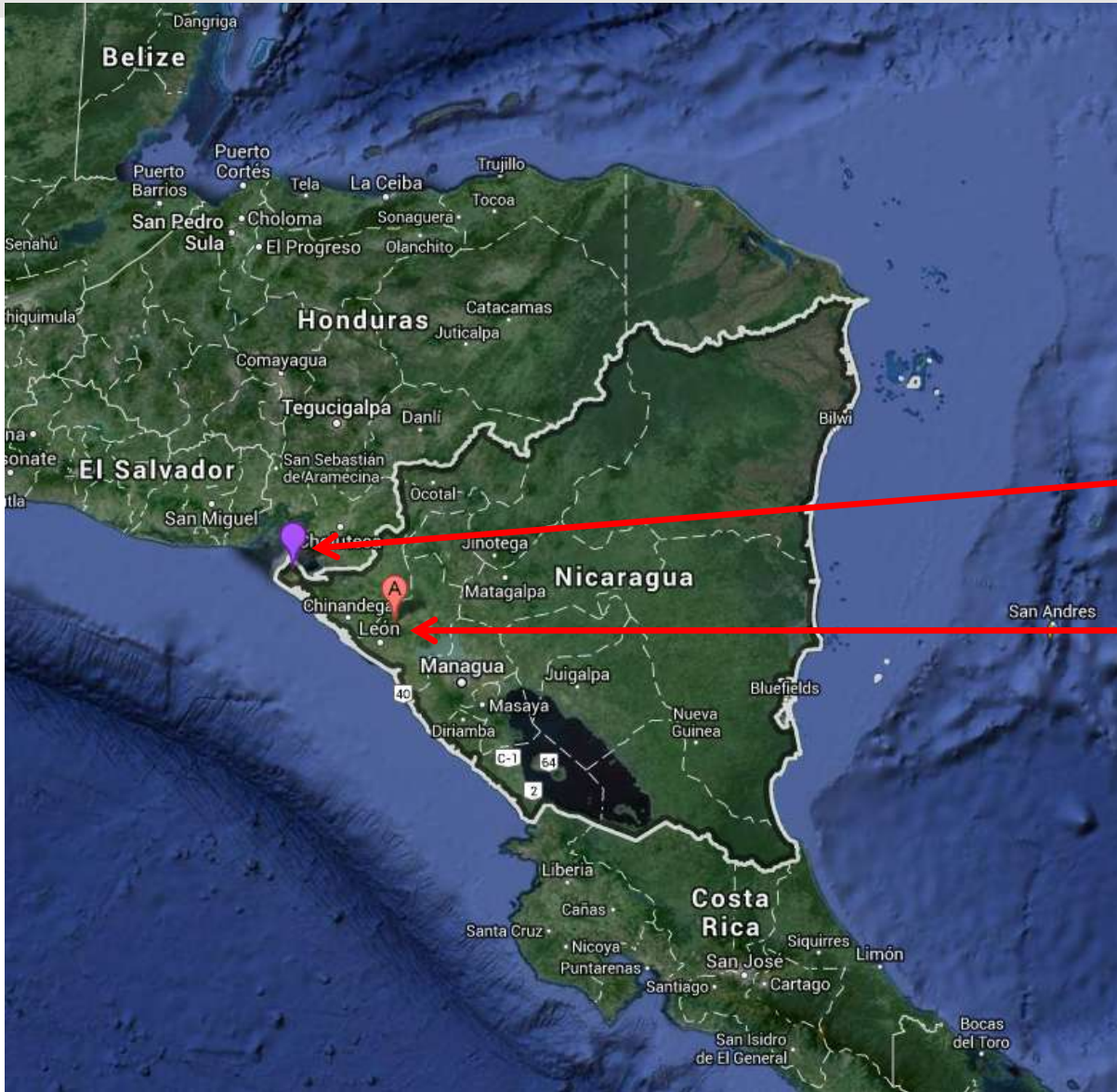
35TH NEW ZEALAND GEOTHERMAL WORKSHOP

SINCLAIR KNIGHT MERZ
SKM

Overview

- Key Projects
- Corporate Social Responsibility
- Going forward

SKM Geothermal in Nicaragua



Cosiguina

San Jacinto



San Jacinto

- Phase I 36 MWe was online Dec 2011
- Phase II 36 MWe on line Dec 2012
- Make up well drilling 2013
- Lead responsibility for drilling management, well testing & reservoir assessment
- Reservoir modelling – update model & assist with ongoing reservoir management
- Technical performance review for steamfield and injection system



Cosiguina

- Cosiguina Geothermal Prospect – MIME (Govt), ACN
 - Pre-feasibility study 3Gs surveys, exploration drilling



Olkaria IV and I Additional Units - Kenya

- Olkaria IV and Olkaria I expansion is the world's largest geothermal project currently under construction reinforcing SKMs position in the geothermal market
- Total Cost: ~EUR1000million
- Combined generating capacity of 280MWe (4 x 70 MWe Units)
- SKM is Owners' Engineer and has provided to KenGen conceptual design of steamfield, power stations and transmission lines (FEED and main specifications)
- Currently leading into commissioning of steamfield



Wairakei Brine and Production System Design – New Zealand

- Significant success at Wairakei through the use of a collaborative designer/owner approach.



Te Ahi O Maui Geothermal Project – New Zealand

- Technical Scientific Advisor and Owner's Engineer



3D Model used for stakeholder consultation

Silica Extraction from Geothermal Brine – New Zealand

- Process Design for Proof of Concept Plant
- Feasibility Study for Commercial Scale Plant

Long Term Steamfield Engineering Services – Chevron Indonesia

- SKM providing engineering support for ongoing sustaining capital programme at Darajat and Salak



Patua Geothermal Project - USA

- Lender's Resource Advisor for Patua Phase 1
- Nominal 30MW net, Nevada
- Project is underway with plant commissioning



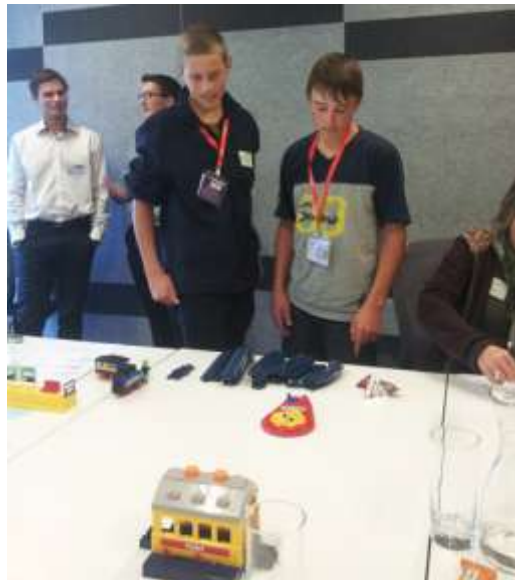
PLN – Pertamina Tariff Study - Indonesia

- SKM completing a tariff study for the electricity generated from geothermal power plants in Indonesia.
 - Review development costs
 - Financial modelling
 - Tariff assessment
- .“Hopefully, through the audit result, an agreement on new tariff can be reached,” - PLN



Corporate Social Responsibility

- Globally, SKM allocates 1% of its revenue to CSR initiatives
- SKM New Zealand receiving NZ\$63,000 last year to work with communities in need, environment and disaster relief
- Engineers without Borders, Habitat for Humanity, Education for Sustainability
- Building on this to offer scholarships and increase in funding and staff participation



Education and Training

- Providing support to the Geothermal Institute for their short-courses
- Provided our own in-house short courses for clients in geothermal engineering, pipe design and geoscience
- Building relationship/mentoring high school students



Going Forward

- Proposed merger with Jacobs Engineering & SKM
- Jacobs Engineering is one of the world's largest providers of professional technical services, present in 25 countries, 65,000 employees
- Bring a greater depth and global reach in terms of the energy sector, and that there will be strong focus on continuing to service our global clients in the geothermal sector using NZ as a centre of excellence.
- Shareholders to vote, implementation of merger commence 16/12/13



Thank You

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