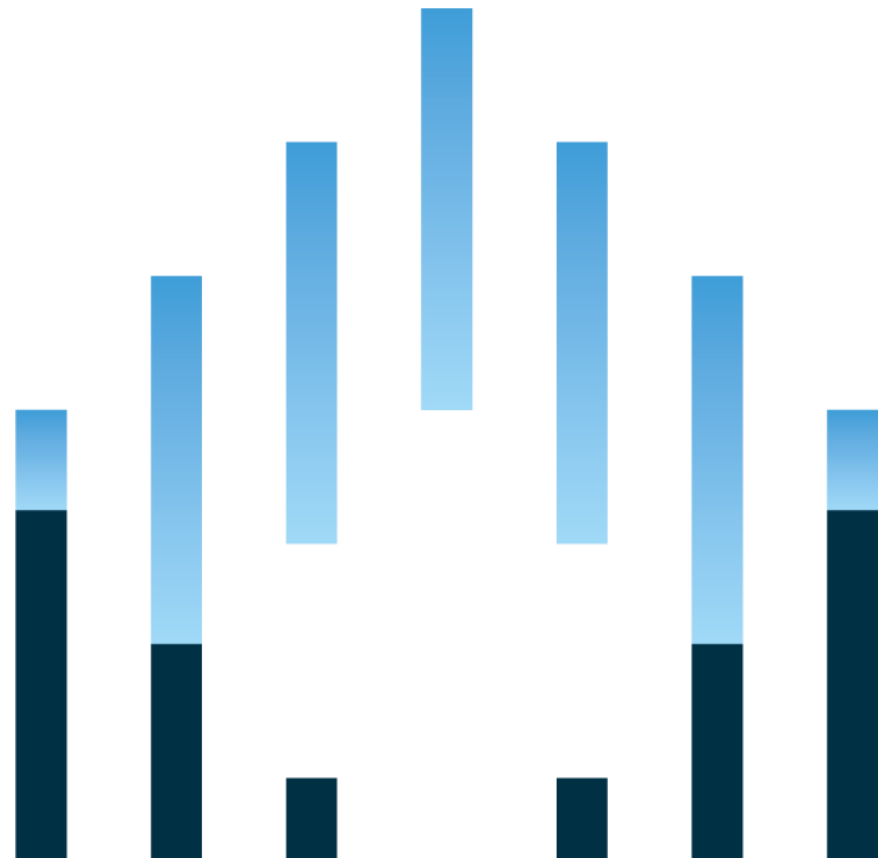


Investing in Australian Infrastructure

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Why invest into Australia?

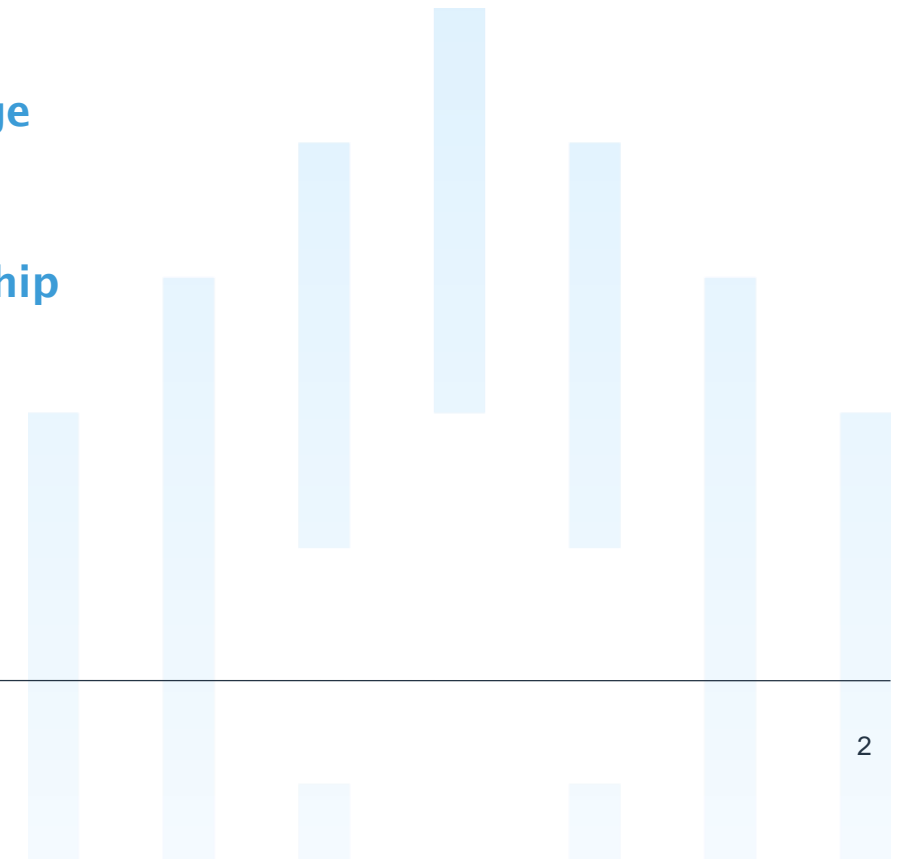
Democratic, politically stable and robust regulatory environment

Strategic location and strong economic credentials

Sophisticated financial services sector

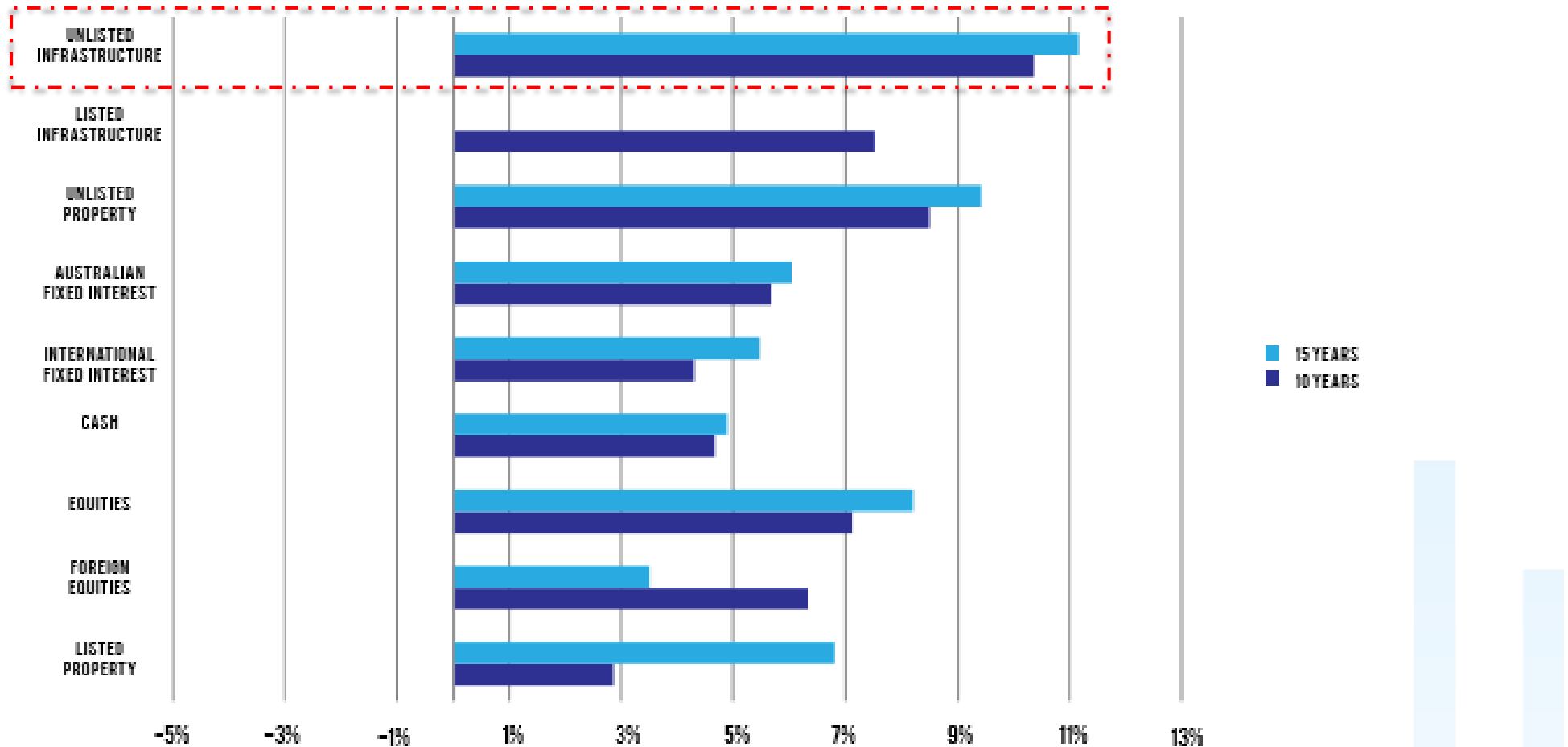
Favourable taxation regime minimising tax leakage

Australian Korean trade and investment relationship



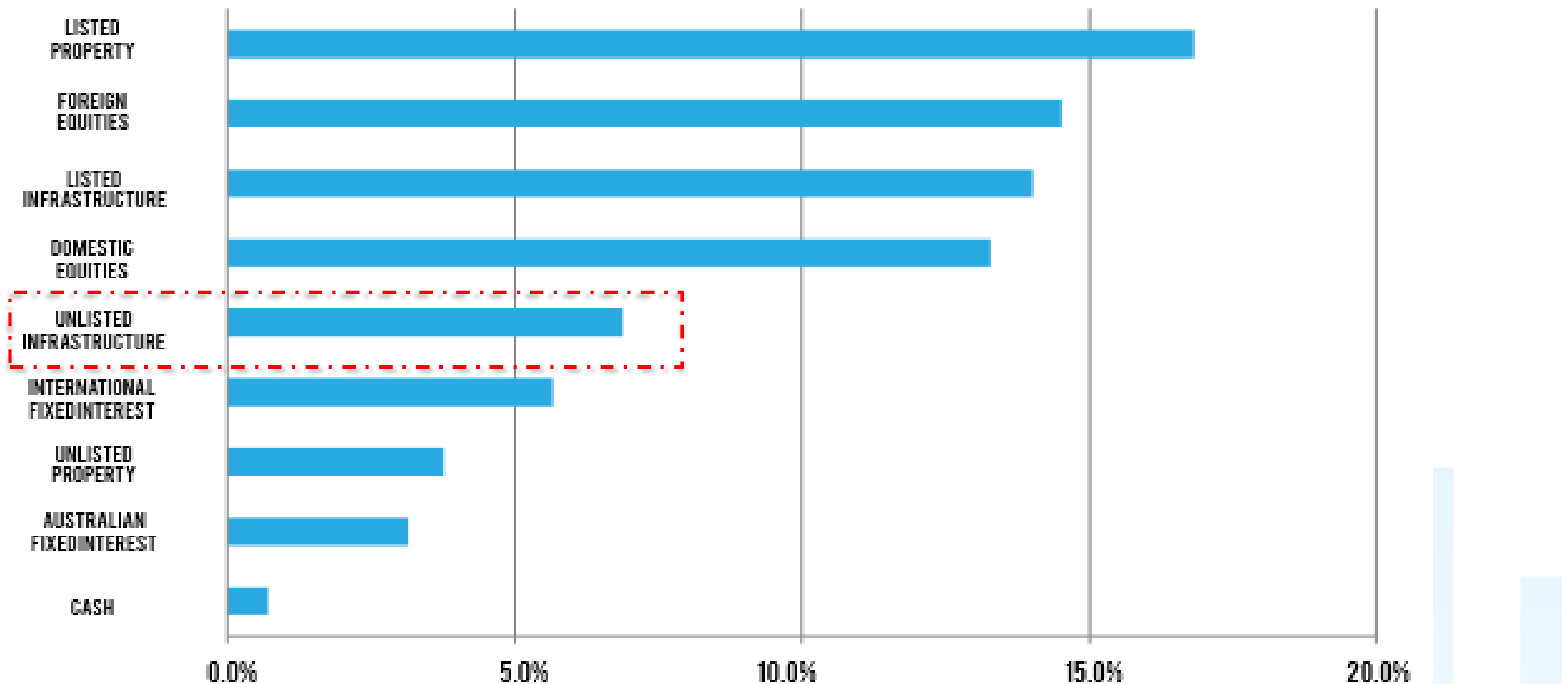
Why invest in Australian Infrastructure?

10 & 15 year investment returns by asset class



Why invest in Australian Infrastructure?

Volatility of asset classes 2000 and 2015



Source: ISA and Frontier Advisors

Trends in infrastructure

Increased allocation to infrastructure

- Maturity of asset class
- Defensive characteristics are being demonstrated
- Price inflation is occurring though with weight of global capital

Increased Government focus on infrastructure funding

“Recycling” of capital through privatisation

- Politically acceptable means of freeing up Government balance sheets
- Investing in new infrastructure from sale proceeds

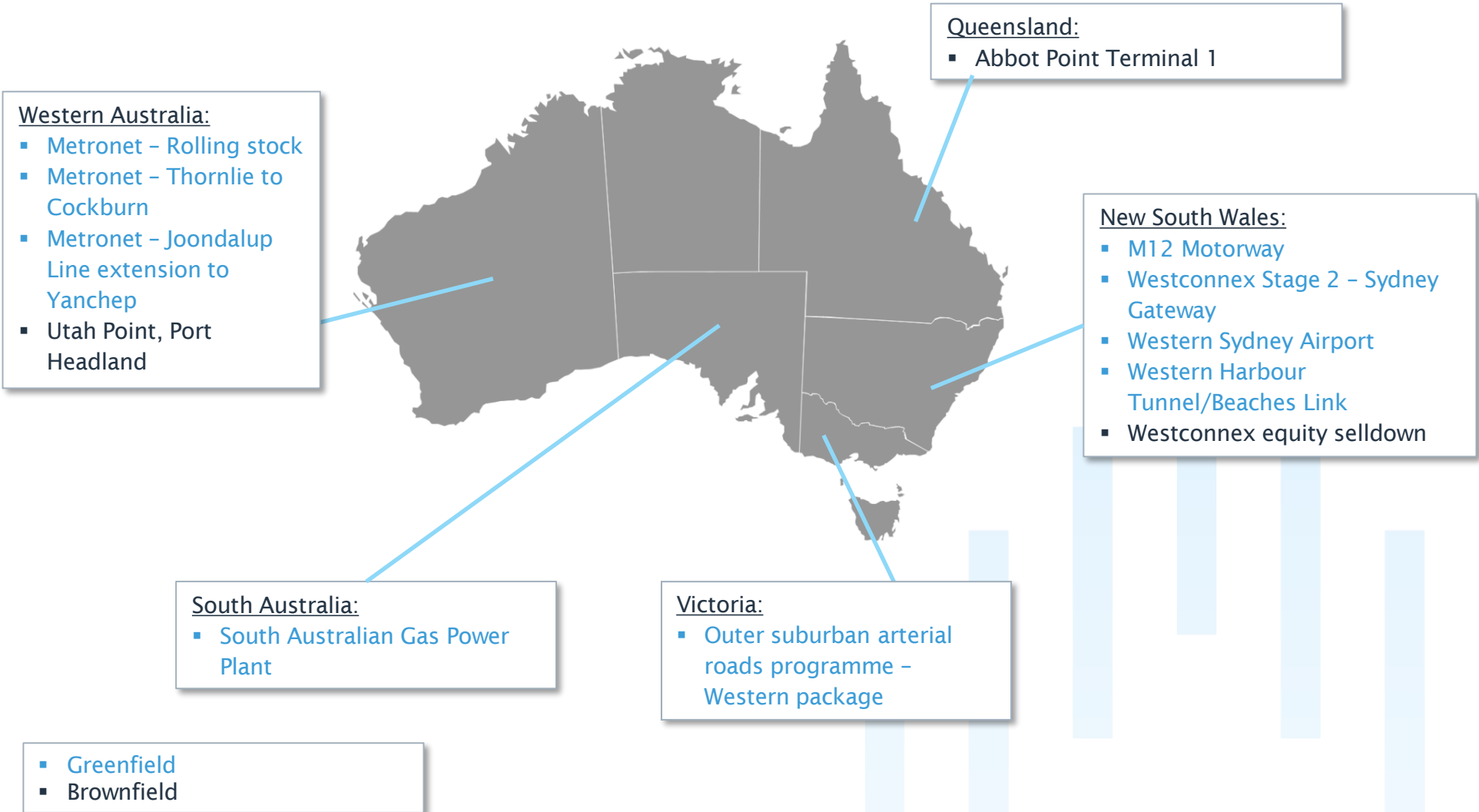
PPP delivery

- Whole of life commitment to infrastructure assets
- Value for money accepted by all State Governments

A new energy policy from the Federal Government

- The Federal Government has announced a new energy policy, the *National Energy Guarantee*, aimed at stabilising energy prices and reducing electricity prices

Large value project pipeline



Mid-market project pipeline

Strong deal flow in the mid-market space

- Combination of greenfield and brownfield opportunities
- Diverse mix of counterparties and off-takers/revenue sources
- In the past 12 months, Palisade has seen > 60 mid-market opportunities

Sector	Number of deals reviewed	Average equity size	Process Type
Social PPPs	4	\$50-75 million	Generally 2-3 bidders for greenfield processes Brownfield both competitive and bilateral
Transport	8	\$75-100 million	Competitive auctions for larger assets Limited processes/bilateral negotiations for smaller assets
Energy	34	\$60-80 million	Predominantly bilateral, negotiated transactions
Utilities	7	\$140 million	Competitive auctions for larger assets Limited processes/bilateral negotiations for smaller assets
Agricultural infrastructure	4	\$20-30 million	Predominantly bilateral, negotiated transactions

Over \$560m equity invested or committed in FY2017

