



COMPANY ANNOUNCEMENT

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[ASX: EVM](#)

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EnviroMission Starts India Solar Tower Competitive Market Development

[EnviroMission Limited \(ASX: EVM\) \(OTCQX: EVOMY\)](#) will begin a competitive market process to take expressions of interest in the development of the Australian [Solar Tower](#) power station concept in India.

EnviroMission has received a number of 'expressions of interest' seeking the right to develop the Australian Solar Tower power station concept in India; a competitive market process will enable EnviroMission to more fully explore capitalisation opportunities present within the India market.

The EnviroMission board of directors is proposing to adopt a similar 'market development' model to the development model that was applied to the China market.

EnviroMission owns the Australian Solar Tower [development rights for China](#) and is party to a 20% non-diluting, free carried interest to develop Solar Towers in China with Shanghai based EnviroMission investor and shareholder, Mr Guo Xiang Ma, Chairman, Shanghai Xiang Jiang Company Limited.

"Analysis of the prospects for development of the Australian Solar Tower concept in India provides a strong justification for EnviroMission to start a competitive market process to seek out the most appropriate and commercially beneficial opportunities.

"Given India's appetite for sustainable renewable energy development and the number of enquiries already coming out of India, it is highly appropriate to push a competitive market process forward at this time," said Roger Davey, EnviroMission's Chief Executive.

"The competitive market process will be undertaken in parallel with EnviroMission's Solar Tower development in the United States.

"EnviroMission has always believed development progress and success would drive the timetable for development in other markets," Mr Davey said.

"EnviroMission's progress in Arizona is proving to be a factor behind the growing number of enquiries seeking to develop the Australian Solar Tower concept, particularly in India and the Middle East.

"Development enquiries have continually flowed out of India and whilst EnviroMission has engaged in a variety of development discussions on a proposal by proposal basis there is now a strong argument to proceed with a model where EnviroMission will share in the commercial development rights to achieve immediate and ongoing economic value for EnviroMission's shareholders," Mr. Davey said.

It is anticipated the competitive market process will take several months to conclude and EnviroMission will keep the market informed as appropriate.

EnviroMission's Australian Solar Tower intellectual property, know-how and development and rights were recently independently valued at AUD\$60M (January 2011) by Acuity Technology Management; the valuation took into account the commercial prospects of EnviroMission's Power Purchase Agreement (PPA) to derive income from the first of two 200MW Solar Tower renewable power stations to the Southern California Public Power Authority Power Purchase Agreement (PPA).

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A relief from royalties approach was applied to the valuation methodology to include a probability adjusted net present value of likely future cash flows, based on revenue projections supported in the Power Purchase Agreement documentation with the Southern California Public Power Authority (SCPPA).

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