Media statement

27 October 2021

Response to Announcements from State of Tasmania and Hydro Tasmania

Basslink Pty Ltd (Basslink) refers to the announcements made by the State of Tasmania and Hydro Tasmania today.

Basslink considers this a deeply regrettable development. We have been making progress on the various arbitration award matters in good faith and in a responsible manner. We also started biweekly steering committee meetings involving the State, Hydro Tasmania, and Keppel Infrastructure Trust (KIT). The announcements therefore come as a surprise.

Basslink emphasises that it has worked in good faith at all time to progress the recommendations and findings resulting from the arbitration. Notwithstanding this development, Basslink will continue to engage responsibly with the State and Hydro Tasmania to come to a resolution on the foregoing.

Basslink Interconnector continues to operate efficiently and reliably, connecting Tasmania to the national electricity market. We continue to serve the residents of Tasmania and Victoria, providing a reliable and sustainable source of energy. That has not changed.

Basslink has voluntarily paid extension fees to the lenders on three separate occasions to continue a sale process to ensure that we find a solution to take care of all our stakeholders, from the largest to the smallest.

Basslink has engaged in a sale process and have appointed a financial advisor. We believe that we have acted purposefully and with care to ensure that all stakeholders' interests, including the State, Hydro Tasmania, lenders' as well as KIT's institutional and retail Unitholders, have been taken into account.

The prior sale process did not conclude because all parties, including the State and Hydro Tasmania, unfortunately, could not come to a satisfactory agreement with the bidder.

Basslink will provide further updates when there are material developments.

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For further media enquiries on Basslink, please contact:

Matthew Mahon, Royce, 03 8628 9300 or 0413 101 860 matthew@royce.com.au

About Basslink www.basslink.com.au

The Basslink Interconnector enhances security of supply on both sides of Bass Strait; assists in protecting Tasmania against the risk of drought-constrained energy shortages while providing Victoria and southern states with secure renewable energy during times of peak demand. The Basslink Interconnector is the world's second longest undersea electricity cable. Owned by Keppel Infrastructure Trust, Basslink delivers excellence in the areas of safety, reliability and performance.

Basslink has a number of fibre optic assets which carry high speed telecommunication traffic. Basslink Telecoms offers a range of wholesale transmission services between Tasmania and Victoria.