

EnviroMission Limited ACN: 094 963 238 3 Raglan Street South Melbourne, Victoria 3205 T +61 3 9699 7566 E communications@enviromission.com.au COMPANY ANNOUNCEMENTS DIVISION For Immediate Release Wednesday, 20 October, 2010

> ASX Code: <u>EVM</u> US OTC Code: <u>EVOMY</u>

MEDIA RELEASE 'POWER PURCHASE AGREEMENT UP FOR APPROVAL'

News of EnviroMission's company announcement to the Australian Securities Exchange (19 October) disclosing a Power Purchase Agreement for the sale of electricity from EnviroMission's proposed USA Solar Tower development to the Southern California Public Power Authority ("SCPPA") had been placed on the agenda of the SCPPA board for approval, was distributed to the US market in the media release, 'Power Purchase Agreement Up for Approval', that follows.

"This much anticipated Power Purchase Agreement with SCPPA will provide a commercial outcome that will resonate 'project viability' once the economic basis of the PPA is able to be factored into the already compelling social and environmental case or Solar Tower power station development in the USA" EnviroMission Chief Executive, Roger C. Davey was quoted within the media release about the impact a Power Purchase Agreement has to a power generator's business case.

"Power Purchase Agreements are critical to any power generator's business case because the PPA provides key revenue stream information vital to the financial modelling that determines commercial arguments for project viability that precede any power project development," Mr. Davey added in additional support of the importance of this news to Solar Tower development in the USA.

Ends.

General and Media Enquires

Kim Forte (+61414690356) General Manager, Communications Enviromission Limited Director EnviroMission (USA), Inc

Enviro Mission MEDIA RELEASE Enviro Mission

POWER PURCHASE AGREEMENT UP FOR APPROVAL

PHOENIX, USA, October 19/--A Power Purchase Agreement for the sale of electricity from the proposed <u>EnviroMission</u> (ASX: EVM; OTCQX: EVOMY) Arizona Solar Tower development to the Southern California Public Power Authority (SCPPA) has been placed on the agenda for approval at the next SCPPA board meeting on October 21, 2010.

EnviroMission was selected as the *only* suitable solar energy project at the time of EnviroMission's successful submission to a 2008 SCPPA Request for Proposals (RFP).

The 2008 SCPPA RFP sought suppliers of suitable renewable energy for SCPPA member utilities to meet their Renewable Portfolio Standard (RPS). SCPPA members have adopted a 33% mandate by 2020 to be generated from renewable energy.

SCPPA is a California joint power authority consisting of eleven municipal utilities and one irrigation district. SCPPA members deliver electricity to approximately two million customers over 7,000 square miles to a population of nearly five million people.

EnviroMission has been negotiating the sale of clean renewable electricity from the first of two planned 200 MW Solar Tower power stations in Arizona to SCPPA and its member utilities since qualifying as a 'suitable renewable project' in 2009.

SCPPA board approval requires member utilities, identified as 'Project Participants' (end user utilities), to seek approval from their respective governing bodies to purchase agreed amounts of Solar Tower power from SCPPA via individual Power Sales Agreements (PSA) that will be met by the EnviroMission SCPPA Power Purchase Agreement (PPA).

Ratification of each PSA is a condition precedent to the SCPPA PPA with EnviroMission however all PPA negotiations were conducted in consultation with SCPPA member utilities with the objective of 'satisfying a collective renewable energy appetite' of a number of SCPPA member utilities through a single PPA executed between SCPPA and EnviroMission.

Development of Solar Towers in Arizona's hot, arid west will create vital regional development opportunities from new green jobs and positive economic flow on benefits from power station construction and electricity generation in a region with water constraints that severely limit the development of large-scale water intensive power generation technologies including concentrated solar power (CSP), coal, gas and nuclear; **Solar Tower power station technology does not use water in the electricity generation method.**

"This much anticipated Power Purchase Agreement with SCPPA will provide a commercial outcome that will resonate 'project viability' once the economic basis of the PPA is able to be factored into the already compelling social and environmental case for Solar Tower power station development in the USA" said EnviroMission's Chief Executive, Roger C. Davey in Melbourne today.

"EnviroMission couldn't be happier with the momentum and progress Solar Tower commercialization has taken since EnviroMission shifted the development priority to the USA.

"Whilst details of the SCPPA Power Purchase Agreement must remain confidential at this point in time, I take great pleasure being able to announce this very significant outcome from those negotiations," Mr. Davey said.

Ends.

Kim Forté, General Manager, Communications <u>www.enviromission.com.au</u>

EnviroMission Limited I T +61414690356 I kforte@enviromission.com.au Ground Floor, 3 Raglan Street, South Melbourne, Victoria, AUSTRALIA 3205

EnviroMission (USA), Inc. | T +61414690356 | kforte@enviromission.com.au Suite 115, 1661 East Camelback Road, Phoenix, Arizona, USA 85016

Australian Securities Code: **EVM**

USA OTCQX Code: EVOMY