



COMPANY ANNOUNCEMENT

Immediate Release

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ASX: EVM

OTCQX: EVOMY

US Power Authority Takes Call Option on EnviroMission Solar Tower

US power authority, [Southern California Public Power Authority \(SCPPA\)](#) has taken a call option to purchase the first of two EnviroMission (ASX: EVM) (OTCQX: EVOMY) 200MW Solar Tower power stations planned for development in La Paz County, Arizona.

The SCPPA call option to purchase the first EnviroMission 200MW Solar Tower planned for development in Arizona's northwest was a term of the 21 October 2010, SCPPA Power Purchase Agreement (PPA).

Details of the PPA remained 'commercial in confidence' pending completion of the Power Sales Agreement (PSA) negotiation with SCPPA member utilities intent on taking power allocations under the PPA.

The 'commercial in confidence' PSA negotiation process has now been ratified between SCPPA and participating SCPPA member utilities, and two call options are now referenced at the SCPPA website: http://www.scppa.org/pages/projects/lapaz_solartower.html

SCPPA will have the right to purchase the first Solar Tower facility at La Paz at the ten or 30 year anniversary of operation at "Fair Market Value" or the "amount of outstanding debt" whichever is greater at the time of execution of the option.

SCPPA has also taken a call option on a second Power Purchase Agreement to buy the power to be generated from a second 200MW La Paz Solar Tower development.

The second SCPPA option will provide SCPPA and its members the right to enter into a PPA to purchase power from a second 200 MW Solar Tower at anytime during the first five years of the initial SCPPA agreement that would result in a 400MW PPA.

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

EnviroMission Chief Executive, Roger Davey said "Solar Tower operation and maintenance modeling is projected to have a strong commercial advantage that will also be a first from a solar technology engineered to be predictable and not reliant on co-generation resources such as water or gas."

"California has the most aggressive renewable energy mandate in the United States that requires Californian utilities and other electricity providers to generate 33% of their power from renewable energy sources by 2020.

"The unique characteristics of Solar Tower electricity generation were factors in the SCPPA PPA decision for increased sustainable renewable energy generation in the SCPPA portfolio mix."

Further details of the Power Purchase Agreement will be released in coordination and consultation with SCPPA.

Ends.

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