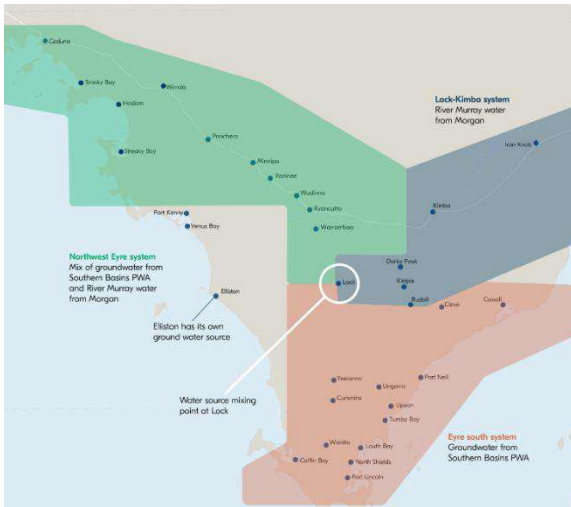


Eyre Peninsula's water supply

The majority of water currently supplied to Eyre Peninsula is sourced from the southern groundwater basins, primarily Uley South. The remainder is sourced from the River Murray.



Eyre South system

Groundwater from Southern Basins Prescribed Wells Area (~75% of total Eyre Peninsula water supply)

Lock-Kimba system

River Murray water via Morgan Water Treatment Plant (WTP) (~24% of total supply)

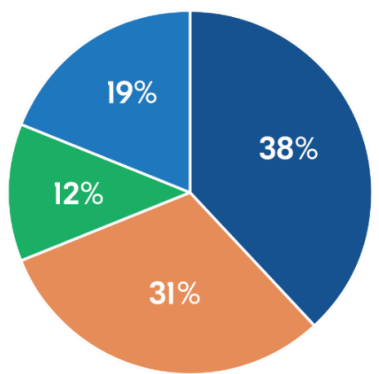
Northwest Eyre system

Mix of groundwater from the Southern Basins PWA and River Murray via Morgan WTP, mixed at Lock

Elliston system

Supplied from local groundwater and is not connected to the larger system (~1% of total supply)

The key impacts to groundwater levels on the Eyre Peninsula are a changing climate, several successive years of low rainfall and reduced natural recharging, as well as an increase in salinity in some bores. The Department for Environment and Water (DEW) advises that despite several years of La Nina weather patterns, this rainfall has not resulted in sufficient aquifer recharge to see significant recovery in water levels.



■ Primary production ■ Residential
■ Schools, Councils and Recreation ■ Other

Subsequently, the Eyre Peninsula Landscape Board (EPLB) has advised our licensed allocation from the southern groundwater basins will likely be significantly reduced from July 2026 (subject to review of the Southern Prescribed Wells Water Allocation Plan).

This means we would no longer be able to use Uley South Basin to supply water to the region, significantly impacting the 35,000 SA Water customers who rely on it.

Between 38% and 41% of Eyre Peninsula's water supply is used by primary producers, depending upon the season and demand for water in any given year. Without another source of water, primary producers would be required to significantly reduce their water use. This is something we are seeking to avoid, but the time to effectively deliver a solution is quickly declining.

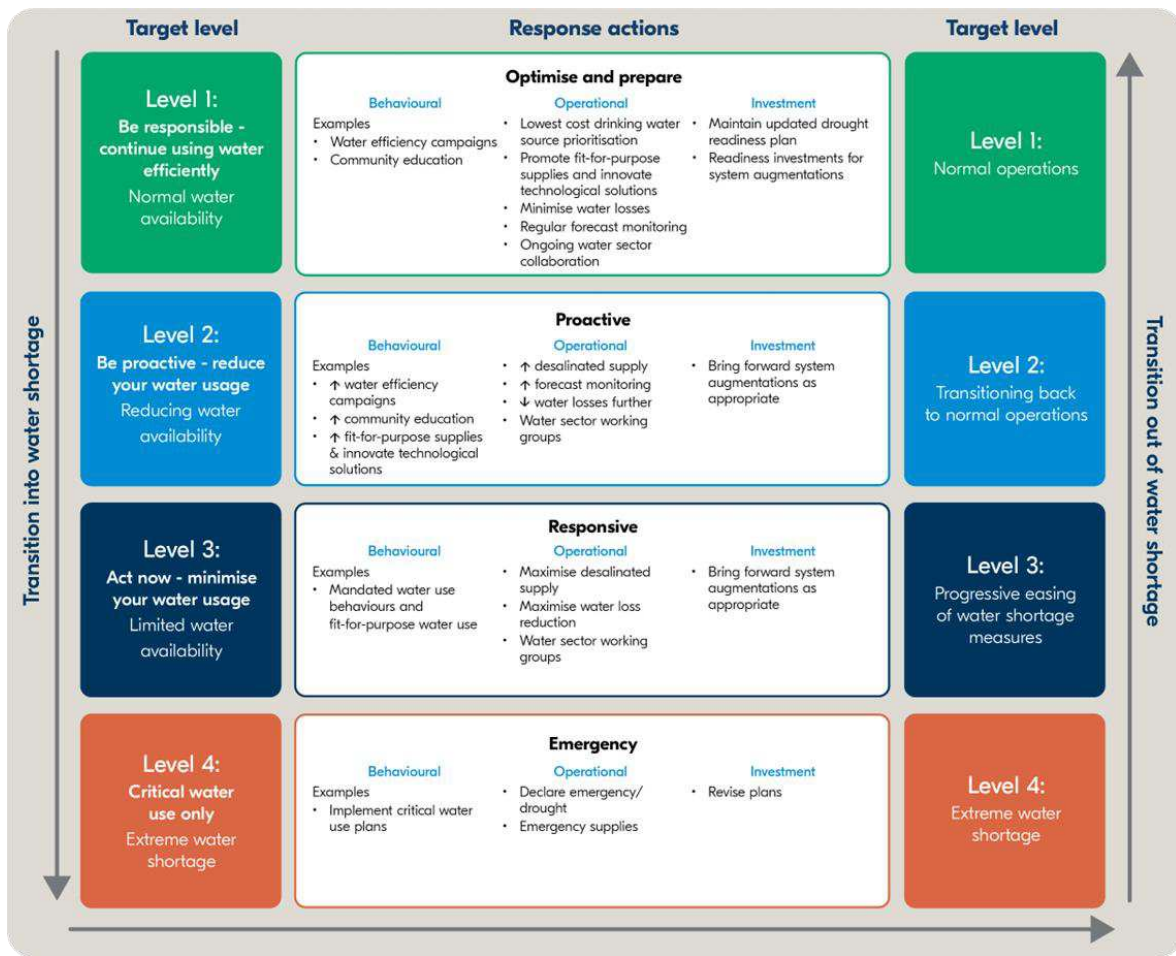
We are working towards our proposed desalination plant at Billy Lights Point supplying water by mid-2026, but as a responsible water utility, we need to respond to the advice of the EPLB and take action now to maintain a level of water supply to the region, until the plant is operational.

We are currently reviewing our Water Security Response Plan for the region, to prepare for all scenarios, including what actions may need to be taken in response to the proposed licensed water reduction or if there are significant delays to the delivery of our proposed desalination plant. We are looking to share this plan with the community in coming weeks.

As detailed in the below framework, actions will initially involve working closely with the community and key local stakeholders on how to be water efficient at home, work, school and on the farm. These water-wise communications are currently being rolled out across the region.

If we can't reduce water demand proactively, staged water restrictions will need to be seriously considered for primary production, industrial, business and residential customers.

Eyre Peninsula's water supply



Proposed desalination plant

In June 2024, we lodged a Development Application to the State Commission Assessment Panel (SCAP) for the construction of a desalination plant at Billy Lights Point. The application will be independently assessed, with an opportunity given to industry and community to review and comment.

Expert and peer-reviewed environmental studies confirm that with the right design, there would be minimal impact on the environment from a desalination plant built at this location.

Additionally, the plant will require a licence to operate from the Environment Protection Authority, which will only be granted if the project can meet strict conditions assessed against ongoing monitoring of the local marine environment, including through construction and operation stages.



Facts and figures

- The desalination plant will be able to deliver **16 megalitres** of safe, clean drinking water per day
- Construction and operation will support up to **230 jobs** per year
- Subject to all required approvals, construction is expected to begin in late 2024, with **first water by mid-2026**