ABENGOA

Innovative technology solutions for sustainability

# Abengoa celebrates the start of the project that will be Latin America's first solar-thermal plant

- The plant, which is being developed by Abengoa, will use an advanced storage system enabling it to generate electricity for up to 18 hours without direct solar radiation.

May 14, 2014.- Abengoa (MCE: ABG.B/P SM /NASDAQ: ABGB), the international company that applies innovative technology solutions for sustainability in the energy and environment sectors, today held the ground-breaking ceremony to mark the start of the works of the first solar-thermal plant in Latin America, located in the commune of María Elena in the Atacama Desert, Chile.

The event was attended Jimena Jara, Subsecretary of Energy of Chile, and Jorge Godoy, mayor of the commune of María Elena, accompanied by Felipe Benjumea and Manuel Sánchez Ortega, Chairman and CEO of Abengoa respectively, to celebrate the start of a project that will be a milestone in Chile's energy sector.

Abengoa was selected in an international tender by the Chilean Ministry of Energy and Corporación de Fomento de la Producción (Corfo) to develop a 110 MW solar plant using tower technology with 18 hours of thermal energy storage based on molten salts. The project is based in the Atacama Desert, the region with the highest concentrations of solar radiation in the world, and will be the first solar-thermal plant for direct electricity production in Latin America.

Solar-thermal tower technology uses a series of mirrors (heliostats) that track the sun on two axes, concentrating the solar radiation onto a receiver on the upper part of the tower, where the heat is transferred to the molten salts. The salts then transfer their heat to a water current in a heat exchanger that generates superheated and reheated steam, which feeds a turbine capable of generating around 110 MW of power.

The solar plant will also have a pioneering thermal storage system, designed and developed by Abengoa, which makes this technology highly manageable, enabling it to supply electricity in a stable way, 24 hours a day, responding to electricity demand at any time.

The project forms part of Chile's national renewable energy program, intended to provide Chile with a cleaner energy future, while also promoting its economic development and reducing its dependency on coal and natural gas. Chile intends to produce 20% of its electricity from clean energy sources by 2025.

Abengoa's project in Chile will prevent the emission of approximately 643,000 tons of $CO_2$ into the atmosphere every year, equivalent to the annual emissions

from 357,000 vehicles. Furthermore, the construction, operation and maintenance of this plant will act as a catalyst for regional socio-economic development, creating up to 2,000 direct jobs and a large number of indirect jobs, generating a network of services that will support economic growth in the country.

Abengoa has been present in Chile since 1987, where it has carried out numerous projects. This new plant will further consolidate its technological commitment to solar-thermal power. Abengoa currently has 1,223 MW of installed capacity in commercial operation, 430 MW under construction and 320 MW in development and is the only company in the world to construct and operate solar-thermal plants using both tower and parabolic trough technologies.

**About Abengoa**

Abengoa (MCE: ABG.B/P SM /NASDAQ: ABGB) applies innovative technology solutions for sustainability in the energy and environment sectors, generating electricity from renewable resources, converting biomass into biofuels and producing drinking water from sea water.

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