

Pre-Allocation Update

SOUTHERN CONNECTED SYSTEM

WATER OUTLOOKS FOR 2017-18

Detailed outlooks for South Australia, Victoria and New South Wales are detailed on **PAGE 2**.

Key Events

31.03.2017

Key market events from the last fortnight

Contact your broker to discuss how this could impact your water requirements

Final Allocation Announcement

VIC
April 3

NSW FORTNIGHTLY ALLOCATIONS HAVE CEASED

Now that major systems have 100% Allocation, fortnightly NSW Allocations will cease for the remainder of the water year

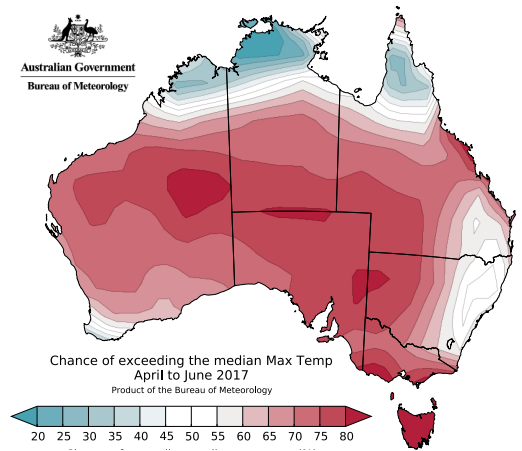
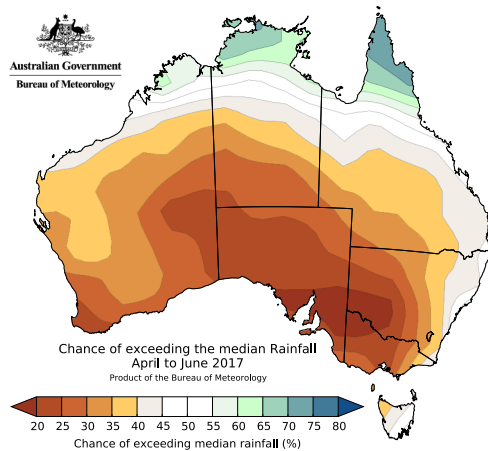
MARKET UPDATE

Temporary prices in the Southern Connected System have softened slightly in VIC Murray to ~\$39/ML and ~\$31 in NSW Murray, whilst the Murrumbidgee has dropped to ~\$10/ML. With an increase in water availability compared to last year, this trend is likely to continue until seasons end.

BOM OUTLOOK

On 30 March, the BOM released its three month outlook for April to June. Key points include:

- April to June rainfall is likely to be below average over the southern two-thirds of AUS.
- Daytime temperatures for April to June are likely to be above average for most of AUS.
- The past two decades have seen autumn (March to May) rainfall declines across much of southern AUS. Of the past 26 years, 22 years have seen below-average rainfall across southeast AUS.



MURRUMBIDGEE IVT

On Monday 27 March, the Murrumbidgee IVT opened for out trade. In total, 15.5GL was transferred to the Murray.

TEMPORARY WATER PRICE (\$/ML)[^]

NSW Murray 10	\$31 ↓	NSW Murray 11	\$31 ↓	NSW Murrumbidgee	\$10 ↓
VIC 6	\$39 ↓	VIC 1A / VIC 7	\$39 ↓	SA Irrigation	\$39 ↓
- ABOVE BARMAH CHOKE -		- BELOW BARMAH CHOKE -		^Prices compared to 15 March	

REMINDER - WATER OUTLOOKS FOR 2017-18 ON PAGE 2

Table 1. Allocation outlooks for major irrigation districts

On 15 March 2017					
Confirmed Allocations					
NEW SOUTH WALES		VICTORIA		SOUTH AUSTRALIA	
Murrumbidgee HS	100%	Goulburn HR	100%	SA Irrigation (Class 3)	100%
Murrumbidgee GS	100%	Campaspe HR	100%	Stock & Domestic (Class 1)	100%
NSW Murray HS	100%	Murray HR	100%	Country Towns (Class 2)	100%
NSW Murray GS	100%	Loddon HR	100%	Industry (Class 5)	100%
Lachlan HS	100%	Murray LR	5%	Recreation (Class 4)	100%
Lachlan GS	124%				
Macquarie HS	100%				
Macquarie GS	100%				

VICTORIA							
By 3 Jul 2017		By 15 Aug 2017		By 16 Oct 2017		By 15 Feb 2018	
DRY Scenario (9 in 10 Probability of getting)							
Murray HR	52%	Murray HR	62%	Murray HR	85%	Murray HR	100%
Goulburn HR	37%	Goulburn HR	48%	Goulburn HR	79%	Goulburn HR	100%
Loddon HR	37%	Loddon HR	48%	Loddon HR	79%	Loddon HR	100%
AVG Scenario (1 in 2 Probability of getting)							
Murray HR	71%	Murray HR	86%	Murray HR	100%	Murray HR	100%
Goulburn HR	46%	Goulburn HR	90%	Goulburn HR	100%	Goulburn HR	100%
Loddon HR	46%	Loddon HR	90%	Loddon HR	100%	Loddon HR	100%
WET Scenario (1 in 10 Probability of getting)							
Murray HR	91%	Murray HR	100%	Murray HR	100%	Murray HR	100%
Goulburn HR	96%	Goulburn HR	100%	Goulburn HR	100%	Goulburn HR	100%
Loddon HR	96%	Loddon HR	100%	Loddon HR	100%	Loddon HR	100%

NEW SOUTH WALES			
By 1 Sept 2017		By 1 Nov 2017	
DRY (3 chances in 4 75%)			
Murrumbidgee GS	21%	Murrumbidgee GS	35%
NSW Murray GS	17%	NSW Murray GS	31%**
AVG (1 chances in 2 50%)			
Murrumbidgee GS	33%	Murrumbidgee GS	47%^
NSW Murray GS	25%	NSW Murray GS	51%**
WET (1 chances in 4 25%)			
Murrumbidgee GS	44%	Murrumbidgee GS	50%^
NSW Murray GS	30%*	NSW Murray GS	100%**

NSW Notes
 Potential Inflow Conditions based on multi-history modelling using all years on record.
 WET Assumes the 2016-17 water year-to-date has experienced very wet conditions (11th percentile Murray, 10th Murrumbidgee) due largely to spring floods.
 ^ Under average and wetter conditions and elevated allocations, peak demand deliverability (Tumut channel capacity constraints) could become problematic. Monitoring for such conditions will be maintained to ensure early warning and appropriate action.
 * Commence pay-back of borrow from B-M Allowance.
 ** Borrow from B-M account is fully repaid.

All data sourced from the NSW Office of Water, DEWNR and the Victorian Water Resource Manager
 For information on other regions, please contact Waterfind on 1800 890 285.