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Page 1 of 1

'Greenest' brewery's pint of difference

Simon Evans

ASX-listed beer group Broo Ltd is aiming to construct a \$100 million brewery in the Victorian regional centre of Ballarat which it is positioning as the world's "greenest" brewery because it will be powered by solar energy and dramatically cut the amount of water used in production.

Broo Ltd will officially unveil its plans on Friday morning for the facility to produce 480 million bottles of beer annually on a 15-hectare parcel of government land it has acquired on the western outskirts of Ballarat. The site is next to the Ballarat Western Link Road which Broo chief executive Kent Grogan said made it ideal for transporting the finished product. Construction is due to begin next February.

Mr Grogan said the plan to

become self-sufficient in electricity and to cut water usage to 1.2 litres for each litre of beer produced compared with global benchmarks of a 5 to 1 ratio.

"We really wanted to have a point of difference and it's a great marketing tool. We've been very strategic about this in our planning," Mr Grogan said. The relatively high cost of electricity in Australia was also a consideration. "The upfront cost is higher but longer term, absolutely it's a benefit to our bottom line."

Victorian Minister for Regional Development Jaala Pulford said around 100 new jobs would be created during the construction phase and permanent employment once the brewery and an associated tourism centre and museum running.

Mr Grogan said offshore customers in particular were enthusiastic about the "green" credentials of the

brewery. Broo Ltd shares are in a trading halt pending a material transaction. Broo listed on the ASX in October 2016 after a \$10.5 million capital raising at an issue price of 20¢. Its main products are Broo Premium Lager and Australia Draught Beer. Mr Grogan is the company's founder and largest shareholder.

He said Broo was in talks with several potential financiers and also with high net worth individuals on the financing of the brewery.

"We've got funding options in front of us," he said.

Mr Grogan said the brewery would source water from an underground aquifer below the 15-hectare site and generate its own electricity through a combination of solar panels, wind turbines and an on-site "biomass" process which would use spent grain wastes from the brewery.