

QUARTERLY REPORT

For the quarter ending on 30 September 2021

- **First binding purchase agreements secured over two 5MW renewable energy developments in NSW and Victoria**
- **'Offer to Connect' received from Essential Energy for Narromine Renewable Energy Project**
- **Renewable energy expert Amy Kean appointed to the board as non-executive director**
- **Encouraging negotiations with green energy financiers to advance the development of MPower's targeted portfolio of twenty renewable energy projects**

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Sydney – 29 October 2021 – MPower Group Limited (ASX: MPR)

MPower, Australia's leading specialist renewable energy, battery storage and microgrid business, is pleased to provide the following report on its activities for the quarter ending on 30 September 2021 (**Quarter**).

Operational overview

During the Quarter MPower made encouraging progress on the development of its Build Own Operate (**BOO**) portfolio of 5MW renewable energy projects being established primarily along the East Coast of Australia.

Major milestones achieved include purchase agreements being executed for the first two BOO sites in NSW and Victoria and securing an 'Offer to Connect' from Essential Energy for the Narromine project located in NSW.

The execution of the binding purchase agreements on the first two development projects in NSW and Victoria is for a total combined consideration of \$1.3 million. The NSW site is expected to be shovel ready shortly with the Victorian site anticipated by the end of CY21. Once shovel ready status has been achieved and each project fully permitted, the completion of the asset purchases will occur. The projects will see 24,500MWh+ of clean energy generated from 23,000 Bifacial PV Modules, equivalent capacity to power 3,000+ homes once they are fully operational.

The NSW site in Narromine made a further step during the quarter with an 'Offer to Connect' received from Essential Energy. The offer will enable the project to be connected into the distribution network and become a participant in the National Electricity Market. Essential Energy is a state-owned electricity infrastructure company responsible for building, operating and maintaining one of Australia's largest electricity networks spanning 95% of NSW and parts of Southern Queensland. The project will deliver 12,000 Bifacial PV Modules with the capacity to produce more than 14,000MWh of electricity in its first year.

Mpower continued to progress discussions with and is considering a number of green energy financing options in order to support the planned development of the Company's portfolio of up to twenty 5MW renewable energy projects that will have an estimated end value of more than \$150 million.

Corporate overview

During the Quarter Mpower's board and management team was significantly strengthened with the appointment of renewable energy expert Amy Kean to the board as a non-executive director with effect from 1 September 2021.

With over 20 years' experience in the renewable energy sector, Amy is currently co-owner of renewable energy advisory firm Stride Renewables. She has an extensive background in navigating the regulatory, commercial and technical challenges to unlock opportunities in renewable energy projects.

Amy's previous roles include working for the NSW Government Department of Planning, Industry and Environment as the Renewable Energy Advocate, and later as Director of Energy Infrastructure, Emerging Technologies and Energy Programs. She was instrumental figure in developing NSW's renewable energy zones and the State's emerging energy programs.

Financial overview

Mpower's cash balance was \$2,346,000 at the end of the Quarter and net operating cash outflows were \$1,119,000.

Receipts from customers of \$1,096,000 were offset by \$2,215,000 in cash outflows, the main items being \$990,000 in product manufacturing and operating costs and \$977,000 in staff costs.

After the end of the Quarter, the Company received final milestone payments totalling approximately \$500,000 for the completion of the two 5MW farms at South Hummocks and Kadina in South Australia.

Payments to related parties

Payments of \$158,000 to related parties and their associates relate to payments made to the directors of the company.

Events subsequent to the end of the quarter

On 18 October 2021 Mpower confirmed that it received final milestone payments totalling \$500,000 for the completion of two 5MW solar farms at South Hummocks and Kadina in South Australia. Based on its successful project delivery, the Company also secured maintenance contracts for both sites which will add approximately \$300,000 of additional recurring revenue over the first two year period.

On 26 October 2021 the Company advised that it has developed a proprietary solution for the control and monitoring of renewable energy projects, strengthening its existing operations and maintenance capabilities and adding a potential new revenue stream from future deployments.



Image: Kadina Solar Farm designed and constructed by MPower. MPower has received the final milestone payment for the project.

Ends

Contact

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This announcement has been authorised by the board of MPower Group Limited.

About MPower

MPower Group Limited (ASX: MPR) is a technology-led company with a long history specialising in the delivery of reliable on-grid and off-grid power solutions for blue chip corporate and government customers. Headquartered in Sydney, MPower's team of professionals has successfully delivered turn-key solar, battery storage and micro grid projects across the region.

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