

LANDMARK BATTERY STORAGE PROJECT REACHES MAJOR MILESTONE

- **NSW battery storage project successfully achieves final acceptance milestone**
- **Grid-forming battery technology to play a crucial role in providing grid stability**
- **Battery storage technology is planned for MPower's portfolio of renewable energy projects**
- **Latest AEMC determination supports the case for greater investment in battery storage**

MPower Group Limited
ABN 73 009 485 625

Phone +61 2 8788 4600

Level 4, 15 Bourke Road
Mascot NSW 2020
Australia

Sydney – 7 December 2021 – MPower Group Limited (ASX: MPR)

MPower, Australia's leading specialist renewable energy, battery storage and microgrid business, is pleased to advise that its 1.5MWh grid connected battery storage project in NSW has successfully achieved its final acceptance milestone with Endeavour Energy.

Final acceptance follows stringent field-testing and provides significant validation of the solution for other potential operators and implementation into MPower's Build Own Operate (BOO) portfolio of up to twenty 5MW renewable energy projects that will have an estimated value of more than \$150 million.

The battery storage project was first designed by MPower in 2018 on behalf of Endeavour Energy to assist in reducing network capital costs, augmenting grid supply and reliability to customers in the Illawarra region, NSW (refer ASX announcement: 31 July 2018).

Following test work undertaken across two summer periods, the battery storage project has achieved its objectives of reducing network capital costs, augmenting grid capacity, and improving quality of supply and network reliability.

MPower's sophisticated and proprietary control system enables the battery energy storage system to operate in three distinct modes, and transition between them seamlessly. First, the battery storage system augments the grid in times of peak-demand (peak-shaving). Second, it can transition from grid paralleled mode to an islanded grid-forming mode when the main distribution network is down, thereby continuing to provide power and network security to the local network. Third, the battery storage system provides black start services enabling the local network to recover from a complete blackout.

Grid-forming battery technology is gaining widespread attention as a critical element needed to provide ongoing grid stability as the National Electricity Market accelerates towards a greater level of renewable energy generation.

This provides considerable validation of the battery storage solution and will provide a basis for the integration into MPower's proposed BOO sites.

On 2 December 2021, the Australian Energy Market Commission released its final rule determination on integrating battery storage systems into the National Electricity Market. The latest determination supports the use of battery storage technology on 5MW projects by simplifying the connection requirements and opening up additional revenue markets for asset owners.

Chief Executive Officer Nathan Wise said: *“MPower has demonstrated leadership in this area by not only delivering a market leading battery storage project in NSW but also by successfully completing the acceptance testing period which put the project through its paces during peak summer periods.*

“MPower’s early involvement in grid connected battery projects and our experience in integrating battery technology with solar PV projects has informed our Build Own Operate strategy and our focus on 5MW projects. We are exceptionally well-equipped to deliver a portfolio of solar and battery storage projects across Australia, starting with the three projects that MPower has already committed to in NSW and Victoria.”

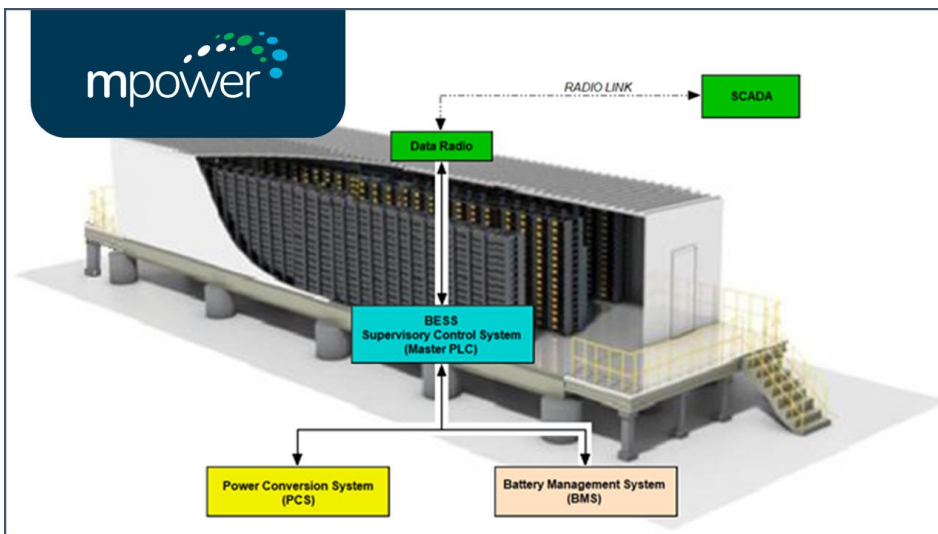


Image: Indicative Human Machine Interface on MPower’s BESS

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Contact

For further information, please contact:

Nathan Wise
Chief Executive Officer
(02) 8788 4600

Ben Jarvis
Six Degrees Investor Relations
0413 150 448

This announcement has been authorised by Nathan Wise, Chief Executive Officer.



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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