

## **MPOWER COMPLETES STRATEGIC ACQUISITION OF LAKELAND SOLAR & STORAGE PROJECT**

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Mascot NSW 2020  
Australia

- **Established clean energy asset with recurring income stream, forecast to generate annual revenues of ~\$1.8 million**
- **Strategic acquisition that aligns with the continued development of MPower's Build Own Operate model**
- **Post-acquisition operational enhancements being targeted to drive further EBITDA margin growth**
- **Broadens MPower's national footprint into the Queensland market, complementing its existing development portfolio in NSW, Victoria and South Australia**

### **Sydney – 12 August 2022 – MPower Group Limited (ASX: MPR)**

Leading specialist renewable energy, battery storage and microgrid business MPower Group Limited (ASX: MPR) is pleased to announce it has completed the acquisition of the Lakeland Solar & Storage Project.

This is a landmark achievement for MPower, marking the first time that direct sales of clean energy will contribute to group revenue and earnings. Lakeland is the forerunner of a distributed portfolio of clean energy generating and storage assets that MPower is establishing across Australia.

#### **Lakeland Solar & Storage Project**

Located in Cooktown Shire, North Queensland, Lakeland comprises a 10.8MWac solar farm and an associated 1.4MWac/5.3MWh lithium-ion battery storage facility. The project has been in operation since 2017 and has a future operating life of around 20 years. It benefits from a long-term power purchase agreement with Origin Energy for 100% of the solar power output, which runs until 2030.

#### **Accretive earnings through a proven asset**

Through its acquisition of the Lakeland project, MPower expects to generate annual revenues of around \$1.8 million from the sale of energy and large-scale generation certificates (LGCs) to a blue-chip counterparty.

MPower expects Lakeland to contribute around \$800,000 in annual earnings before interest, tax, depreciation and amortisation (EBITDA), before the introduction of additional cost-saving measures.

MPower will focus on achieving operational improvements and will look to upgrade existing project infrastructure, including the implementation of MPower's proprietary solution for the control and monitoring of renewable energy projects.

Along with the sale of solar energy, the Lakeland project's lithium-ion battery storage capacity further enhances MPower's capability to own and manage assets in the burgeoning battery storage sector.

It marks the Company's first entry into Queensland, further nationalising its market footprint which currently includes development sites in New South Wales, Victoria and South Australia.

### Deal terms

Under the terms of the Share Purchase Agreement with Kawa Australia Developments Pty Limited, MPower has acquired 100% of the shares in Lakeland Solar & Storage Pty Limited.

The transaction has an enterprise value of \$8 million, with deferred consideration for the Project of up to \$0.35 million over a three-year period following completion, and the assumption of an existing \$7.66 million limited recourse long-term debt facility in place with German bank, NORD/LB.

NORD/LB is a German Landesbank owned by the German states of Lower Saxony and Saxony-Anhalt. NORD/LB is one of the leading financiers with over 1,000 renewable projects (equivalent to ~45GW) in Europe, Americas, and Asia Pacific, predominantly in wind and solar energy.

To finalise the deal, relevant third-party consents have been obtained.

### Ends

### Contact

For further information, please contact:

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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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