

MPOWER COMPLETES STRATEGIC ACQUISITION OF FARADAY RENEWABLE ENERGY PROJECT

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- **Situated in Faraday, Victoria, the shovel-ready 5 MW project covers a land area of 14ha and includes over 11,000 Bifacial PV Modules**
- **The Faraday project will produce more than 11,500MWh of electricity per annum and has the capacity to power upwards of 1,500 homes in the region and deliver significant carbon offsets**
- **Completion of the purchase follows receipt by MPower of all the necessary development permits, in accordance with the original purchase agreement**
- **Acquisition expands the group's earnings-accretive project portfolio and marks another important step forward in its long-term Build Own Operate (BOO) development strategy**

Sydney – 30 January 2023 – 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 Faraday Renewable Energy Project.

In line with MPower's Build-Own-Operate (BOO) program to establish a distributed portfolio of exempt solar energy and battery storage projects across Australia, the acquisition comprises the long-term land rights, grid connection and planning approvals for the 5MW Faraday project.

Faraday Renewable Energy Project

Located in Faraday, Victoria, approximately 116km north-west of Melbourne, the Faraday project will supply clean energy to the local region via a network of 11,000 Bifacial Photovoltaic (PV) solar panel modules. In aggregate, the modules have the capacity to produce more than 11,500MWh of electricity in the project's first year of operation.

The project will have capacity to power upwards of 1,500 homes. It will also operate with an estimated carbon offset contribution of 8,150,000kg CO².

Selected by MPower because of the outlook for strong local energy demand in the Faraday region and attractive future load prospects, the completion of the acquisition is confirmation of MPower's ability to develop clean energy assets through a targeted acquisition strategy that focuses on high-demand regional areas across Australia.

The acquisition announcement follows an extensive period of working with the project developers (Tetris Energy) and local authorities to bring the project to shovel-ready status, in accordance with the terms of the initial purchase agreement (*refer ASX Announcement 17 November 2021*).

The completion of the Faraday transaction is the latest example of deal execution in the Company's growing pipeline of clean energy projects, which includes binding Asset Purchase Agreements for two similar projects in NSW and Victoria that are approaching shovel-ready status.

In line with its Build Own Operate development strategy, the Company plans to initiate a number of optimisation strategies for the Faraday project, including the rollout of its proprietary control and monitoring solution specifically tailored to renewable energy projects when construction begins later this year.

Terms

Mpower has finalised completion of the Asset Purchase Agreement that was entered into in 2021 with Tetris Energy and has become the owner of all development assets in relation to the shovel-ready project.

Total consideration for the project comprised a purchase price of \$462,000 including GST. Pending the commencement of construction and the finalisation of longer-term financing arrangements, the purchase price has in the interim been 100% funded by an unsecured loan to the project entity from Mpower's largest shareholder, Tag Private Pty Limited, an entity associated with Mpower Chairman Peter Wise and CEO Nathan Wise. The loan has a three-month term and an interest rate of 12% per annum.

Together with completion of the acquisition, discussions remain ongoing for long-term funding to support construction of the Faraday project along with other projects in the group's renewable energy pipeline. Each 5 MW project has an approximate capital cost of \$10 million including all development and construction costs required to commence generating revenue from the sale of clean energy.

Chief Executive Officer, Nathan Wise, said: "We are pleased to confirm the successful completion of this Asset Purchase Agreement, following an extensive period of collaboration with the project vendors and local authorities. The Faraday site is directly aligned with our stated strategy to build a network of efficient 5 MW projects that can supply stable clean energy to regional areas with strong demand. We are very encouraged by the corporate and operational progress we have made in recent months and look forward to providing more meaningful updates for both Faraday and our broader portfolio strategy in the current quarter."

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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