

ASX CODE: VPR

BOARD

Simon Higgins
Non-Executive Chairman

Adam Boyd
CEO & Managing Director

Peter Torre
Non-Executive Director

ISSUED CAPITAL

8,245M Ordinary Shares
390M Unlisted Options

PRINCIPAL OFFICE

1 Channel Close,
Henderson WA 6166
PO Box 7306,
Spearwood WA 6163

REGISTERED OFFICE

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Subiaco WA 6008

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ASX ANNOUNCEMENT

11 September 2018

BHP SUSPENDS WESCONE SERVICE RELATIONSHIP

Volt Power Group Limited (Volt) announces that its wholly owned subsidiary, Wescone Distribution Pty Limited (Wescone) has been advised by BHP that it no longer requires Wescone crusher repair services for the BHP-owned fleet of Wescone W300 sample crushers.

After approximately 25-years of reliable supply and service of its W300 sample crushers, BHP has confirmed that it has decided to use an alternative engineering services business to service its Wescone W300 sample crusher fleet using non-OEM components for repair and service.

Wescone sold a total six new W300-3 sample crushers to BHP in May / June 2018 as part of ongoing negotiations which included a proposal to adopt a rental supply business model to ameliorate the capital cost impact of the purchase. BHP confirmed their desire to purchase the new crushers and advance good faith negotiations to conclude an ongoing related service contract. To date, these discussions have not achieved a successful result.

Wescone revenues from BHP for the period ended 30 June 2018 were approximately \$0.6M.

Managing Director, Mr Adam Boyd said;

“The Volt Board is very disappointed with BHP’s unexpected decision. Wescone will continue its historical repair service for all other W300 sample crusher supplied customers.

“We are continuing to work with the Wescone vendor to clarify the circumstances that led to the BHP position and outcomes. We will continue to maintain the Wescone businesses long-term relationships based on reliable W300 crusher performance and service provision.

“The business has initiated the development and is now ready to trial significantly improved W300 sample crusher wear parts. Testing has confirmed the updates will deliver a significant improvement in the strength and expected durability of the W300-3 sample crusher.

“We will continue to make Wescone services available to BHP should they require access to proven and upgraded Wescone OEM components going forward.

End

About Volt

Volt Power Group Limited (ASX: VPR) is a transitioning power generation and infrastructure asset / equipment developer and owner. The Company's businesses commercialise proprietary equipment pursuant to a serviced equipment rental business model.

Business Activity Summary

These activities of our businesses include:

- **ATEN (100%)** – ATEN is a low emission waste heat to electricity generation equipment solution. The ATEN is at an advanced stage of initial commercialisation;
- **Wescone Crushing Equipment (100%)** – the proprietary owner of the Wescone W300 sample crusher predominantly deployed throughout the global iron ore sector. Wescone has operated successfully for 25+ years;
- **EcoQuip (50%)** – a developer and owner a 'best in class' mobile solar / Li-Ion battery enabled powerbox trailer solution incorporating a military specification, telescopic tower capable of LED Lighting, Wi-Fi / LTE repeater and CCTV retrofit; and
- **Acquisition / Development Strategy** - the expansion of its broader renewable and low emission power generation and infrastructure asset / equipment footprint.

About ATEN Technology comprises a modular, power generation equipment package capable of harvesting 'low' grade industrial waste heat to generate zero emission electricity. ATEN generated electricity is expected to significantly reduce 'energy intensive' industry operating costs via the displacement of grid sourced electricity or fossil fuel usage associated with electricity generation.

The global industrial complex generally vents 'low' grade waste heat to atmosphere. The quantity of unexploited waste heat created by global industry presents an outstanding opportunity for the commercial roll-out of the ATEN Technology.

The ATEN's simple, high efficiency design and modular configuration - developed to maximise its integration capability - provides a low capex, uniquely compatible and scalable solution for the exploitation of 'low grade' industrial waste heat. Volt's priority target markets for the commercialization of the ATEN Technology include the resources and industrial processing sectors.

Major Shareholder (24.3%) & Partner

Volt's largest shareholder is **ECM Pty Ltd (ECM)**. **ECM** is one of Australia's largest, privately owned construction and maintenance companies servicing clients in the mining, oil and gas, infrastructure and power generation sectors. The business has a national footprint with extensive project execution and delivery capability having completed the construction and commissioning of power stations and processing infrastructure across mainland Australia for 30+ years.

The Company's office is co-located at the ECM headquarters and fabrication facility - 20kms south of the Perth CBD in Henderson, Western Australia.