

BOARD

Simon Higgins
Non-Executive Chairman

Adam Boyd
CEO & Managing Director

Peter Torre
Non-Executive Director

ISSUED CAPITAL

9,170M Ordinary Shares
215M Unlisted Options

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REGISTERED OFFICE

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ASX ANNOUNCEMENT

5 August 2020

WESCONE SECURES BHP 5 YEAR CONTRACT

Highlights

- **BHP and Volt subsidiary, Wescone have agreed a 5-Year Purchase Service Exchange Repair Contract**
- **BHP will replace its existing 20x sample crusher fleet with the new Wescone W300 Series 4 crushers**
- **Wescone estimates new average annual BHP sales and service revenues of \$1.4 million**
- **BHP will secure improved ship loading productivity, safety risk mitigation and significantly reduced maintenance costs**
- **Wescone is also in discussions with other parties for the supply and ongoing service of the new Wescone W300 Series 4 crusher**
- **The successful development and deployment of the new and innovative Wescone W300 Series 4 crusher confirms Volt's innovative equipment solution development strategy**

Volt Power Group Limited (Volt or Company) is pleased to confirm that the Company's wholly owned subsidiary, Wescone Distribution Pty Limited (Wescone) has secured a 5-Year Purchase Service Exchange / Repair Contract with BHP Iron Ore Pty Ltd (BHP Contract).

The BHP Contract provides for the replacement of ~20 existing crushers with the new Wescone W300 Series 4 crusher and the exclusive provision of ongoing Service Exchange Repair services to BHP for 5 years, with new estimated average annual sales revenues of ~\$1.4 million.

The Company's CEO & Managing Director, Mr Adam Boyd said:

"We are delighted to have secured this contract with BHP. The Volt team and its engineering partners have maintained a determined focus over ~20+ months to develop the new and innovative Wescone W300 Series 4 crusher to resolve a number of historical crusher performance issues at BHP's port and mine operations dating back to 2014/15.

"This new BHP Contract will achieve enhanced long-term earnings performance for the Volt group and the additional cashflow necessary to expand our equipment fleet and deliver improved earnings growth.

"Critically, this deal with BHP demonstrates the ability of the Volt team and its engineering partners to deliver on the Company's strategy to develop innovative equipment that compels client procurement decisions by delivering enhanced productivity and significant cost benefits.

“The Volt Board hopes the BHP Contract is the first of many innovative equipment commercialization successes for Volt in the coming months and years.

“For BHP, the Wescone W300 Series 4 crusher will secure productivity benefits via improved critical sample system availability and sample quality. Further, after 12-months of site trialling we have confirmed the Wescone W300 Series 4 crusher also achieves ~75% less downtime and extended maintenance interval performance delivering reduced maintenance costs and safety risk mitigation benefits.

“The new and innovative Wescone W300 Series 4 crusher performance capability and feed acceptance specifications are significantly enhanced relative to the earlier Wescone W300 Series 2 & 3 crushers the subject of a BHP replacement program initiated in 2016. These enhancements include a dimensional feedstock acceptance increase of 60% and at least a 40%+ improvement in critical component strength and availability performance.

“I would like to take this opportunity to thank the BHP personnel and our engineering partners for their support during the development of the W300 Series 4 crusher. Working together has had huge impact on accelerating this successful result.

“The development of the Wescone W300 Series 4 crusher is another terrific example of BHP supporting and encouraging local Australian businesses to develop innovative, “world class” equipment delivering value benefits to the mining sector and enhancing the resource sector’s tremendous contribution to national economic prosperity and living standards in Australia.

“We are looking forward to supplying our new Wescone W300 Series 4 crusher to BHP and maintaining a successful, mutually beneficial long-term relationship via Wescone and other Volt group innovative equipment development activities.

End

Issued by: Volt Power Group Limited (ACN 009 423 189)
Authorised by: The Board of Volt Power Group Limited

About Volt

Volt Power Group Limited (ASX: VPR) is a power generation and infrastructure asset / equipment developer and owner. The Company’s businesses commercialise innovative proprietary equipment delivering “step change” client productivity & cost benefits and annuity earnings growth for Volt.

Business Activity Summary

The 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 (Patent Pending);
- **Wescone Crushing Equipment** (100%) – the proprietary owner of the Wescone W300 sample crusher predominantly deployed throughout the global iron ore sector. Wescone has a successful 25+ year operating track record and recently developed a new, higher dimensional acceptance and durability capability;
- **EcoQuip** (57%) – a developer and owner of a ‘best in class’ Mobile Solar Lighting & Communications Tower equipment solution (MSLT & MSCT) incorporating robust design attributes including military spec design & build quality, solar / lithium (LFP) battery and storage solution and

advanced power management, data telemetry / analytics & control system capable of LED lighting, Wi-Fi LTE mesh repeater, microwave and CCTV retro-fit; and

- **Acquisition / Development Strategy** - the expansion of its broader renewable and low emission power generation and infrastructure asset / equipment and project delivery capability footprint.

About the ATEN Technology (Patent Pending): The ATEN comprises a power generation equipment package capable of harvesting 'low' grade industrial waste heat to generate zero emission baseload 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 vents a significant quantity of '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 - developed to maximise its integration capability - provides a low capex, 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.

The salient ATEN Waste Heat to Power technology benefits that resonate with power station owners include:

- Baseload, zero emission incremental power generation (Scope 1 Emission reduction);
- Levelised Cost of Electricity (LCOE)* up to ~40% lower than gas and ~80% lower than diesel generation;
- LCOE* 25% - 40% lower than Solar / LFP Battery installations based on identical annual generation and zero emission performance;
- CAPEX ~60% lower than Solar / LFP Battery installations based on identical annual generation and zero emission performance;
- Technically compatible with Solar Hybrid and Hydrogen fuelled transition solutions with no additional modification or cost requirements;
- Carbon Credits (CFI) Act 2011 Offset Project / ACCU eligibility; and
- Low CAPEX, Zero water & operational personnel requirement

* LCOE is based on new fuelled capacity installed (where relevant) and the ARENA LCOE calculation methodology @ 5% discount rate and 20-year project life.