

BOARD

Simon Higgins
Non-Executive Chairman

Adam Boyd
CEO & Managing Director

Peter Torre
Non-Executive Director

ISSUED CAPITAL

9,345M Ordinary Shares
680M Unlisted Options

PRINCIPAL OFFICE

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REGISTERED OFFICE

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ASX ANNOUNCEMENT

31 August 2021

FY21 HALF YEAR REPORT

VOLT POWERS UP WITH POSITIVE PROFIT RESULT

Highlights & Milestones

- A 382% increase in Ordinary Revenue compared to the prior FY20 Half Year Report to \$1.17 million and Total Revenues of \$2.57 million (including \$1.3 million of legal settlement proceeds);
- A 314% EBITDA¹ increase compared to the prior FY20 Half Year Report to \$1.32 million;
- Record Wescone crusher sales & revenues of the new Wescone W300 Series 4 & 3 crushers;
- Secured a 5-Year Master Hire Agreement for the deployment of the 'innovative' EcoQuip Mobile Solar Light Tower (MSLT) at the Chevron operated Gorgon natural gas facility on Barrow Island, WA;
- Secured full and final settlement of all Volt claims against the Wescone vendor for the payment of \$1.3 million to Volt on a no-fault basis;
- Provided new equity of \$0.54 million to EcoQuip increasing Volt ownership to ~70%. The funding was applied to completion of the EcoQuip MSLT Gen4 development and the EcoQuip MSLT fleet expansion to 65 units;
- Continued ATEN Waste Heat to Power business development activities with positive engagement on multiple project opportunities continuing.

Volt CEO & Managing Director, Mr Adam Boyd said;

"The Volt Board is delighted to announce that the Company has achieved its first positive EBITDA¹ and Profit result since its recapitalization in 2017 of \$1.32 million and \$0.89 million respectively. These 2021 Half Year Report results are provided in the Table below.

Description	6-months ended 30 June 2021 (\$'000)	6-months ended 30 June 2020 (\$'000)	Change
Revenue from Ordinary Activities	1,173	307	382%
Other Revenue	1,399	126	1110%
Total Revenue	2,572	433	594%
EBITDA ¹	1,320	(616)	314%
Profit Attributable to Members	886	(707)	225%

¹ excluding \$0.41 million non-cash executive option issue expense.

"The imminent 5-Year deployment of a completed fleet of 25x EcoQuip MSLTs to Barrow Island and ongoing positive sales performance by our Wescone business will deliver new additional revenue growth to the Volt group for the remainder

of 2021 and beyond.

“Over the last 3-years, Volt has pursued a focused, strategic commitment to create, develop and deliver innovative equipment solutions that achieve ‘step change’ productivity benefits for resource, construction and infrastructure markets.

“We have invested in new technology development and supply chain partnerships to ensure our equipment solutions present a compelling procurement proposition to industries focused on carbon intensity & cost reduction and enhanced efficiency.

“During the last 12-months, the Volt businesses have successfully completed development and commercialized:

- The new Wescone W300 Series 4 sample crusher having deployed multiple crushers to two of Australia’s most successful resource companies, BHP and FMG; and
- The new EcoQuip Mobile Solar / Battery Energy Storage System (BESS) enabled Light & Communications Tower solution with the deployment of multiple hire units to significant customers including Chevron Australia, Thiess Contracting & Aggreko for use as illumination and Wi-Fi network reinforcement in autonomous mining related applications.

“We continue to strive to build on this momentum that is now beginning to deliver positive revenue and earnings momentum. This demonstrates the Company’s transition from solely technology development to technology commercialization business.

“We will continue to develop new product solutions based on our existing & new technologies that will deliver long-term, high value solutions for our customers.

“The Board continues to see great opportunity for our zero emission, baseload ATEN Waste Heat to Power technology. Significant momentum is building throughout Australian industry to achieve material carbon intensity reduction. Our ATEN system can achieve this at a levelized cost of energy ~50% lower than Solar/BESS hybrid solutions without a requirement for significant site footprint or network frequency management costs. The commercialization process has required patience from management, partners and Volt shareholders. However, potential clients that maintain a technical and shareholder value focus continue to work with us to advance project development opportunities.

“Our businesses are expected to continue on a positive growth trajectory. We will continue to apply the necessary commitment and resources to accelerate the initial commercialization momentum we have secured.

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 transitioning power generation and infrastructure asset / equipment developer and owner. The Company’s businesses develop and commercialise innovative proprietary equipment delivering “step change” client productivity and cost benefits achieving annuity earnings for the Company.

Business Activity Summary

These activities of our businesses include:

- **ATEN (100%)** – ATEN is a zero-emission waste heat to electricity equipment solution. The ATEN is at an advanced stage of initial commercialisation (Innovation Patent & Patent Pending). Refer below;

- **Wescone** (100%) – the proprietary owner of the globally unique 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 crusher with larger dimensional acceptance, improved reduction ratio and durability specifications;
- **EcoQuip** (~70%) – a developer and owner of a ‘best in class’ Mobile Solar Light & Communications Tower solution (MSLT / MSCT) incorporating robust design attributes including US military spec design & build quality, solar / lithium (LFP) battery storage solution and advanced power management, data telemetry & control system capable of LED lighting, LTE Wi-Fi, point to point microwave, environmental monitoring and CCTV technology retro-fit; and
- **Acquisition / Development Strategy** – The Company actively pursues opportunities to expand its broader renewable and low emission power generation, infrastructure asset / equipment and project delivery capability.

About the ATEN Technology (Patent Pending): The ATEN comprises a modular, 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. This quantity of unexploited waste heat 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 from multiple sources. 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 ~50% lower than gas and ~80% lower than diesel generation;
- LCOE* ~25% - 50% 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;
- Zero cost compatibility with Solar and Hydrogen fuel transition solutions;
- Carbon Credits (CFI) Act 2011 Offset Project / ACCU eligibility; and
- Zero water & operational personnel requirements

* Levelised Cost of Energy (LCOE) is based on new zero emission capacity and variable costs of hydrocarbon fuelled generation (where relevant) using the ARENA LCOE calculation methodology @ 8% discount rate and 20-year project life including ACCUs (\$13/ACCU) and RECs (\$30/REC) as applicable.