

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

Unit B9, 431 Roberts Road,
Subiaco WA 6008

CONTACT

Mr Adam Boyd
CEO & Managing Director

P: + 61 8 9437 4966
M: +61 439 888 103
E: info@voltpower.com.au

www.voltpower.com.au
(under construction)

ASX ANNOUNCEMENT

28 February 2018

VOLT 2017 FULL YEAR RESULT

NEW BUSINESSES ACQUIRED & SIGNIFICANT DEVELOPMENT MILESTONES ACHIEVED

Highlights

- An ATEN Engineering Study and Technology Review was completed – new equipment identified to deliver efficiency and viability enhancements
- A Preliminary Feasibility Study into the installation of the ATEN Technology at a mine site power station located in WA was completed with positive results
- A commercial proposal has been presented to the mine owner and an evaluation of site services provision is at an advanced stage of completion
- \$10.35M of new equity capital was issued for working capital and business acquisition purposes
- 100% of Wescone Distribution acquired, a WA based, proprietary owner, manufacturer and supplier of unique sample crushing equipment to the global iron ore industry for 25-years
- The Wescone business model transition from equipment sale and service to serviced rental exchange model negotiations commenced
- 50% of EcoQuip Australia acquired, a WA based manufacturer and supplier of Mobile Solar LED lighting, Wi-Fi repeater and CCTV Towers to the construction and resource sector
- Next generation EcoQuip Mobile Solar Tower design with significant improvements completed and manufacturing supply chain arrangements advanced
- Existing 25 EcoQuip Mobile Solar LED Lighting Tower unit fleet deployed and fleet expansion strategy execution underway
- Strategic Services Agreement executed with cornerstone shareholder (45%), ECM Pty Ltd delivering comprehensive and cost compelling finance and administration services

Waste heat to power technology and equipment solution supplier, Volt Power Group Limited (Volt or Company) today released the Company's preliminary full year results for the 12-month period ended 31 December 2017.

Volt's CEO & Managing Director, Mr Adam Boyd said;

ASX ANNOUNCEMENT (CONTINUED)



“We are delighted with the milestones the Company has achieved during the 7-month period since Volt successfully exited administration and its shares were re-instated to trading on the ASX on 14 June 2017.”

ATEN Technology

“Our detailed engineering and technology review of the ATEN Technology has identified flowsheet improvements expected to deliver reduced capital and life-cycle costs and increase the electricity generation performance of our waste heat to power solution.

We also completed our initial feasibility study into the installation of the ATEN Technology at a WA located mine site with encouraging results. Of particular note has been the significant contribution of the engineering team of our cornerstone shareholder, ECM Pty Ltd. Discussions with the mine site owner are advancing positively.

We remain optimistic about the commercialisation opportunity for ATEN. The resource sector continues to engage opportunities to reduce mine site energy costs and carbon footprint. More broadly, recent market commentary continues to confirm the expectation that global hydrocarbon / energy prices will continue to rise in the medium term. This bodes well for the future opportunity for our fuel efficiency enhancing ATEN Technology.”

Wescone (100%) & EcoQuip (50%) Acquisitions

“The Company recently completed the acquisitions of Wescone Distribution (100%) and the 50% EcoQuip investment. Wescone and EcoQuip are both owners of proprietary innovative, ‘in house’ developed and manufactured equipment solutions with a significant operating track record in both the resources and infrastructure construction sectors.

The Wescone business has recently completed the development of a new iteration of its unique W300 sample crusher. The W300 Series 3 incorporates improved design characteristics to enhance life cycle reliability and energy use efficiency. These design changes are expected to reduce long-term life cycle operating costs of the W300.

EcoQuip has also recently completed the design and initial prototype component manufacture of a new ‘next generation’ Mobile Solar Powerbox Tower capable of LED lighting, Wi-Fi repeater and CCTV retrofit (MSPT). We believe the build quality, performance and operating cost profile of the EcoQuip MSPT is sharply delineated when compared with the alternative solutions in the marketplace. Both the Company and EcoQuip founder, Dave Sharp believe the growth opportunities for the “roll-out” MSPT are significant. We are particularly encouraged by the potential for the MSPT to provide mine site Wi-Fi repeater support infrastructure in the developing autonomous mining area.

Importantly, EcoQuip has also made significant commercial progress with respect to the establishment of a high quality and reliable manufacturing supply chain for the new MSPT capable of responding to any foreseeable supply requirements that may result from our business development endeavours. We are now advancing preparations to expand the EcoQuip fleet and engage additional business development resources.

The next 6-12 months are expected to transition Volt into a cashflow generating supplier of innovative equipment solutions as we integrate our acquisitions and advance the first ATEN Technology installation. Our strategy to grow and transition EcoQuip and Wescone will ensure both businesses are positioned to continue to deliver long-term ‘best in class’ equipment supply, reliable responsive service and continuing product development.”

\$10.35M Equity Capital Raising Success

“Finally and most importantly, I would like to acknowledge and the support of the Company’s new and existing shareholders for their support of the Company’s acquisitions and related business strategy and participation in our \$10.35M in successful equity capital raisings since exiting administration.

In particular, the vital support of Volt's cornerstone investor and shareholder, ECM Pty Ltd (44.5%). ECM's support was instrumental in the Company's exit from administration and re-instatement of its shares to ASX trading in June 2017 less than 9 months ago."

Next Steps & Company Outlook

"With the completion of the Wescone acquisition and EcoQuip investment, management will now be sharply focused on its planned strategic growth objectives and successful integration of our new businesses.

Specifically, the Company intends to:

- Continue all activities required to commercialise our ATEN Technology and achieve the first full-scale installation at the mine site power station;
- Pursue the transition of the Wescone business to a "serviced rental exchange" contract business model from its historical equipment sale and service model; and
- Expand and deploy the EcoQuip MSPT (Gen4) LED lighting, Wi-Fi repeater/CCTV fleet under rental contract and optimise all associated manufacture supply chain arrangements."

End

About Volt

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

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 commercialization;
- **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;
- **EcoQuip (50%)** – a developer and owner a 'best in class' Mobile Solar Powerbox Tower solution incorporating robust design features including a military specification telescopic tower capable of LED lighting, Wi-fi repeater and CCTV retro-fit.; and
- **Acquisition / Development Strategy** – the expansion of its broader renewable and low emission power generation and infrastructure asset / equipment footprint and execution capability.

About ATEN: 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.

ASX ANNOUNCEMENT (CONTINUED)



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.

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.