



15 June 2022

ASX:14D

## JOINT VENTURE AT AURORA ENERGY PROJECT FOLLOWING EXECUTION OF AGREEMENTS WITH VAST SOLAR

1414 Degrees Ltd (14D, the Company) is pleased to announce that today it has entered into a Share Sale Agreement (SSA) for the sale of 50% of the shares in SiliconAurora Pty Ltd (Silicon Aurora) to a wholly owned subsidiary of Vast Solar Pty Ltd (Vast Solar). In addition, 14D and Vast Solar have executed a Shareholders Agreement (SA) that will govern the ongoing operation of Silicon Aurora and the development of the Aurora Energy Project (Aurora).

Under the terms of the SSA, the purchase price for the 50% shares in Silicon Aurora is \$2.5 million in cash payable by Vast Solar in two instalments. An initial \$1.0 million is payable at completion and a further \$1.5 million following the receipt by Silicon Aurora of a written offer to connect to the transmission system from the relevant Network Service Provider under the rules of the National Electricity Market (NEM) (Connection Agreement). Completion of the SSA is expected within the next 30 days.

The SA governs the relationship of the 50/50 incorporated joint venture and includes commitment by Silicon Aurora to complete all development activities required to get Stage 1 of Aurora (a 140 MW 1-2hr Battery Energy Storage System or BESS) to a position of readiness for a Final Investment Decision (FID), expected in early 2023. Under the terms of the agreement, Vast Solar will contribute 50% of all development costs associated with the Stage 1 development including reimbursement for past costs incurred since the commencement of the GPS study as announced to the ASX on 11 May. The total budget for the Stage 1 development costs up until FID is estimated to be approximately \$1.8 million.

The SA also provides for further development of Aurora in future stages, including access rights within the precinct for Vast Solar to independently progress a Concentrated Solar Project (CSP) using its proprietary technology, and for 14D to independently progress a pilot of its Thermal Energy Storage System (TESS).

Entities associated with the owners of Vast Solar will also be granted Call Options in up to 9.9% of the shares in 14D with a strike price of \$0.16/sh. The Call Options are non-transferrable and their grant will be conditional upon the execution by Silicon Aurora of the Connection Agreement (for Stage 1 of Aurora), provided that this occurs within 18 months of the date of execution of the SSA. The expiry date of the Call Options is 3 months after being granted.

Vast Solar is an Australian company that has pioneered the development of modular tower CSP technology. Its largest shareholder is AgCentral Pty Ltd which is owned by Johnny Kahlbetzer. Mr Kahlbetzer is a significant investor in environmentally sustainable projects through Twynam Group. In May, Vast Solar announced that the Australian Government had agreed to negotiate the terms of concessional finance of up to \$110 million to support the development of a 20MW CSP project in Port Augusta. Further background on Vast Solar can be found at <https://vast solar.com/>

1414 DEGREES LTD  
ABN 57 138 803 620

ASX  
14D

ADDRESS  
136 Daws Road  
Melrose Park, SA, 5039

EMAIL  
[info@1414degrees.com.au](mailto:info@1414degrees.com.au)

PHONE  
+61 8 8357 8273



1414DEGREES.COM.AU



The Aurora project is located near Port Augusta and includes Development Approval from the South Australian government for a BESS up to 140 MW / 280 MWh, 70 MW solar photo-voltaic array and 150 MW CSP plant as well as connection to the adjacent 275 kV transmission line. The focus for Stage 1 remains on the establishment of a connection agreement and initial development of a 140 MW / 1-2hr Battery, with the final investment decision for procurement and construction targeted for early 2023. All rights to the development of Aurora are held by Silicon Aurora which will be jointly owned by 14D (50%) and Vast Solar (50%) from completion.

Matt Squire, Chief Executive Officer of 14D said, “We are delighted to have executed these agreements today that will bring Vast Solar into the Aurora Project. The transaction brings together two highly innovative Australian companies that share a vision for Aurora’s development as a long-term renewable energy project in Port Augusta. In addition to accelerating the development of our Stage 1 BESS, the Aurora site may also act as a showcase for the establishment of exciting renewable technologies being developed by Vast Solar and 1414 Degrees. All of this is excellent news for Port Augusta and the Upper Spencer Gulf as it continues to seek to revitalise Australian manufacturing through the utilisation of its world class renewable energy resources.”

Craig Wood, Chief Executive Officer of Vast Solar said, “Partnering with Australian storage technology company 1414 Degrees to deliver the 140MW BESS project and our world-leading modular tower CSP technology in Port Augusta is a terrific development for Vast Solar. Per recent comments from the Federal Energy Minister and AEMO, dispatchable renewable energy capacity is what is required to curb the high prices currently being experienced in Australian energy markets. We are excited to be working with the Federal Government and ARENA to finalise funding for the project, and with State and Local Governments and other partners to expedite the Aurora project.”

Tony Sacre, Chairman of 14D commented, “Vast Solar is a highly complementary Australian partner for 1414 Degrees and we welcome their addition as joint owners of Silicon Aurora. We are now in an excellent position to continue with the development of the Aurora project.”

**AUTHORISED BY:**

The Board of Directors of 1414 Degrees Ltd

+61 8 8357 8273