



ASX ANNOUNCEMENT

TAG PACIFIC WELCOMES LATEST ARENA FUNDING ANNOUNCEMENT

Sydney – 8 September 2016 – Tag Pacific Limited (ASX: TAG)

Tag Pacific has welcomed today's announcement by the Australian Renewable Energy Agency (ARENA) in relation to the latest round of funding for large-scale renewable energy projects.

Arena has announced today that \$92 million is being made available to support 12 large-scale solar projects in Australia. Quite apart from the 12 projects that will be directly supported by the ARENA funding, it is expected that the flow-on effect will be a catalyst for the next wave of development of large-scale solar and energy storage projects in Australia.

Large-scale solar projects are becoming increasingly more viable and are expected to play a large role in meeting Australia's Renewable Energy Target by 2020. Cost reductions and efficiencies in the implementation of solar are now tending to make locally generated solar power more cost-effective in comparison to the high transmission costs of centralised network power.

Importantly, Tag expects that the latest round of ARENA funding announced today will kick-start a major surge in investment in the renewable energy sector. Tag, via its wholly owned investment in MPower, has invested heavily in the last few years to further its capabilities and skills in this area. The investment in MPower's capability is now represented by a huge pipeline of potential opportunities for MPower in solar and energy storage.

"MPower has been very active in the design and construction of large scale and hybrid solar projects. Completed projects which include energy storage capability and cloud prediction technology position MPower at the forefront of the field" said Tag CEO Nathan Wise.

The most recent project has been the construction of a 5 MW solar project in Samoa, completion of which is imminent. As MPower's largest solar project to date, it is a significant milestone for the business. The learnings from it are being applied to a number of upcoming opportunities that are being actively pursued.

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Following a positive result in the year to 30 June 2016, MPower has the technical and operational capability to support a substantial increase in its existing activities. The target market for MPower overlaps with the expected increase in the level of solar and energy storage activity in this region.

ABOUT

Tag Pacific Limited is a Sydney-based investment house listed on the Australian Securities Exchange with a focus on niche areas of the power industry. Tag has invested in a diverse range of companies and activities that have been brought together primarily to operate under the banner of MPower. The company's mission is to invest in the power industry in a manner that creates and enhances value and achieves above average returns.

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