

Press release

Regulatory information

1st of December 2020

Minesto reaches historic milestone – delivers first tidal energy to the Faroese grid

As a part of the ongoing commissioning work of its DG100 tidal kite system Vestmannaund, Faroe Islands, leading marine energy developer Minesto has reached the milestone of delivering electricity to the Faroese grid facilitated by the Power Purchase Agreement with the utility company SEV.

“This is a historic moment and a massive step forward for Minesto and the development of our unique product. We are particularly satisfied with the production performance level of the system”, said Dr Martin Edlund, CEO of Minesto. “We are now looking forward to our continued operations in Vestmannaund and working with SEV on future development plans.

Following the installation of project infrastructure, including the foundation, export cable and onshore control station, Minesto installed and commenced commissioning activities of its 100kW DG100 tidal kite system in October. The DG100 system consists of the kite, tether, and the bottom joint. The bottom joint provides a pivoting connection point with the foundation, allowing the kite to fly freely in its optimised figure-of-eight trajectory.

The DG100 commissioning progress means that Minesto now has initiated the process of generating renewable electricity from the tidal flows in Vestmannaund, using the Deep Green technology’s unique principle of enhancing the speed of the kite through the water to power homes connected to the Faroese grid.

Jonas Millqvist, Chairman of the Board of Minesto said: *“This is a valuable step towards establishing Minesto’s technology in the renewable energy business on par with more proven technologies such as offshore wind energy. We now enter a phase where we move from single installations to array configurations, following the path of wind energy commercialisation. The operational progress and funding set-ups achieved to date give us a strong position to drive Minesto’s commercial development forward.”*

Hákun Djurhuus, CEO of SEV said: *“We are very pleased that the project has reached the point where the Minesto DG100 delivers electricity to the Faroese grid. Although this is still on trial basis, we are confident that tidal energy will play a significant part in the Faroese sustainable electricity generation. Unlike other sustainable sources, tidal energy is predictable, which makes it more stable than e.g. wind power.”*

Collaboration for both microgrid and utility-scale installations

Minesto and SEV have entered into a collaboration agreement to integrate tidal energy through Minesto's Deep Green technology in the Faroe Islands. First step is the installation and operation of two grid connected DG100 systems in the Vestmannastrandir strait.

Minesto's DG100 is a product for microgrids, targeting the off-grid and remote locations market both in the Faroe Islands and worldwide.

After demonstrating the DG100 system in Vestmannastrandir, the joint ambition of SEV and Minesto is a large-scale buildout of both microgrid (<250kW) and utility-scale (>1MW) Deep Green systems in the Faroe Islands.

The long-term ambition is to make tidal energy a core energy source in the Faroe grid mix, to support the country's policy goal of satisfying the entire electricity need with renewable energy by 2030, including onshore transport and heating.

Minesto has been granted public funding totalling approx. €3.5 million through the EU's EIC Accelerator and the Swedish Energy Agency for the implementation of the Vestmannastrandir project and the development of the DG100 marine energy converter.

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About Minesto

Minesto is a leading marine energy technology company with the mission to minimise the global carbon footprint of the energy industry by enabling commercial power production from the ocean.

Minesto's award winning and patented product, Deep Green, is the only verified marine power plant that operates cost efficiently in areas with low-flow tidal streams and ocean currents.

With more than €40 million of awarded funding from the European Regional Development Fund through the Welsh European Funding Office, European Innovation Council and InnoEnergy, Minesto is the European Union's largest investment in marine energy to date.

Minesto was founded in 2007 and has operations in Sweden, Wales, Northern Ireland and Taiwan. The major shareholders in Minesto are BGA Invest and Midroc New Technology. The Minesto share (MINEST) is traded on Nasdaq First North Growth Market. Certified Adviser is G&W Fondkommission, email: ca@gwkapital.se, telephone: +46 8 503 000 50.

Read more about Minesto at www.minesto.com

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Financial information including reports, prospectuses and company descriptions is available in Swedish at www.minesto.com/investor.



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