



ESS INC. ENTERS LATIN AMERICAN MARKET, SIGNS CONTRACT WITH PACTO GD TO DEPLOY LONG-DURATION ENERGY STORAGE + SOLAR PV SYSTEM

Energy Warehouse™ flow battery system in Brazil will be test case for larger projects

PORTLAND, OREGON – May 22, 2018 – ESS Inc., the leading manufacturer of safe, low-cost and long-duration flow battery storage systems, has been awarded a contract to design and install a combined Energy Warehouse flow battery storage and solar energy system in Brazil – the company’s first project in Latin America.

The approximately \$1.3 million project will be funded in part by a grant from the U.S. Trade and Development Agency (USTDA) through a Pacto Energia S.A. subsidiary, Pacto GD. The goal is to prove the value of energy-shifting using the ESS Energy Warehouse with solar PV, potentially leading to future, larger-capacity projects.

ESS Inc. will plan, design, install, commission and test the company’s 50 kW/400 kWh Energy Warehouse storage system integrated with 100 kW of PV in the Brazilian state of Goiás. The project will enable the end customer, a local commercial entity, to eliminate the use of diesel generators during peak hours. The solar-plus-storage system will provide health, safety and noise reduction benefits, financial savings in fuel and maintenance, and reduced energy costs during times of peak demand.

“This project is not only our initial entry into the dynamic Latin American energy storage market, it’s also an opportunity to demonstrate the many advantages of long-duration storage in combination with solar PV assets,” said Craig Evans, founder and CEO of ESS Inc. “Pacto GD is an outstanding partner with a major renewables presence in Brazil and surrounding regions. As we’re doing in Europe, teaming up with a large, well-established company, with on-the-ground resources, provides the surest path to widespread global deployment of our Energy Warehouse systems.”

Based on the performance and benefits of the system, ESS and Pacto GD will develop a technical and economic plan to prove the feasibility of deploying multiple distributed generation projects, ranging in sizes up to 5 MW of PV and 20 MWh of energy storage each.

ESS has also been working with VedantaESS, Ltda, its Brazilian partner, to provide innovative solutions to address the energy challenges facing Brazil.

About Pacto GD

Pacto GD, of Pacto Energia S/A, acts as a structuring and/or investor of projects for distributed generation, supporting the reduction of costs for large consumers. The company invests, builds and operates solar plants for consumers of low or medium voltage, carrying out the commercialization through bilateral contracts for equipment rental, land leasing and O&M. For more information visit <http://pactoenergia.com.br/pacto-gd/>.

About ESS Inc.

Established in 2011, ESS Inc. develops and manufactures the low-cost, long-duration Energy Warehouse (EW) flow battery for commercial and utility-scale energy storage applications requiring 4+ hours of flexible energy capacity and 20+ years of operating life with no capacity fade. The EW utilizes earth-abundant iron, salt, and water for the electrolyte, and delivers an environmentally safe, long-life energy storage solution for the world's renewable energy infrastructure with the lowest levelized cost of storage per kWh. For more information, visit www.essinc.com.

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