

ASX Announcement

23 September 2021

Technology Business Update: “Powerhouse Project”

Highlights:

- The Powerhouse Project (refer ASX Announcement on 4 August 2021) has seen a productive first month developing an innovative AI-driven solar renewable energy and battery power system for remote-site baseload energy for CSG well de-watering
- With initial concept modelling and Front End Engineering Design (FEED) phase complete and approved, Synertec is now working through the detailed design phase and fast-tracking procurement of key long lead-time items including solar panels, batteries and control systems

Melbourne, Australia: Diversified technology design and development growth company, Synertec Corporation Limited (ASX:SOP, “Synertec” or “the Company”) is pleased to provide an update regarding strategic developments and operational progress within the Company's Technology business unit.

Synertec has three environmentally friendly technologies oriented towards Environmental, Social and Governance (ESG) factors in its portfolio focused on the global energy sector. Each of these is evenly poised in terms of development and all are showing strong potential for commercialisation.

Renewable Energy “Powerhouse” Technology

On 4 August 2021, the Company announced its involvement in the “Powerhouse Project” (or the “Project”), which centres around the design, construction and field testing of an innovative Artificial Intelligence (AI)-driven sustainable solar renewable energy and battery power system for remote-site application to coal seam gas (CSG) well de-watering. The system employs AI and predictive analytics to optimise energy efficiency and power delivery. Further background on the Powerhouse Project is available in the Company's ASX Announcement dated 4 August 2021.

Operational Progress

Following the successful completion of a share placement raising \$7.1 million (before costs) in early August, Synertec is now fully funded to fast-track development of the Powerhouse Project (and its other technologies). Synertec has achieved a productive first month working on the Powerhouse Project, having completed the initial design phase and is now working through the detailed design. The Project is being led by a Synertec team based in Brisbane, alongside its Powerhouse Project partner, with Automation & Control support from Synertec personnel in Melbourne.

Synertec Managing Director, Michael Carroll, said: *“In order to accelerate Project development, Synertec is now sourcing and procuring key long lead-time items including solar panels, batteries and an innovative mounting system.”*

The key objective of the Project is to bring about the development of innovative features which improve the sustainability, reliability and viability of Australia's gas production processes. Although the initial scope of the Project focuses on developing a sustainable remote-site power system which can meet the energy requirements of a CSG well cluster, Synertec see the potential value in scaling up and replicating this technology to support independent solar power stations powering remote sites globally to achieve objectives including:

- Reduction of carbon emissions;
- Minimising impact on landowners with flexible and re-deployable infrastructure;
- Reduction of infrastructure and maintenance costs of existing temporary power supplies; and
- Replacement of mains power connections in remote areas.



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Key technical and operational milestones for the Powerhouse Project

	Phase	Estimated Completion	Status
	Concept design	Q4 FY21	Complete
	Statement of requirements approved	Q1 FY22	Complete
	Front End Engineering Design (FEED)	Q2 FY22	Complete
	Detailed design	Q3 FY22	In-Progress
	Procurement of key equipment inputs	Q3 FY22	In-Progress
	Factory Acceptance Testing (FAT)	Q3 FY22	
	Site Acceptance Testing (SAT)	Q4 FY22	
	Field Trial Period	1H FY23	
	Commercial terms agreed	1H FY23	
	Completion/sign-off	1H FY23	

Background to “Powerhouse” Technology

Demand for sustainable ESG-friendly remote-site energy generation is growing given the desire to lower carbon emissions in the energy and resources sectors, the lack of available grid connection and the high capital cost of developing new connection. This creates a need for a reliable, economically viable and renewable source of energy to provide electricity for remote areas of Australia. Synertec's Powerhouse technology is being developed to provide this solution.

Synertec has identified the need to develop a sustainable power system which can meet the energy requirements of a CSG well cluster. In its work on the Powerhouse Project Synertec will progress the design, construction and field testing of the prototype solar energy power system. Synertec's Project partner will support these activities by providing pilot field site access, inputs into the Project design, technical information pertaining to the pilot field sites, and technical and other engineering resources.

If proved successful the Powerhouse Project will be a novel approach to the dewatering of CSG wells in Australia. Synertec will work with its business partners to develop a business plan and commercial arrangement for the roll out of a network of Powerhouse applications including supply, maintenance and operation by Synertec.

The success of the Project will be determined based on the achievement of a range of key technical objectives and field practicalities within 12 months of commencement, including safety, system availability, battery performance, remote control, support for high power loads, footprint size, transportability and recyclability.

-ENDS-

For more information and all media enquiries, please contact:

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This ASX announcement is authorised by the Directors of Synertec Corporation Limited (ASX: SOP).

About Synertec:

Synertec Corporation Ltd (ASX: SOP) is a diversified technology design and development growth company commercialising scalable, environmentally friendly and energy efficient technology for global markets in energy, infrastructure and water through innovative partnerships with a portfolio of blue-chip customers. Synertec is proactively participating in the world's transition to a low carbon economy in a practical way for the benefit of future generations.