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ASX Announcement

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Synertec Wins New Awards and Extensions Across Target Sectors Critical Infrastructure (Water & Rail), Energy, Pharma, Defence

Highlights

- **Service contract extension with key Water infrastructure customers, Melbourne Water and Central Highlands Water**
- **Continued expansion of services into Rail infrastructure with Metro Trains Melbourne and the Rail Systems Alliance**
- **New contract awards in Energy with INPEX Corp and Lochard Energy, and recent completion of another critical technology project for Jemena**
- **Renewal of engineering and construction panel inclusions with CSIRO and Australian Defence positions Synertec to gain future awards in these two key target growth sectors**
- **Synertec delivering on strategy of further penetration of its large blue-chip customer base and increasing annual recurring revenue**

Melbourne, Australia: Engineering product and solution provider, Synertec Corporation Limited (ASX: SOP, "Synertec" or "the Company") is pleased to advise that the positive business trends highlighted in its FY20 Annual Report have continued to develop favourably in FY21. The Company is well positioned to benefit from an infrastructure-lead recovery in the Australian economy.

The Company has recently won several new contracts and contract extensions across its target sectors of Critical Infrastructure (Water and Rail), Energy and Pharma and Defence which will deliver several million dollars in revenue over the next two years. With the Company's operations experiencing high rates of utilisation, the Company work flow and cash position has remained strong over the course of CY 2020 and is well positioned for this momentum to continue into 2021.

Further, the Company continues to focus its technology design and development activities on the global energy sector. Synertec is developing technologies that will increase the profitability of our partners while reducing our client's environmental footprint. The Company has identified attractive global economic and environmental trends, including (but not limited to) the growth in demand for floating LNG production and the replacement of polluting heavy bunker fuels traditionally used by marine vessels, as well as China's part in accelerating the shale energy revolution.

Critical Infrastructure (Water): Significant Contract Extensions

Synertec is pleased to advise that the Company has won an extension to its service contract with **Melbourne Water** with a new term running until 30 June 2022. Synertec has been continuously engaged by Melbourne Water since 2007 to deliver 24/7 support, automation/control system engineering, plant optimisation and project management services to the Eastern Treatment Plant, a critical wastewater treatment facility for the major growth belt of metropolitan Melbourne.

Synertec will also assist Melbourne Water with several important upcoming capital projects scheduled to be completed over the next two years, including significant control system software and hardware upgrades.

Synertec has consistently derived significant revenue from Melbourne Water and expects this to continue, if not grow, over coming years.

The Company is also pleased to advise that it has been awarded an extension to its service contract with **Central Highlands Water (CHW)**, an urban utility company responsible for providing water and sewerage facilities in the Central Highlands area of regional Victoria.

Synertec has been engaged by CHW since early 2019, providing control system upgrades, machine safety assessments and optimisation to pump stations and wastewater treatment sites. The contract extension will see Synertec continue to provide project management services for CHW's water treatment plant upgrade, which involves standardisation, development and commissioning of hardware and software covering approximately 200 sites. This will optimize plant operations, improve reliability while minimising maintenance costs.

Synertec Managing Director, Mr. Michael Carroll, commented:

"We are delighted by the progress of our longstanding commercial relationships with both Melbourne Water and Central Highlands Water and are pleased to illustrate our proven ability to provide highly intelligent integrated critical solutions to water industry clients. We see strong potential to leverage our experience and expertise in this sector to provide solutions to new and existing clients in other sectors, for example oil & gas. And conversely, we believe there is significant potential for the environmentally-friendly technologies we are developing in the energy sector to be transferred to water for the benefit of our clients and the Australian public."

Critical Infrastructure (Rail): Strong Delivery and Growing Pipeline

Synertec is pleased to advise that its ongoing scope of work with **Metro Trains Melbourne (MTM)** and the **Rail Systems Alliance (RSA)** is continuing to expand. Following on from several successful projects delivered by Synertec over the last few years into the Melbourne Metro Tunnel project, RSA has engaged Synertec to provide consulting services, systems engineering and control system engineering for further works related to the Metro Tunnel Project, one of the largest infrastructure projects in Victoria's history, as well as other significant upgrades to Melbourne's expanding rail network.

Having recently completed the system requirements for another MTM safety project, the Company has now been invited to bid on the next phase of the project which involves the design and build of a large-scale advanced safety control system. Mr. Michael Carroll commented:

"We invested heavily in technology and know-how several years ago as we anticipated the potential for Synertec's expertise to be successfully leveraged into niche elements of critical infrastructure developments in Victoria, and more broadly, particularly now as Australia embarks on an infrastructure-lead recovery from the impacts of COVID-19. Through our work with Metro Trains Melbourne and the Rail Systems Alliance, we are proud to provide senior experienced and specialised systems engineering and automation resources to support critical nation-building projects. As this consulting engagement continues to develop, we see potential to bid on works for several additional major Victorian rail projects which will involve the delivery of large-scale advanced control systems."

Energy: Diverse Contract Wins, Completions and Extensions

Synertec is pleased to advise of a new contract win with **INPEX Corporation**, Japan's largest petroleum and exploration company. INPEX has engaged Synertec at the Ichthys terminal in Darwin to perform a significant upgrade to the existing Central Platform gas metering system. The upgrade will be performed by Synertec's highly specialised flow-computing engineers based in Perth and provide major improvements in system reliability, operator functionality and cybersecurity.

Synertec is also pleased to advise of a new contract award with **Lochard Energy**. An existing Synertec client over the past two years, Lochard Energy is Australia's largest supplier of energy storage services that support the transition to a clean energy future. Poised for growth, Lochard Energy owns and operates the Iona Gas Plant in southwest Victoria.



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Synertec will build upon its existing services in commissioning two new well sites for Lochard by providing the control and safety shutdown system solutions and flow computers for Lochard's newly-acquired gas well. Synertec has been invited by Lochard to bid on further specialist engineering works which will assist Lochard to expand its current gas storage capability.

The Company is also pleased to advise that it has successfully completed another major Automation project for **Jemena** on the Northern Gas Pipeline Power System Upgrade. Synertec delivered its technical solution, which involved a large-scale integrated battery system to provide a redundant power supply with automated and remote operation to the whole facility. Synertec continues to support Jemena with services in Automation/Control System Engineering, Electrical Engineering, Flow Computing and Metering, Electrical Panel Fabrication and Project Management. Mr. Michael Carroll commented:

"We are grateful that our energy industry clients recognise and value our expertise, experience and agility across long-term projects both on and offshore. We are excited by the opportunities we see ahead, particularly with our existing energy customers, as we continue to apply our capabilities in this high-value arena and promote our expertise in critical gas metering systems and cutting-edge technology development in partnership with their engineering teams."

Pharma: Collaboration with CSIRO Continues to Develop

Synertec is pleased to advise that its position on the **CSIRO** Construction Related Services Panel has been extended by one year to October 2021. Inclusion on this panel underscores Synertec's ability as a contributor to the research, development and commercialisation of novel technologies. Synertec has consistently worked with CSIRO since the Company was formed in 1996 and enjoys a long and successful relationship with Australia's world-leading scientific research agency.

The panel extension comes as Synertec continues to deliver design and construction services for a new CSIRO multi-product Good Manufacturing Practice (GMP) facility which was designed by Synertec to produce a variety of biological therapeutic goods including vaccines.

Defence: Well Placed to Gain Future Awards

Synertec is pleased to advise that its position on the Defence Fuel Supply Chain Technical Expertise Standing Offer Panel has been extended by two years to November 2022, with an option to extend by a further two years. Synertec has performed numerous projects into Australia's Defence Fuel infrastructure facilities.

-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) provides mission-critical engineering products and solutions to complex, high-risk and highly regulated industries. The Company targets industry segments with high barriers to entry and high client reputational risk, including Pharmaceuticals, Critical Infrastructure, Oil & Gas, Water and Defence. Synertec has delivered 24 years of growth and development as a multidisciplinary and integrated consulting business, delivering end-to-end proprietary engineering products and solutions which leverage the Company's ability to develop commercial intellectual property through innovative partnerships with a portfolio of blue-chip customers.