



Synertec Corporation Limited  
ARBN 161 803 032

Level 1, 57 Stewart Street  
Richmond Victoria 3121  
Australia

Ph: +61 3 9274 3000  
Fax: +61 3 9274 3099  
www.synertec.com.au

## ASX Announcement

9 September 2020

### Exclusive Worldwide Technology License Agreement with Greentech

**Melbourne, Australia:** Engineering product and solution provider, Synertec Corporation Limited (ASX: SOP, “Synertec” or “the Company”) is pleased to advise that the Company continues to strengthen its relationship with Sichuan GreenTech Environmental Co., Ltd (“Greentech”), signing an exclusive worldwide license agreement (“the Agreement”).

The Agreement grants Synertec the exclusive right to investigate and commercialise Greentech’s novel environmentally-friendly and cost-effective Composite Dry Powder (“CDP”) technology for the treatment of hydrocarbon drilling mud and allied applications in all jurisdictions outside of China.

#### Highlights

- Synertec has entered into an exclusive worldwide License Agreement to investigate and market Greentech’s unique CDP technology on a worldwide basis
- Synertec will initially focus on the Australian market to develop a mobile replicable and scalable solution that can be applied rapidly to the large international market opportunity
- Greentech continues to prove-up the CDP technology; commercial-scale Pilot programs with two major Chinese State-Owned Energy Enterprises (“SOEs”) continue to deliver excellent results
- Synertec has secured the services of Mr. Joe Corvetti as a technical and strategic advisor to assist in the Australian market investigation and engagement process

#### License Agreement

The license granted to Synertec by Greentech is an exclusive and irrevocable license to the Greentech Intellectual Property. The License Agreement is granted on a worldwide basis, with the exception of the People’s Republic of China. Importantly, Synertec may sub-license its rights under this agreement to third parties.

The signing of the License Agreement allows Synertec to leverage its deep relationships with existing clients in Australia whose operations could potentially benefit significantly from the environmentally friendly and cost-effective CDP technology.

Synertec Managing Director, Mr. Michael Carroll, said: *“We are delighted to deepen our relationship with Greentech through this Agreement and are excited by the progress we are seeing in the CDP Pilot program.*

*“We are licensing the CDP technology as we have identified strong potential for cross-selling into the Australian and other global markets based on our existing client relationships in oil & gas technology. With the benefit of the strong Chinese trial results to date, we expect this process to advance rapidly as we work towards introducing and rolling out commercial-scale pilot programs with Australian energy operators. We will leverage our customer relationships with major Australian operators.*

*“It is worth highlighting that the major SOEs which have been so supportive of the initial trials in China have equity positions in major energy operations in Australia. These Australian operations have similar challenges with respect to the treatment of drilling mud. We believe our success in China will translate directly to opportunities in Australia and beyond.”*



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The Licensing Agreement allows Synertec to invest in further developing the prototype CDP technology and specialist mixing equipment to address the various challenging local and international environmental and human safety standards. The outcome will be an approved, efficient and replicable turnkey solution that can be directly owned and operated by Synertec or via a sub-contracting arrangement with “in-country” partners.

Michael Carroll commented: ***“The License Agreement opens the way for Synertec to bring decades of knowledge and experience in solution and product development to the CDP technology. We can apply this experience and knowledge not only to the Australian market, but to the requirements of other major drilling nations, such as the USA and Canada.”***

### **Technical & strategic advisor appointment**

Synertec has engaged Mr. Joe Corvetti, a leading technical and strategic advisor to the onshore and offshore energy sector, to assist in performing an in-depth Australian market analysis and engagement process. Mr. Corvetti has served the oil and gas industry for more than 20 years and developed a strong reputation for leading companies which provide safe, innovative and sustainable solutions to oil & gas production challenges. Mr. Corvetti brings to Synertec an extensive record of accomplishment in the provision of energy projects, operations and maintenance advisory services, and a comprehensive understanding of Australia’s energy regulatory environment.

Michael Carroll said: ***“We are moving ahead quickly, and I am delighted to announce that Mr. Joe Corvetti has agreed to join our team to engage Australian energy market players. We expect Joe’s experience in the energy sector will be invaluable.”***

### **Business Update**

Further to Synertec’s ASX update of 19 August 2020 regarding Greentech funding and technology development, the Company is pleased to advise that funds advanced to Greentech under the loan facility have been applied to the completion of proprietary processing equipment and its site establishment at a new drilling facility in Chongqing.

Operations at the new drilling site are due to be completed within a month, following which Greentech anticipate receiving a strategic alliance agreement with its customer for application of the technology, including the supply of chemicals.

*Picture right: Site establishment of Greentech equipment at a drilling facility on the major Chinese oil field in Chongqing.*



**-ENDS-**

### **For more information and all media enquiries, please contact:**

Mr. David Harris  
Chief Financial Officer & Company Secretary  
Phone: +61 (3) 9274 3000  
Email: [david.harris@synertec.com.au](mailto:david.harris@synertec.com.au)

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