



3 May 2021

## April Shareholder Update

Dear Shareholders,

April was another big month for Capricorn Power, with the achievement of a significant product development milestone and the further addition of exceptional talent to our Board. We are very pleased to report that we signed a joint venture agreement with Ultima Grid Solutions (UGS) for a five-year \$20.1m R&D program to accelerate the development and commercialisation of our heat engine. In addition, we are delighted to announce that Vicki Tutungi, ex-CSIRO, serial entrepreneur and start-up executive, has joined the Capricorn Power Board.

These major operational milestones, together with the upcoming commissioning of our heat engine, lay the foundation for our forthcoming Birchall Crowd-Sourced Funding (CSF) raise. We will provide further details on the investment opportunity and how to invest in the next few weeks. We are excited about the journey ahead, and we hope you are too.

### **Joint venture agreement with Ultima Grid Solutions (UGS) for \$20.1m R&D program**

Ultima Grid Solutions (UGS) and Capricorn Power have confirmed a new joint venture project agreement on a detailed five-year, \$20.1M grid innovation program involving world-leading researchers from top universities across Australia. The project, subject to confirmation of program award, is working to boost renewable energy production in Australia. Capricorn Power's contribution is \$5M over five years, and we have confirmed 43.5% R&D eligibility on our contribution (net \$2.8M over five years) with our R&D advisors.

The project centres on Capricorn Power's core innovation, the Barton Heat Engine, which efficiently transforms waste heat into low-cost electricity with no emissions, water or chemicals. Capricorn Power, along with university researchers, will focus on further developing the Barton Heat Engine by improving efficiencies and power and lowering cost, and also integrating with a variety of heat sources, including Thermal Energy Storage. The project scope will build on learnings from our first commercial engine and involve manufacturing 4.0 principles, starting with the creation of a digital twin to fast track development.

UGS has brought the parties together and will manage the project, as well as leverage the work into commercial applications. Capricorn Power joins the UGS ecosystem of a domestic and international client base, all of which are focused on making significant changes in the energy sector.

Ultima Capital Partners, the parent company of UGS, is the major corporate partner for the RACE for 2030 — an initiative from the Australian Government through its Cooperative Research Centres — which aims to drive innovation for a secure, affordable, clean energy future. UGS originates, develops and funds research, development, prototyping and new technology trial and integration projects. A select few of these projects are chosen to participate in RACE for 2030.

UGS has significant project opportunities in local and overseas markets when the operating performance of the Barton Heat Engine has been validated by commissioning data.

## Successful presentations at United Nations and Victorian Cleantech Expo



In April, Capricorn Power delivered engaging and interesting presentations at both the UN and Australia Sustainable Partnerships Forum and at the Victorian Cleantech Expo. These events were an opportunity to introduce the Capricorn Power story to a broader audience focused on sustainability issues in Government, universities and cleantech innovation.

Shareholders can access these presentations on the investor portal of our website

<https://capricornpower.com.au/investors>

Password: brighterfuture

## Building Momentum Investor Update on 20 May



We know that our shareholders invested in Capricorn Power because of our shared vision of building a more sustainable future. We've had a busy year. We are closing in on the commissioning of our heat engine and the launch of our first bioenergy project.

We would like to invite you to a shareholder event on Thursday, 20 May, at 5.30 pm to talk about what's ahead for Capricorn Power and answer questions about the \$20.1M JV.

Please join us via Zoom:

<https://us02web.zoom.us/j/8934261460?pwd=eklwEF4tT3J0Ny9zeTZLMk92c201QT09>

Meeting ID: 893 426 1460

Passcode: Capricorn

### **Start-up executive and serial entrepreneur Vicki Tutungi joins Capricorn Power Board**



Capricorn Power is delighted to announce that Vicki Tutungi has joined the Capricorn Power Board. Vicki is the former Director of the Nanotechnology Flagship program at CSIRO and previously held the role of CEO at ASX-listed Optiscan. More recently, Vicki was the Managing Director of ProLearn Corporation, and she was an Executive at Foldable By Design, a specialist developer of niche next-generation medical micro-devices.

Capricorn Power Chair Geoff Andrews said, "We are thrilled to welcome Vicki to the Capricorn Power Board. Her extensive experience in technology start-ups, Cooperative Research Centres, protecting intellectual property, and her understanding of the technology commercialisation process will be invaluable as we move beyond the product development stage of growth and start expanding sales of our heat engine."

If you have any questions, please send me an email at [mike@capricornpower.com.au](mailto:mike@capricornpower.com.au)

All the best  
Mike Hodgkinson  
Chief Executive Officer