

**ASX Release****Powerhouse Ventures Limited****Level 4, Scottish House, 90 William Street, Melbourne VIC 3000, Australia****(ASX Code: "PVL")****NZ Company No. 1854396 / ARBN 612 076 169****PRIVATE PLACEMENT OF SHARES COMPLETED WITH STRONG INTEREST****Melbourne, Australia: 4 February 2022**

Powerhouse Ventures Limited (**PVL** or the **Company**) is pleased to announce that it has completed a private placement to institutional and sophisticated investors, made up of numerous new and existing shareholders, including all three recently appointed directors of the Company.

The Placement will be completed in two tranches;

- 19,500,000 fully paid ordinary shares (**Shares**) raising a total of \$1,950,000 to be issued and allotted immediately (**Tranche 1**)
- A further 6,500,000 Shares raising a total of \$650,000 to be issued subject to shareholder approval (**Tranche 2**).

A total of 26,000,000 Shares will be issued across both Tranches (the **Placement**).

The Placement was conducted at an issue price of \$0.10 per Share and will raise up to \$2,600,000 before costs. The issue price represents a 6% premium to the market closing price of \$0.94 per Share on 1 February 2022. Ascia Capital acted as Lead Manager on the Placement for a fee of 4.0% of total funds raised.

Tranche 1 shares will be issued immediately, while Tranche 2 shares will be subject to shareholder approval at a shareholder meeting, expected to be held on 15 March 2022. A notice of meeting will be despatched to shareholders containing relevant information in due course.

PVL confirms that funds raised from the Placement will be used as working capital to continue its stated corporate objectives as notified to shareholders in the recent Annual General Meeting and consistent with its recent announcements and quarterly update. These objectives are more fully particularised and outlined in the accompanying corporate strategy document.



“The Placement was conducted at a premium to last closing price and a premium to our reported net asset value” commented James Kruger, Executive Chairman. “In addition to strong support from related parties and existing shareholders, the Placement received significant interest and participation from new investors. We exist to advance emerging technologies (principally originating from Australian scientists, engineers and institutions) into globally impactful businesses.

We are therefore grateful for the support of our shareholders in this placement and will continue to work with all our shareholder base as part of our network on origination and distribution. On our corporate mission, I note the further alignment of the interests of shareholders with the Board and senior management, who participated in the Placement on the same terms”.

### Placement Details

The Placement is made up of two tranches;

1. An unconditional placement of 19,500,000 Shares to raise \$1,950,000 (**Tranche 1**).

9,000,000 shares will be issued utilising the Company’s 10% issuance capacity under ASX Listing Rule 7.1A. The issue price of \$0.10 per share is 88.46% of the 15 trading day VWAP price of \$0.1129 and is therefore above the 75% threshold required by Listing Rule 7.1A. The remaining 10,500,000 Shares will be issued utilising the Company’s existing 15% issuance capacity pursuant to ASX Listing Rule 7.1.

The 19,500,000 Tranche 1 Shares are to be quoted and allotted immediately.

2. A conditional placement of 6,500,000 shares to raise a further \$650,000 placed to related parties and senior management of the Company, and subject to approval of shareholders to be sought at an Extraordinary General Meeting (**EGM**) to be held on or about 15 March 2022 (**Tranche 2**).

The Placement has been conducted without a prospectus, with the Shares being offered to and subscribed for by investors to whom disclosure is not required under the Corporations Act.



This announcement effectively lifts the trading halt requested on 1 February 2022. The Company is not aware of any reason why the ASX would not allow trading in the Company's shares to recommence trading immediately.

Sincerely,

**James Kruger**  
**Chairman, Powerhouse Ventures Limited**

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**Authorised by the Board of Powerhouse Ventures Limited**

**About Powerhouse Ventures Limited:**

Powerhouse is an investment company seeking to advance emerging intellectual property (principally originating from Australian scientists, engineers and institutions) into globally impactful businesses. The focus sectors are: engineering and clean-tech, information communication technology and digital; medical and healthcare, agritech and environmental.

Powerhouse has an existing active portfolio and strong pipeline of early stage to mature businesses across its focus segments. It has developed a unique network and broad base of skillsets to help its portfolio businesses expand and commercialise.

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# Investor Presentation

4 February 2022

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# Powerhouse Strategic Plan 2022

## Reduce Cash Burn

### Why

Our cash burn needs to match our ability to generate cash returns, so that PVL is not a perpetually sub scale investment company

### How

1. Board incentivised by options – no fees
2. Lean management team – mostly options only
3. Insourced most Legal & Finance functions for divestments and corporate governance

### Results

Completed. Normalized cash burn reduced from \$1m to \$450k per annum

## Invest Strategically

### Why

We need to drive shareholder returns by leveraging our networks in cleantech, digital, critical technologies and deep understanding of IP commercialization

### How

1. Formulaic investment sizing criteria based on horizon to liquidity
2. Investment focus on Team, Tech, Traction, TAM
3. Portfolio balance shift away from geographies and incubation with binary path outcomes

### Results

First Half Pipeline established. 3 Investment made. 1 divestment to recycle capital

## Expand Horizons

### Why

Develop Funds Management business models leveraging the distribution and investment capability and develop annuity style income streams

### How

1. Develop thematic strategies based on information asymmetry
2. Explore SPV opportunities to establish critical foundations
3. Use balance sheet investments with a eye to warehousing / building capability for fund holdings

### Results

Critical KPI for Board this year

Underpinned by Our Strong Network:

- All major shareholders supporting the board and enhancing our HNWI distribution capability
- Reputation is critical - we help companies in the practical steps required for commercialization
- We actively work in the commercial / financial ecosystem. Eg WebCentral for Digital.

# The Powerhouse Approach

**Historically, Powerhouse has been a leading intellectual property commercialisation company in which Powerhouse would work with New Zealand and Australian universities to identify leading research and turn it into world changing businesses.**

Powerhouse used its expertise to identify innovation that it believed could be successfully commercialised whilst providing capital and support from the company's networks to help drive success.

The areas of focus for Powerhouse have been across four main sectors: engineering and clean-tech, medical and healthcare, agritech and environmental, and digital and ICT.

Over Powerhouse's history, it has invested in over 30 companies and built relationships with many leading New Zealand and Australian universities.

# The Expanded Powerhouse Approach

**PVL aims to move the needle on the Commercialization of Important Technologies within themes of focus.**

Going forward, the new Powerhouse team aims to build off the early stage investing infrastructure set up by prior management and sharpen the investment approach of the company by:

- Using established networks to broaden focus segments, such as EV/Battery & waste/environment tech. Idea generation will likely be thematic driven and sectors of focus can evolve over time
- Broadening the capital lifecycle of our investments - covering everything from early stage to pre-IPO
- Reapproaching risk management and scale investments based on a matrix of tech and business readiness levels

The aim is to construct an investment portfolio that:

- Is more diversified when assessed across different risk lenses and maturity profiles
- Is broader in its maturity profile
- Can deliver a smoother return profile with more regular liquidity events in order to recycle capital
- Can support fund management franchises



# The Expanded Powerhouse Process

Investment ideas are initially screened, prior to embarking on financial and other due diligence, using a three gate process

## Gate 1

Is it in our wheelhouse?

- Is the opportunity within the thematic areas of focus of the board/PVL investment team?
- Is it within expertise or proximity of board or team member of PVL?

## Gate 2

Do we have information granularity?

- Validate team, tech, traction, TAM and risks at point in time of investment and through the lifecycle
- Access opportunities to stay networked for possible follow on or adjacent opportunities
- Will we have line of sight on milestone achievements and ability to track progress broadly?

## Gate 3

Are there possible network effects?

- Base Case would feed the franchise with ancillary knowledge, partnerships or other opportunities
- Support efforts to expand business verticals within PVL i.e. funds management

# The Expanded Powerhouse Process

If an investment can pass the three gates, the opportunity is assessed in detail across 5 key categories:

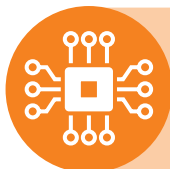
- TAM – The size of problem statement the company seeks to solve
- Team - Org Capability and shareholder base
- Tech – Tech Potential incl Technology Readiness Level and capital pathway to support scale up
- Timing & Traction - headwinds or tailwinds within capability of Team & Tech?
- Business & Financial risk-return profile - including analysis of liquidity horizon and options

Any opportunity that can pass this assessment is then considered for investment with the amount of capital invested by Powerhouse dependent on tech and business readiness.

Those considered earlier stage will typically receive smaller investments with a view to scale the size of the investment in subsequent funding rounds as the investee company achieves key milestones

# Opportunities

PVL's investment process has identified a selection of investment opportunities that are being assessed across the key thematic sectors. All of which have strong fundamentals back by robust IP moats. Those include:



## **Electrification & Decarbonisation**

Technologies across the value chain such as improving battery technology or materials processing



## **Next Generation Computing**

Cutting edge quantum technologies back by a high degree of research and innovation



## **Space technologies**

Leveraging current or building new infrastructure to exploit use cases with strategic importance



## **Healthcare and Wellness**

Research-based cognitive function impairment technologies  
Medical device technologies to improve patient outcomes with lower overall costs

# Recent Investments



SkyKraft specialises in the design, manufacture and operations of small satellites in Low Earth Orbit constellations for the delivery of global services.

With multiple satellites launching in 2022, Skykraft is developing an Air Traffic Management constellation of 210 spacecraft that will provide continuous coverage for aircraft at all altitudes and locations. This improves both the safety and efficiency of aircraft operations.

The recent funding round will allow SkyKraft to continue the development of their satellites ahead of their initial launch 2022.

**Investment size: \$250,000**



CourseLoop is a provider of course management software (CMS) platform to universities across Australia, the UK and the US with customers including Monash University, University of New South Wales and UCLA.

CourseLoop has rapidly established a strong presence within Australia in less than 5 years, boasting several G8 universities amongst its clients.

The recent funding round will allow CourseLoop to capitalise on a large pipeline within Australia and to expand rapidly into the UK and US, with strong potential growth ahead of a planned IPO, currently indicated to occur in 2022

**Investment size: \$435,000**



Firmus is an emerging ultra-efficient, low PUE data centre developer and operator that utilises unique intellectual property (IP) relating to immersion cooling.

Firmus has also developed Synert, a novel way to utilise spare capacity in its data halls to provide baseload demand for renewable energy and offer grid stabilising services to AEMO through FCAS

The recent funding round will allow Firmus Grid to double its data centre footprint to 40MW in Launceston, with LST02 – another 20MW data hall – targeted for completion in the middle of 2022.

**Investment size: \$250,000**

# Current Portfolio



Ferronova is a medical device company, spun out of Victoria University of Wellington and the University of South Australia, producing an advanced diagnostic system to aid in the diagnosis and treatment of cancer. Ferronova's mission is to provide solutions for staging solid tumour cancers e.g. breast, prostate, rectal and head and neck.



Inhibit Coatings - Inhibit Coatings produces antimicrobial and antifouling coatings which display strong antimicrobial activity decreasing bacteria by > 99.997%. The technology has been applied to a number of different resin and coating systems including epoxies, urethanes and acrylics, finding use in several different applications.



CertusBio is a lab-on-a-chip biosensor technology company with novel technologies allow for interference-free continuous monitoring of industrial processes. CertusBio's lead product, Milk-Guard, is the first real-time interference-free biosensor monitoring device aimed at the dairy processing industry.



Cirrus has developed a process technology that significantly improves the mechanical properties of plated coatings in electronics, aerospace, and hi-tech manufacturing, without degrading the conductivity, corrosion resistance or appearance of the coating material.

SkyKraft - See slide 9

Firmus Grid - See slide 9

Courseloop - See slide 9



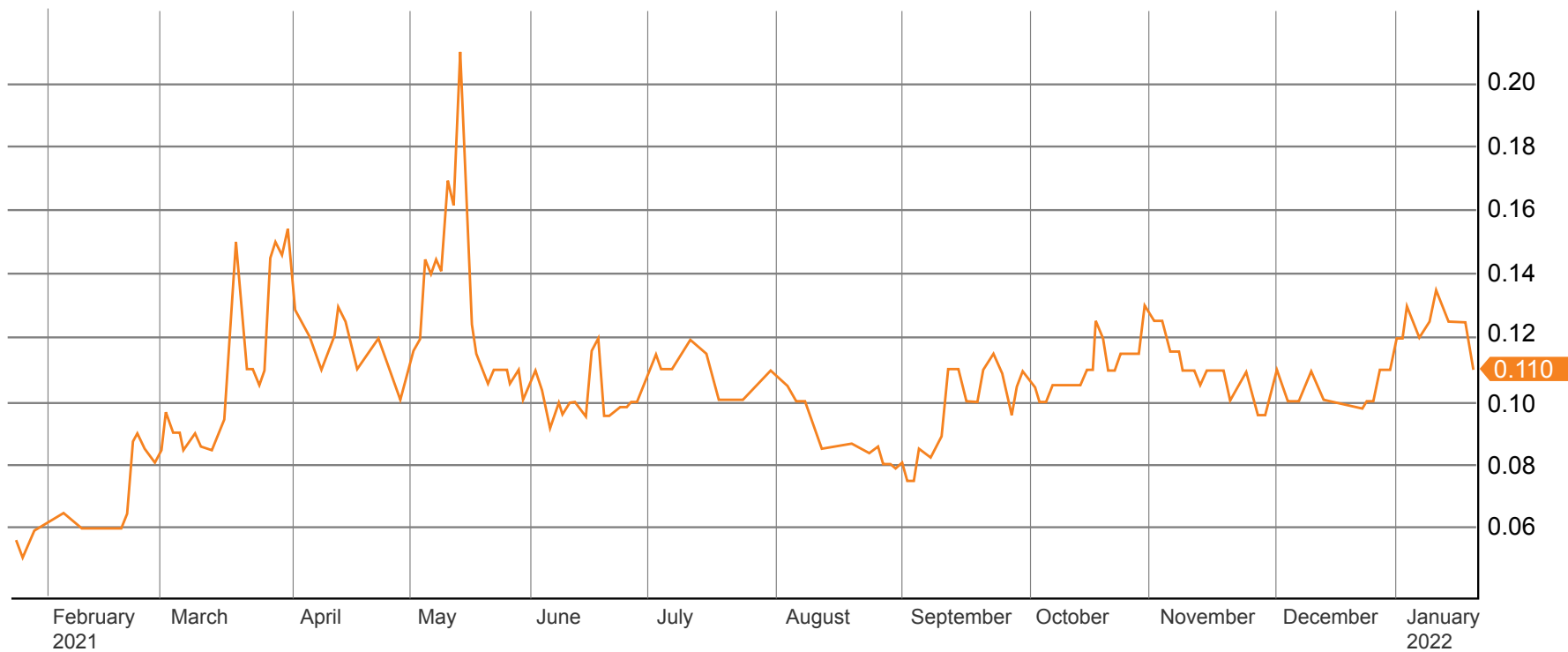
Total portfolio value:

**\$NZ3.65m**

\*Only investments with a non-zero value that are subject to an independent review as part of 31 December 2021 audit, which is yet to be completed by the Company's auditors. There are a further 7 investments which have been previously marked to zero in which the business has yet to be wound up or liquidated.

# Stock Details

ASX Code	PVL
Shares in Issue (m)	94.7
Options (A\$0.08 to A\$0.11)	29.2
Market Cap (A\$m, 21/01/2022)	10.4
Cash (31 Dec 2021, NZ\$m)	4.3
Debt (31 Dec 2021, NZ\$m)	Nil
Board and Management Ownership	Top 20 Holding



# Board

## James Kruger

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### Executive Chairman

Mr Kruger is a global consultant in the lithium-ion battery supply chain and related technologies. He also advises technology companies on commercialization, utilizing his legal and investment banking skills from a 20+ year career at Macquarie. He has a passion for improving the sovereign capability of Australia through the commercialization of its research and IP capabilities.

## Joe Demase

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### Non-Executive Director

Mr Demase is currently Managing Director of ASX listed Webcentral Limited (WCG) for the last 4 years. Webcentral is Australia's leading domain and hosting provider with 350,000 customers. WCG has completed over 11 acquisitions in the last 4 years expanding revenue to over \$100m

## Joshua Baker

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### Non-Executive Director

Mr Baker is currently a Portfolio Manager at Capital H Management, a boutique investment firm focused on small and microcap companies. He has over 10 years' experience across multiple sectors of the financial services industry from general wealth management through to hedge funds.

The current board was elected on the 24th of November, 2021 and is solely remunerated through the issue of options. These options have a strike price of \$0.11, a maturity of 31 December 2023, and a vesting condition of the average share price of PVL being \$0.20 or higher over 20 consecutive trading days

# Executive Team

## Geoffery Nicholas

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### Chief Financial Officer

Mr Nicholas is an experienced business leader with a proven track record in business acquisitions and operational integrations, most recently leading the integration of five acquisitions in the space of two years at 5G Networks. With more than 18 years' experience in senior finance functions in the IT sector both in Australia and internationally, Geoffrey has applied the same dedicated focus on financial metrics and performance to drive these organisations forward.

## Campbell Hedley

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### Company Secretary

Mr Hedley is a governance & corporate advisory professional and practising lawyer with over 20 years' experience across a range of industries including Banking & Finance, Corporate Agriculture and Manufacturing with a particular focus on start-ups and early-stage ventures.

The current executive team is remunerated largely through the issue of options which are subject to the same terms as the options issued to the new board as detailed on the prior slide.



# Contacts

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