

**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****PRESENTATION TO PAC PARTNERS CLIENTS****Melbourne, Australia: 22 April 2021**

Powerhouse Ventures Limited (**PVL or the Company**) advises that the PVL Board is conducting a Zoom Meeting with clients of PAC Partners Securities Pty Ltd (**PAC Partners**) starting at 11am AEST today, Thursday 22 April 2021.

A copy of the presentation that the PVL Board will make to PAC Partners clients is attached.

As announced on 2 September 2020, the Company has engaged PAC Partners as PVL's market advisor for a 12 month period.

If shareholders have any questions on this presentation, please contact the Company.

Sincerely,

**Russell Yardley**  
**Executive Chairman**

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

**About Powerhouse Ventures Limited:**

Powerhouse is a leading intellectual property commercialisation company which focuses on developing brilliant research from New Zealand and Australian universities into world changing businesses. It has developed a unique approach to develop these innovations and businesses by providing access to business building expertise, capital, networks, recruitment and ongoing business support.



Powerhouse has a successful track record with an existing active portfolio of early stage to mature businesses across four main sectors: engineering and clean-tech, medical and healthcare, agritech and environmental, and digital and ICT.

### **About PAC Partners Securities Pty Ltd**

PAC Partners offers a broad suite of services across our advisory teams, including ECM, M&A, Institutional grade Research and equities trading & execution. PAC Partners focuses on leading emerging and mid-cap companies with Corporate Finance clients including some of Australia's highest potential growth companies. With corporate offices in Melbourne, Perth and Sydney and a team of highly experienced market specialists, PAC has been delivering market leading outcomes for its clients since 2013.

For more information go to [www.pacpartners.com.au](http://www.pacpartners.com.au)

# PowerHouse Ventures

Endorsement From Industry  
Leaders

## Uniseed support PowerHouse

*“Uniseed is working with PVL in looking for capital for follow on investment for other Uniseed investee companies and to co-invest in PowerHouse opportunities.*

*Science Commercialisation in Australia needs more investors like PowerHouse.”*

*April 2021*

*Peter Devine*

*Chief Executive Officer*

*Uniseed Management Pty Ltd*

# PowerHouse Ventures

Endorsement From Leading  
Universities

## Australia & NZ Highest Ranked University

*“Having worked with Russell and his team, I have seen the expertise, commitment, passion and experience they bring to the University of Melbourne’s innovation ecosystem.*

*As the economy rebounds from COVID, it is a national imperative for Australia to build globally competitive high value businesses based on the translation of our world class research and intellectual property.*

*I consider PowerHouse to bring unique and important capability to help us meet this urgent need.”*

*April 2021*

*Ken Jefferd*

*Executive Director Research, Innovation and Commercialisation  
The University of Melbourne*

# PowerHouse Ventures

## Business Strategy

### Near Term

- Build an investment platform to manage larger pools of capital
- Launch first PowerHouse (PVL) early stage venture capital fund
- Build infrastructure to manage the investment platform
- Expand agreements with other quality research institutions
- Building a pipeline of compelling deal flow opportunities

### Medium Term

- Exit investments where opportunities arise
- Build an investment track record
- Launch follow-on funds as investments mature and new investment opportunities arise
- Create a platform to in-source investment opportunities with Venture Studio/Company creation model

# PowerHouse Ventures

## Business Strategy

*PVL is differentiated from its competition and is placed in a unique position*

- PVL adopts the Founders Model, investing at inception not pre-seed, seed or post seed unlike competitors
- PVL invests before the first cheque, partners early on with research developers to formulate a commercially viable entity
- Focused on select areas, AgriTech, CleanTech, MedTech and InfoTech
- PVL works extensively with research institutions to de-risk opportunities, not the classic VC approach

# The Old vs The New

## PowerHouse was

- Only actively engaged with New Zealand University commercialisation
- Heavily reliant on direct government grants for operational expenses
- Not focused on managing expenses
- Not aligning staff incentives to shareholder returns
- Failing in managing the portfolio to investment outcomes
- Not making critical decisions to reduce risk

## PowerHouse is now

- Aligned to shareholder returns by aligning staff incentives to deliver shareholder value
- Dedicated to maximise investment outcomes
- Very active in the much larger Australian research commercialisation market
- Building strong relationships with key Australian research institutions
- Building a pipeline of exciting investment opportunities
- New Investment Process adopted with Risk Reduction and Company Creation Model as central tenets

# The New PowerHouse

## Recent Achievements:

- Restructured the business – Reduced personnel and capital commitments, thereby completely arresting all nonessential capital expenses
- Reduced significant debt – Completely extinguished debt and returned PVL to a net cash position
- Exits – Sold \$NZ10m worth of assets. More recently executed the sale of two portfolio investments with returns of 585% and 144%.
- Maximising current portfolio – Actively managing the existing portfolio with proactive measures to ensure PowerHouse's interests are upheld
- Focused Disciplined Approach – Established new investment process, focused on de-risking investment opportunities
- Driving Collaboration and Creating Partnerships – Signed and negotiating agreements with Australia's leading research institutions providing access to the best commercialisation opportunities



# The New PowerHouse - Ferronova

## Ferronova - Fallen Angel Advanced Nanoparticle Cancer Diagnostics

Peter Devine, CEO Uniseed

*“PowerHouse has worked well with Uniseed, providing strong support to Ferronova, and they have been a constructive Ferronova board member.*”

- A neglected investment. As part of the board’s strategy to review all investments, it uncovered an asset that required PVL’s active involvement
- PVL board carried out a deep and thorough review and decided to implement a series of actions. Key to this was to attain board representation
- PVL’s active involvement has meant:
  - Strength in board experience with new additions
  - Strategic direction
  - Oversight and governance
  - New investors
- Ferronova good early trial data has moved into human trials which are expected to validate its therapeutic value
- PVL engaged with University of Sydney to ensure the technology was performing to expectations
- Exit expected in the coming years

# The New PowerHouse – New Opportunities

## Bio-Sprayable Mulch

- Signed NDA with Australia's leading research agency to establish a commercial entity to commercialise advanced agricultural technology
- PVL helped identify and resurrect a technology which was abandoned
- PVL used its expert network to identify a suitable CEO, often the stumbling block in early-stage venture
- Significant effort has been invested by both parties in a collaborative manner to develop the technology further
- PVL utilised the Founders Model to ensure that its investment will provide the basis of strong ownership with risk mitigation

## Other Pipeline Opportunities

- New platform for microscopic analysis
- Next generation pest control
- Contaminates control and assessment
- Clean energy data analytics
- And more...

# Why Early Stage Commercialisation Presents a Strong Opportunity for Investors

## Universities forced to attract funding from new sources

Australian Universities will experience between \$6.4bn-\$7.6bn shortfall in income in the coming years, according to research by [Melbourne University](#)

=> Universities are actively working with PowerHouse to commercialise IP

## Senior University leaders are actively seeking solutions

*Ian Jacobs, Vice Chancellor USNW..... "Our track record in connecting the discovery and commercialisation ends of the spectrum, through translation and applied research, is poor,"*

*"Our academics are incentivised and rewarded for world-beating discovery and not adequately for translation and commercialisation, and our economy is not structured with incentives to bridge the gap."*

## Too many lost opportunities

- Wifi – CSIRO
- Solar Panel Technology – UNSW
- Airline Scheduling Software – UNSW

# PowerHouse Bridging This Gap

## PowerHouse Agreements and Active Working Relationships

University of Melbourne

National Science Organisation

University of Sydney

CRC CARE

University of Canberra

University of Newcastle

UNSW

RFC Ambrian

Monash

Australian Institution of Sport

# Building Long Term Shareholder Value

Investment Platform - The Board are embarking on creating a platform for PowerHouse to become a significant player in the early-stage venture market

- Create the appropriate regulatory and compliance framework
- Attract and manage larger pools of capital
- Attract and manage the required talent pool to build globally successful companies
- Access to a wider set of pipeline investment opportunities from 42 universities and many CRCs
- Build industry partnerships and collaborations with the research sector

Stakeholder Representation - Position PowerHouse at the table with Governments and the Investment community

- State and Federal representation ensuring support from key stakeholders
- Help guide policy decisions for optimal outcomes

Shareholder Driven Culture – Create an environment that is aligned to shareholders

- Remuneration framework that rewards on performance outcomes and value creation
- Long term incentives aligned with shareholders interests

# Later-Stage or Pre-IPO Investments

PowerHouse supports later stage or pre-ipo investments to support our successful early stage investments:

- As articulated in the July 2020 Rights Issue prospectus
- Investment threshold for later stage involves a meticulous due diligence process and experienced personnel to execute a difficult strategy
- Quality deal flow is key, and investors must be discerning when assessing each opportunity
- PowerHouse's new Investment Process requires detailed due diligence and the use of industry specialists comprehend complex IP and patents, which often takes longer than that envisaged by the promoters of later stage or pre-ipo deals
- Example: PowerHouse has a proven working relationship with Uniseed as demonstrated with its investment in Ferronova and is now exploring other investments co-investment opportunities where pre-IPO funding may be required

# Consequences of Proposed New Board

## Inadequate Existing Portfolio Management Experience

- Nominees lack the relationships and history with current investee companies which could jeopardise any value creation opportunities

## Ability to identify Appropriate Investments

- Requisitioners of the EGM as well as members of the proposed new Board have already been part of PVL and failed to identify any quality investment opportunities over a 4 month period

## Destroying Shareholder Value

- The current Board has established key agreements with leading research institutions which are at risk of being dissolved and hence destroying shareholder value. Replicating these is difficult and requires a unique level of experience and relationships
- PowerHouse's profile amongst key leading research institutions will be irreparably damaged with a change in strategy as these institutions have documented their views that PowerHouse is filling a much needed, business experienced, early stage science commercialisation service for them

**CHANGES TO THE BOARD WILL MEAN POWERHOUSE WILL NO LONGER BE A PARTICIPANT IN THE EARLY STAGE COMMERCIALISATION SECTOR – ONE OF TODAY'S FASTEST GROWING SECTORS IN THE AUSTRALIAN TECHNOLOGY SECTOR**

# Recap of Current Board Achievements

## Secured the financial future of PowerHouse

- Removed the substantial debt incurred by previous management

## Protected value of current portfolio

- Active involvement and oversight of existing investments to ensure PowerHouse interests were maintained and value was created

## Managed expenses

- Reduced capital expenses ensuring PowerHouse can operate whilst undergoing a restructure

## Preserved Capital

- Cleansed prior management's underperforming investments
- Cut all capital investments in poorly managed investee companies

## Placed PowerHouse in the Australian research commercialisation market

- Agreements and partnerships with leading research institutions



# Follow Up Questions and Contact Details

Thank you for your time and if you have any follow up questions you are welcome to contact:

- Russell Yardley ([russell.yardley@powerhouse-ventures.co.nz](mailto:russell.yardley@powerhouse-ventures.co.nz))
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