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ASX Announcement

3 May 2023

Successful Share Placement Raises \$8 million

Melbourne, Australia: Technology design and development growth company, Synertec Corporation Limited (ASX: SOP, "Synertec", "the Company" or "the Group") is pleased to provide an update regarding its successful share placement.

Highlights

- Synertec has received binding commitments from domestic institutional and sophisticated investors to raise \$8 million through the issue of 36.4 million new shares at a price of \$0.22 per share ("Placement")
- Funds raised will be used to accelerate the rollout of its Powerhouse technology, including purchase of long lead time components, expansion of the customer base across industries and the establishment of a dedicated assembly facility, as well as other growth initiatives across the Group

Successful completion of \$8 million capital raising

Synertec is pleased to announce it has received binding commitments from institutional and sophisticated investors to raise approximately \$8 million (before costs) through a Placement of 36.4 million new fully paid ordinary shares in Synertec at \$0.22 per share ("Placement Price"). The Placement Price is a 12% discount to both the last closing price and 5-day VWAP of \$0.25 on 1 May 2023.

New shares under the Placement will be issued in accordance with the Company's existing placement capacity under ASX Listing Rule 7.1A. All shares issued under the Placement will rank equally with the Company's existing fully paid ordinary shares.

Synertec recently secured the first commercial order from Santos Limited (ASX:STO) for its Powerhouse Technology, a predictive intelligence solar and battery power system providing reliable, continuous 100% renewable base load power for remote areas. The proceeds of the Placement will be applied towards balance sheet support for the execution of the Company's rollout of its Powerhouse technology and its growing Engineering business, including (approximately) the following;

- Purchase of key long lead time components for its Powerhouse technology - \$3 million;
- Powerhouse technology development for new applications with new customers across industries - \$3 million;
- Establishment of a dedicated assembly facility - \$1 million; and
- Working capital for various growth initiatives across the Group - \$1 million.

Synertec's Chair, Mr. Dennis Lin, said:

"I would like to thank our existing shareholders for their continued strong support of Synertec, and we welcome new investors to the Company. The recent commercialisation of Powerhouse was a significant achievement for the Company and we are continuing to progress a procurement plan with Santos to meet their operational requirements."

"Funds from the Placement will provide the Company with the balance sheet strength to rapidly deploy our Powerhouse technology across various customers and industries, as well as continue to grow out our niche Engineering business, driving revenue growth and cashflow generation for Group. The large target market we see for Powerhouse across both domestic and international markets provides a significant growth opportunity for Synertec and one which we believe will deliver significant value accretion for the Company."

Shares to be issued under the Placement are expected to be settled on 9 May 2023, with the issue and quotation of the new securities expected to occur on 10 May 2023. The new shares will rank equally with existing shares of the Company on issue.

Taylor Collison and Shaw and Partners acted as Joint Lead Managers to the Placement. No securities were issued or agreed to be issued in the Placement to any related party.

-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).