



A clean power company

Investor Presentation

April 2012






Company snapshot

Australian Stock Exchange - ERJ

Issued Shares: ERJ	892,296,815
Options: ERJO (exercise price of \$0.20 by 31/12/16)	64,737,700
Options: ERJAO (exercise price of \$0.03 by 30/6/15)	438,704,782
Share Price: ERJ ¹	\$0.014
Market Capitalisation (Undiluted)	\$12.5 M
Market Capitalisation (Diluted)	\$19.5 M



-  An clean power company focused on providing recovered heat energy to multiple sectors, including mining and resources
-  Australian exclusive commercial rights for proven waste heat conversion technology – the “**Opcon Powerbox**”
-  Opcon Powerbox can produce up to 20% more power and lower CO₂ emissions by ~15% without burning additional fuel

¹ Price at close on 16th March 2012



Progressive leadership team

Board

Hon Ian Campbell

Non-Executive Chairman

17 years in Federal Parliament (including Minister for Environment & Heritage and responsible for climate change policy)

Greg Pennefather

Managing Director

Former CEO, Clarinet Australia; Former MD, Halcyon group; Co-founder & inaugural CEO Request Broadband

Rolf Hasselström

Non-Executive Director

Current Opcon CEO, provider of organic Rankine cycle Powerbox technology

Management

Peter Wassell

Chief Engineer

20 years in Senior Engineering roles in maintenance, technical support and marketing

Geoffrey Reid

CFO

Former Australasian Financial Controller MI-SWACO



What we do

1

Capture heat wasted as a by-product of industrial power generation

2

Generate electricity using the Opcon Powerbox - without fuel or creating emissions or capital costs to the customer

3

Sell this electricity back to the customer

4

Use this revenue to drive shareholder value



Business model



Each 0.7 MW unit generates 6,000 MWh per year



Long term energy off-take agreements to deliver electricity from waste heat at a fixed price



Build, own and operate power generation capacity



\$6.25M zero coupon convertible bond facility to fund early installations



Currently exploring debt funding to minimise shareholder dilution

	Per unit	Per MW
CAPEX (installed)	\$2.9M to \$3.5M	\$4.1M to \$5M
Revenue	\$1M to \$1.2M per annum ¹	\$1.4M to \$1.7M per annum ¹
Operating costs	\$160K to \$195K per annum ²	\$230K to \$275K per annum ²
Gross Margin (as % of Revenue)	83% to 88% ³	83% to 88% ³
IRR for project	24% to 39% ³	24% to 39% ³

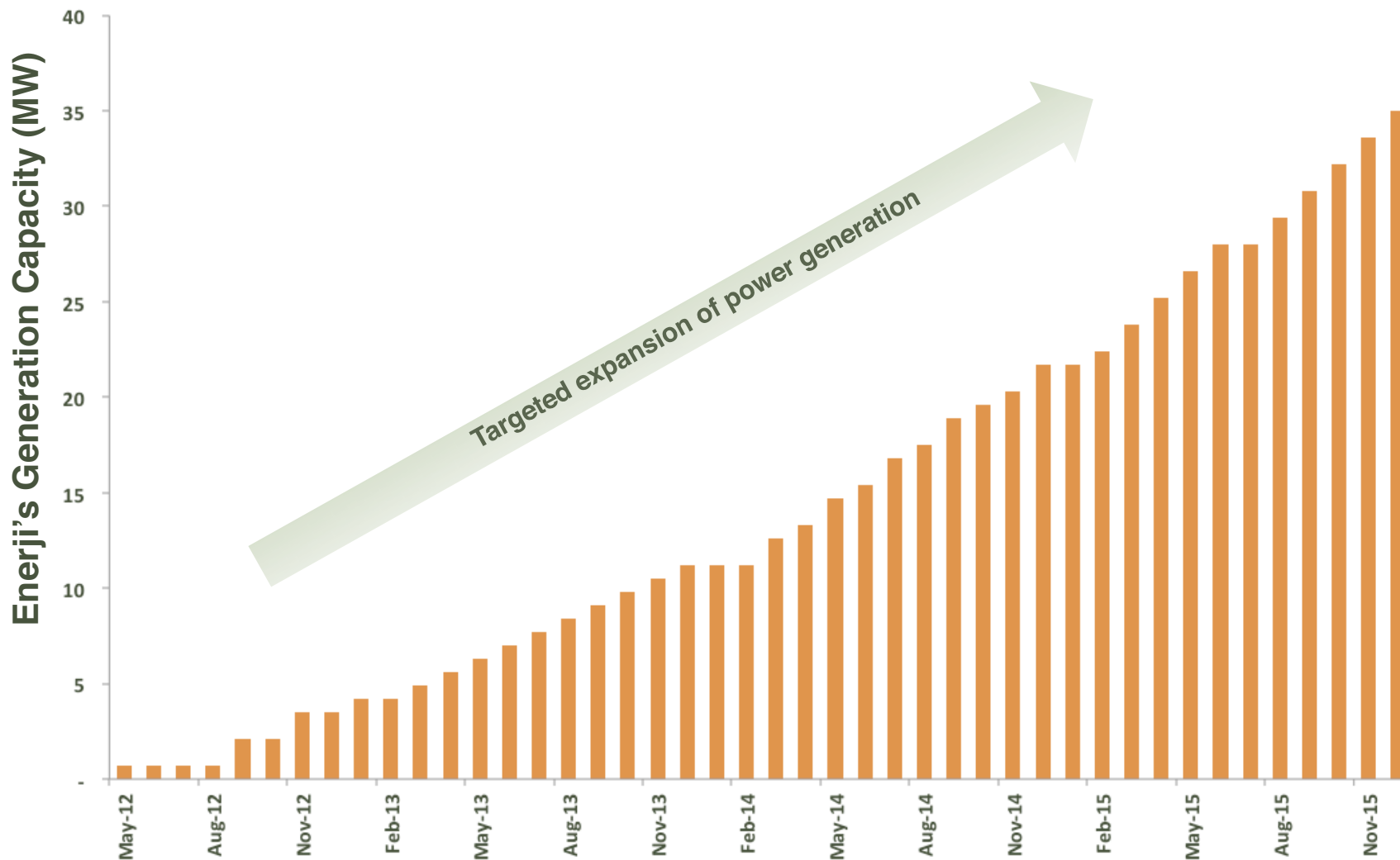
¹ Based on electricity sale price of AUD\$170-\$200/MWh, off-grid diesel fuelled sites, assumes 97% uptime

² Project Operating includes maintenance 5% of Capex, insurance 0.5% of Capex

³ 5% yearly price increase, 3% inflation, 10 year project life



Power generation capacity target



Note: each unit has a generating capacity of 0.7 MW



Australia's first Opcon Powerbox

Enerji's first heat recovery unit being installed at Carnarvon



Installation timeline at Horizon Power's Carnarvon Power Station

September 2011

- Powerbox arrived 29th September

February 2012

- DEC Works Approval granted
- Site works commenced

March 2012

- Opcon Powerbox installed on site
- Heat recovery units installation
- Cooling tower assembly

April 2012

- Pipeworks completion
- Electrical and control works
- **Generating power**

May 2012

- **First Invoice = Revenue**



Enerji's Opcon Powerbox – installed on site in Carnarvon with the cooling tower assembly occurring in the foreground



What is the Opcon Powerbox?




- 👣 Generates electric power using heat captured as a by-product of fossil fuel energy
- 👣 Uses zero fuel and creates zero emissions
- 👣 Generates power when and where it is needed
- 👣 6,000 MWh produced annually by each unit
- 👣 Modular design – use multiple Powerboxes when required
- 👣 Designed and manufactured in Sweden by Opcon





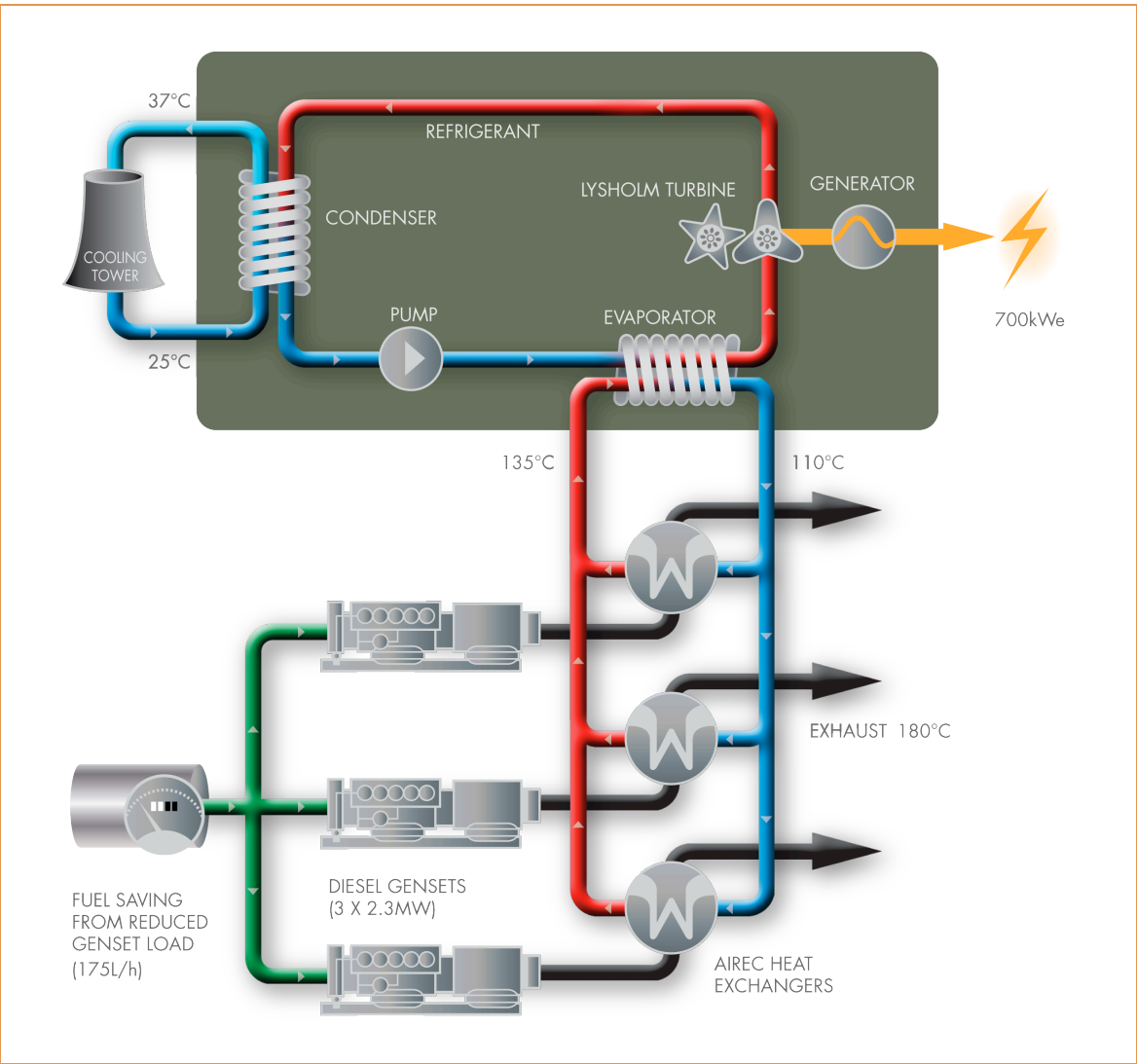
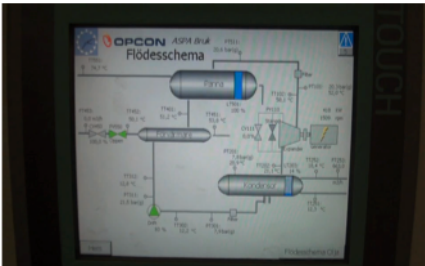
About Opcon



-  Opcon is an energy and environmental technology group that develops, produces and markets systems and products for eco-friendly, efficient and resource-effective use of energy.
-  Opcon is over 100 years old and has activities in Sweden, China, Germany, the UK & Denmark. There are around 380 employees. The company's shares are listed on Nasdaq OMX Stockholm.
-  Opcon and related entities own approximately 13% of ERJ



Enerji' s recovered energy solution





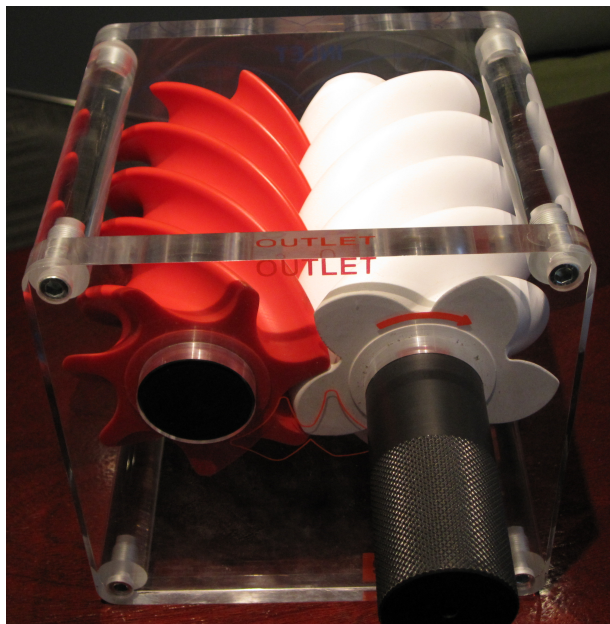
Opcon Powerbox Competitive Advantage



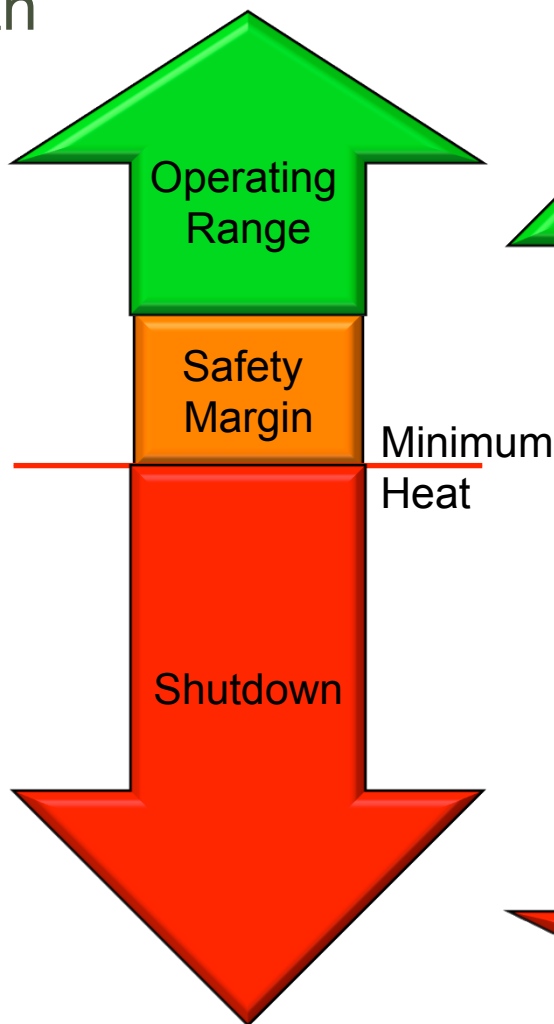
Uses a twin screw expander instead of an axial fin and blade turbine



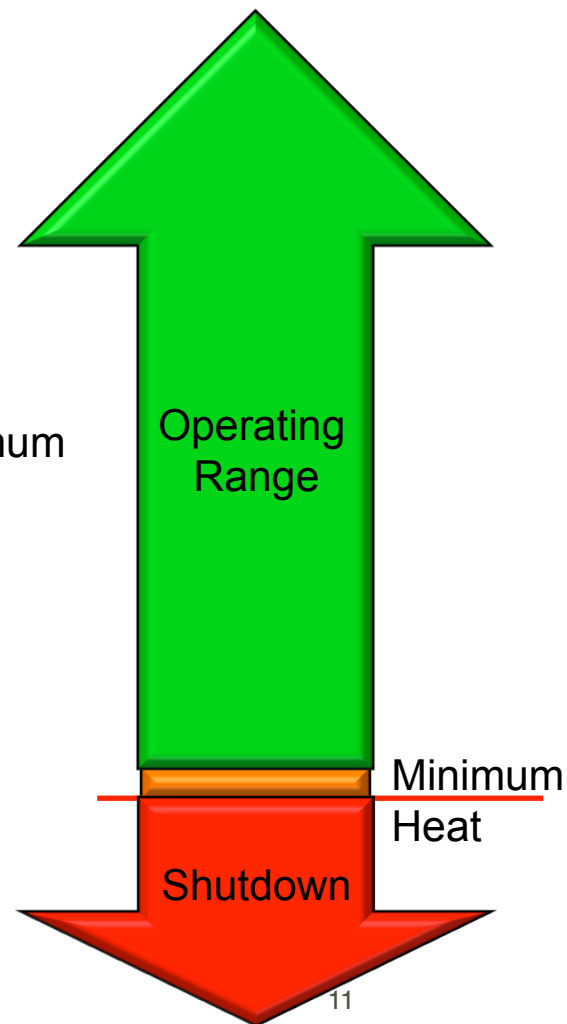
Greater operating range and flexibility



Axial Turbine



Twin Screw





Customer case study

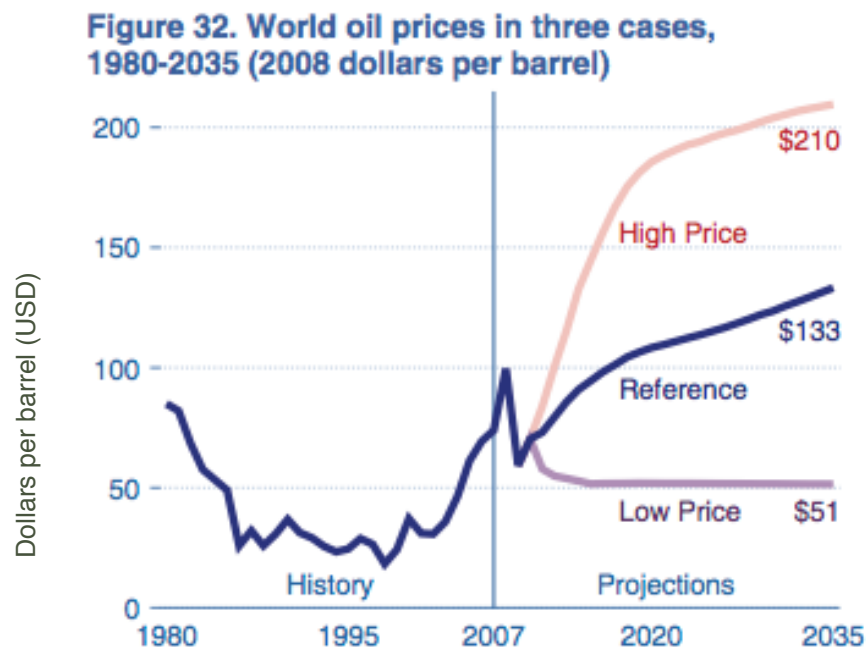
Customer Benefit	Add one Powerbox	Current Situation	Capacity	Fuel	Cost	Maintenance	Emissions
			7 MW of Diesel Generator capacity produces 61.4 GWh/year of electricity	Diesel Fuel use of 16.1 million Litres per year	Diesel Fuel Costs of \$16.5M per year at a price of \$1.0221/l ⁽¹⁾	Maintenance cost of \$1.08M/ per annum ⁽³⁾	7MW Diesel Generator produces 40,000 tCO ₂ annually ⁽⁴⁾
			6.3 MW of Diesel capacity used, plus 0.7 MW from Powerbox. Total= 61.4 GWh/year.	Diesel Fuel use reduced to 14.5 million Litres per year	Fuel and Electricity Costs of \$15.8M per year including \$1M to Enerji for electricity ⁽²⁾ .	Reduced load reduces cost to \$0.97M/ per annum ⁽³⁾	Diesel Generator load reduced to 6.3MW, reducing tCO ₂ to 36,000 annually ⁽⁴⁾
			Electricity Generation: 7 MW capacity with or without Powerbox	Fuel Savings: 1.6M litres reduction in diesel fuel use	Fuel Cost Savings: \$660k pa ⁽⁵⁾	Maintenance Savings: \$108 K pa	Emissions Savings: 4,000 tCO ₂
			\$770k pa				

(1) With the reduction in the fuel tax rebate of \$0.0621/l as of 1st July 2012 (2) Electricity sale price of \$170 /MWh (3) Maintenance cost = \$0.0185 /kWh (4) 2.62 kg of CO₂ produced for each litre of diesel



Rising fuel prices fuelling growth

US DOE Oil Price⁽¹⁾

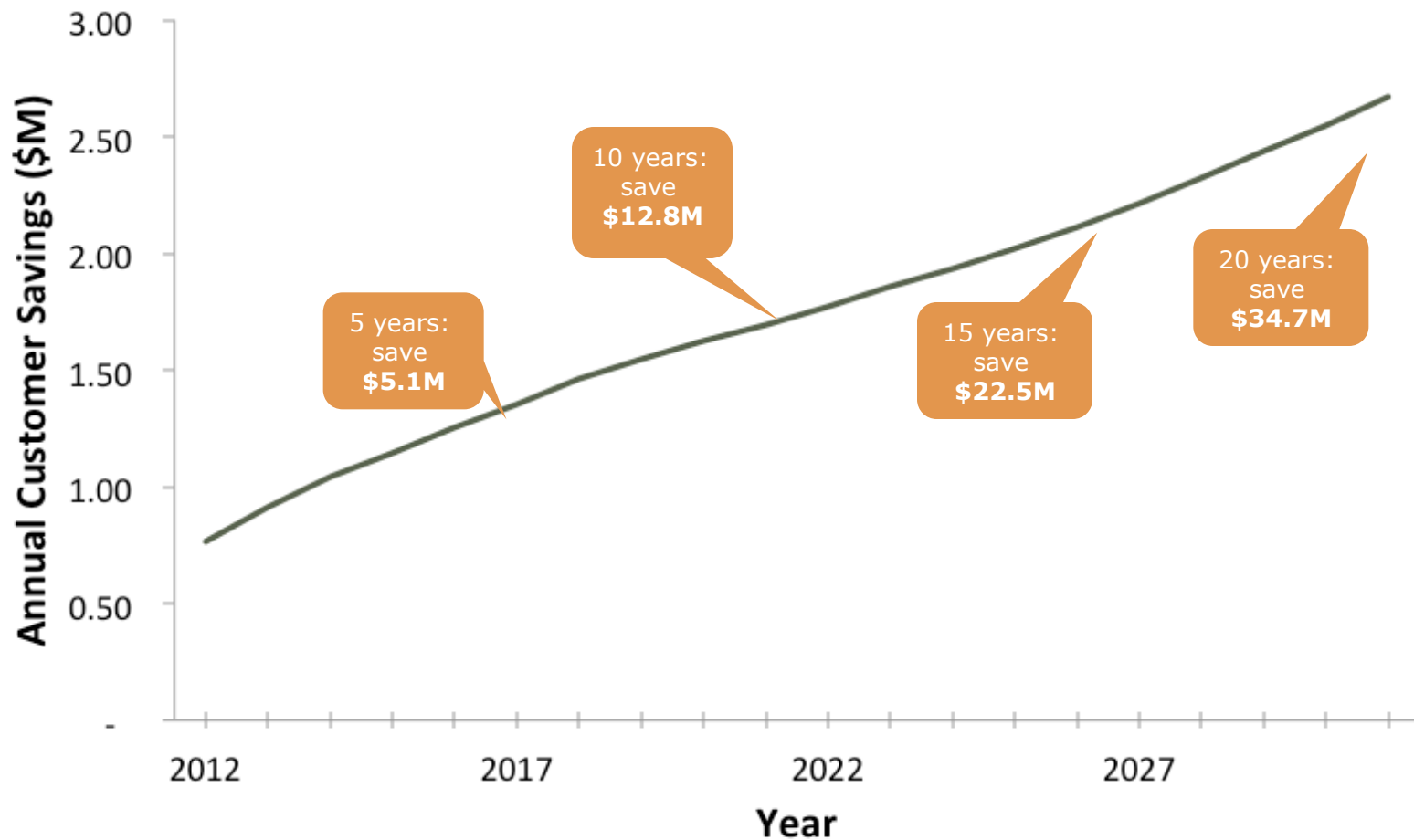


Opcon Powerboxes offer a hedge against rising fuel prices – they do not use fuel and pricing can be locked in for the entire contract period.



Savings increase with rising fuel prices

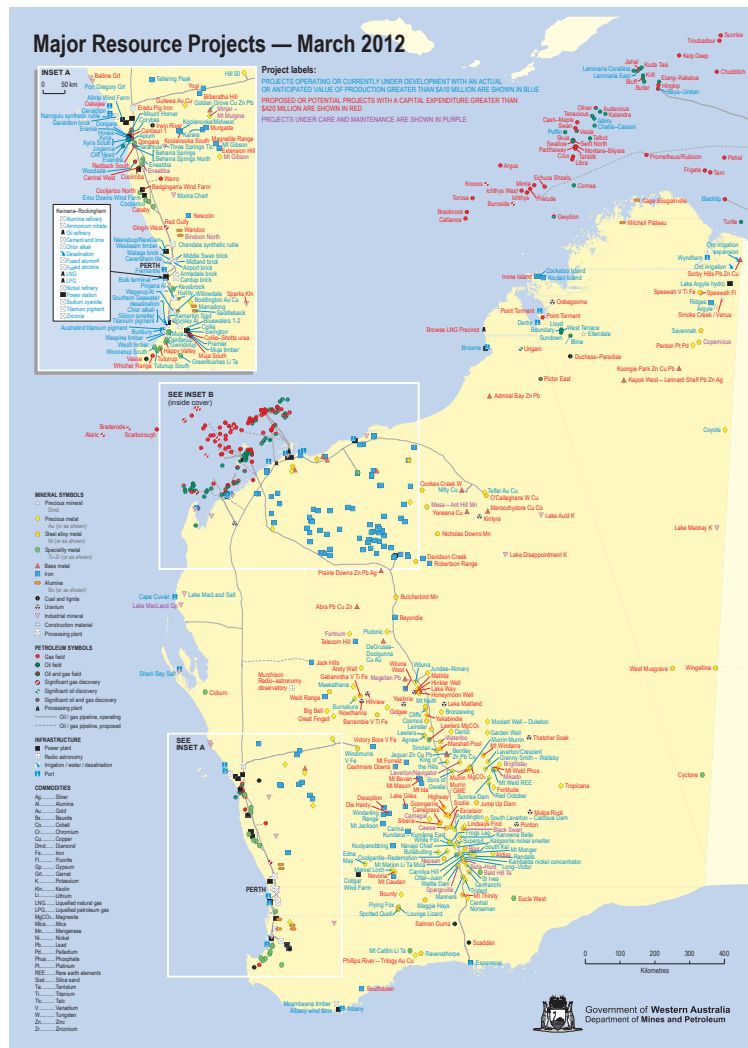
Annual Customer Savings with Forecasted Fuel Price Increase



Note: this slide uses the same assumptions as the customer case study. (1) fuel price increase based on forecast in US DOE Report #:DOE/EIA-0484(2009) (2) Fuel consumption reduces from 16.1 Million L/pa to 14.5 Million L/pa as Enerji provides 1 Powerbox unit of 0.7MW. (3) Diesel Fuel price at 2012 is \$0.96/L (4) Enerji electricity price increase = 2.5% pa.



Massive target market







Enerji's primary target is off-grid power stations that supply electricity to remote mine sites.

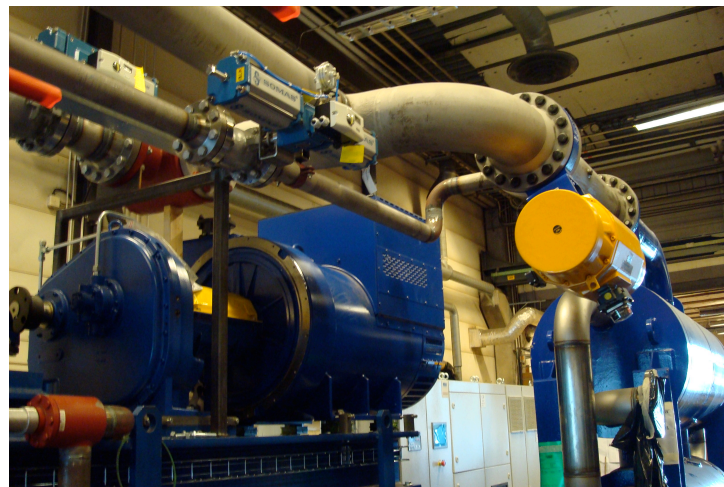
In Western Australia alone there are 1,030 operating mines and 556 mining projects¹.

We can sell direct to the mining company or via the Independent Power Producer (IPP).



Conclusion – The Enerji Advantage

-  A clean, efficient solution that is ready to be rolled out into the Australian market place
-  Customers are not required to invest any capital to capture this waste energy
-  Compelling commercial proposition to generate revenue and shareholder returns with or without a carbon price
-  Power generation using zero fuel and producing zero emissions





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