



MEDIA RELEASE

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Ultima Grid Solutions and cleantech startup Capricorn Power enter joint venture project agreement

Melbourne, VIC; Ultima Grid Solutions (UGS) and Capricorn Power (Capricorn) have executed a new joint venture project agreement to commence a detailed five-year, \$20M grid innovation program involving world-leading researchers from top universities across Australia. The project, subject only to confirmation of a competitive program award, is working to boost renewable energy production in Australia.

The project centres on Capricorn's core innovation, the Barton Heat Engine, which efficiently transforms waste heat into low-cost electricity with no emissions, water or chemicals. Capricorn, with its Geelong-based partner Austeng, is completing the build of its first commercial engine, which is slated for commissioning in June 2021. Capricorn has completed four paid feasibility studies including with an ASX-listed company and a large Australian agribusiness.

Ultima Grid Solutions has structured the program in which Capricorn, along with university researchers, will focus on further developing the Barton Heat Engine by improving efficiencies and also integrating with a variety of heat sources, including Thermal Energy Storage. The project scope will build on learnings from its first commercial engine and involve manufacturing 4.0 principles, starting with the creation of a digital twin to fast-track development.

Ultima Grid Solutions has brought the parties together and will manage the project, as well as leverage the work into commercial applications. Capricorn joins Ultima Grid Solutions' ecosystem of domestic and international investees and corporate clients, all of which are focused on making significant changes in the energy sector.

Ultima Capital Partners, the parent company of Ultima Grid Solutions, originates, develops and funds research, development, prototyping and new technology trial and integration projects across a portfolio of renewable and advanced grid technologies. Capricorn is one of a select few chosen for investment and international commercialisation.

"Now is the time that we can make a large and global impact," said Capricorn Power CEO, Mike Hodgkinson. "In 2019, 67 quadrillion BTU of energy was wasted in the U.S. alone, compared to 3.8 quadrillion BTU of solar and wind energy generated, and the amount of wasted energy will only grow. Our engine is a game-changer for heat-to-power technology. Our goal is to dramatically slash the amount of energy that is wasted with a heat engine in every community."

"The joint venture between Ultima Grid Solutions and Capricorn Power will transform research learnings into factory-tested, commercial-scale products", said John Fick, MD of Ultima Capital Partners. "Australia has the opportunity to become the global research leader in heat recovery technology with the Barton Heat Engine."



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About Capricorn Power

Established in Melbourne, Australia in 2016, Capricorn Power is developing the world's most efficient heat engine at container scale and using this to help solve pressing global waste and waste heat problems. Heat engines generate over 70% of the world's electricity¹, yet over 72% of their heat is wasted², representing a multi-trillion-dollar opportunity. The technology is manufactured by Austeng in Geelong, Australia. In 2019 Mission Innovation named Capricorn as one of the world's top cleantech innovations, in 2017 Capricorn represented Australia in the global Climate Launchpad and in 2018 Capricorn won the Australian Technologies Competition (new energy). Capricorn has received grants from Regional Jobs and Investment Program and Advanced Manufacturing Growth Centre for the development of its innovative energy solution for both domestic and international markets.

Join our mission at capricornpower.com.au

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Photos available under free license: <https://capricornpower.atlassian.net/wiki/x/AYBMAg>

About Ultima Grid Solutions

Ultima Grid Solutions Pty Limited (UGS) is a member of the Ultima Capital Group of Companies, which has an investment ecosystem, and a domestic and international client base, in the energy sector. The parent company Ultima Capital Partners funds, conducts and manages research programs for itself, on behalf of the Group, on behalf of its respective joint venture partners and on behalf of its clients.

For more information, visit www.ultimacapital.net

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¹ 2019 BP statistical review. includes nuclear. ~65% oil, gas and coal.

² Clemens Forman et al Renewable and Sustainable Energy Reviews, vol 57, May 2016.