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ASX Release

Powerhouse Ventures Limited ("PVL" or the "Company") ACN 612 076 169
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BINDING CONDITIONAL TERMSHEET WITH ALIWA FUNDS MANAGEMENT PTY LTD

As signalled to the market, Powerhouse Ventures Limited (PVL) has been executing a strategy of evolving the company to show a clear, and commercially viable, pathway forward to immediate and longer-term shareholder value beyond the confines of its current balance sheet. There have been 3 limbs to the announced strategy - diligence around cash burn, investing strategically, and expanding horizons.

The Board has been diligent with its cash, further reduced corporate expenses, and has been able to capitalise on shorter-term, more liquid opportunities so as to partially offset operating costs and advance asset value.

Further, PVL has recently made some strategic and active investments including a recent investment into a natural capital platform. The terms were structured and arranged by PVL where we led an experienced consortium including a boutique natural capital investment and advisory firm and a globally experienced, Singapore-based commodities trading house.

To "expand horizons" and to progress shareholder value (on a better-risk-adjusted and duration basis) the PVL Board considers that it needs to access fund vehicles and a broader investment capability with a dedicated, incentivised team. Accordingly, the Board will seek shareholder approval to effect the following transaction:

- 100% scrip Acquisition of Aliwa Funds Management subject to shareholder approval.
- The acquisition of Aliwa Funds Management would deliver PVL a base from which to grow a funds management division.
- All scrip consideration equating to 15% of shares on issue with a further performance fee share (if any).
- All scrip consideration to be escrowed for 12 months from the completion of the transaction.

The strategic rationale for the transaction is outlined in the accompanying presentation. Key points of the rationale are:

- Capital markets alignment – opportunity to utilise fund vehicles for investment activity with an incentivised team and additional track record and commercial structures to raise new capital;
- Better diversification and liquidity profile vis-a-vis the current static asset book;
- Enhance equity story to mix of annuity and performance-based income to allow for more flexible balance sheet to support further investments and/or other accretive capital management initiatives;
- Leverage and ability to capitalise on the risk/reward opportunity set presenting itself right now in micro-cap stocks and risk asset landscape;
- A broader investment and funds management platform allows for additional revenue opportunities into PVL
- Enable cohesive and aligned platform to help our investments perform better via advisory, consultancy and other financial licensed activities
- Opportunity to close the NTA discount to the share price and opportunity for market to re-rate PVL share price to potentially reflect a premium for the funds management business
- Potential to identify fragmented and subscale fund managers that make strategic sense to acquire

Acquisition Terms of Aliwa Funds Management Pty Ltd

The consideration for Aliwa Funds Management has been particularly agreed in a binding term sheet that is subject to shareholder approval, with consideration in 3 tranches. Firstly, \$500,000 upfront in an all-scrip deal at 4 cents (approximating to the 60 and 90 day VWAP). A further \$224,000 in scrip at \$0.04 per share is payable based as an earnout on the proviso that there is \$20m+ Funds under Management (FUM) retention over 18 months. These two tranches equate to just under 15% of shares on issue.

A final contingent earnout has been agreed as a fixed share (65%) of any paid performance fees (if any) based on audited, actual delivery of performance fees up to end of financial year 2026. This contingent earn-out is subject to a cap in value of \$650,000 and will be paid in scrip (price being 85% of VWAP of PVL's Shares on the ASX in the 45 trading days preceding 30 June 2026) provided that the PVL shares are then trading at or above 8 cents. If PVL share price is below 8 cents

then this final contingent earnout share (if any) may be paid as cash, subject to the Listing Rules.

Aliwa Funds Management is a related party of the Company through David McNamee's interest in the entity. As a result, approval will be sought from shareholders under Chapter 10 of the Listing Rules. Assuming shareholders approve the acquisition, David McNamee will become the Chief Investment Officer & Portfolio Manager within the PVL Group.

We will be seeking shareholder approval for this transaction at the next Annual general Meeting. The full details of the Annual General Meeting will be provided in the Notice of Meeting which will be made available to all shareholders in due course.

If there are any questions regarding this update, shareholders are welcome to contact the Company at info@phvl.com.au. As always, we are grateful for our shareholder support.

James Kruger
Executive Chairman

ENDS

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 Electrification & Decarbonisation, Next Generation Computing, Space technologies, and Healthcare and Wellness.

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.

Forward Looking Statements:

All statements other than statements of historical fact including, without limitation, statements regarding projections, future plans and objectives of PVL, are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as 'anticipate', 'believe', 'could', 'estimate', 'expect', 'future', 'intend', 'may', 'opportunity', 'plan', 'in principle', 'potential', 'project', 'seek', 'will' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions and assumptions regarding future events. Such forward-looking statements are not guarantees of future performance. They involve risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its Directors and Management of PVL that could cause PVL's actual results to differ materially from the results expressed or anticipated in these statements.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by these forward-looking statements will actually occur and investors are cautioned not to place any reliance on these forward-looking statements. PVL does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained above, except where required by applicable law and securities exchange listing requirements.

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