



An emerging green power utility

Investor Presentation
September 2011



Company snapshot

Australian Stock Exchange - ERJ	
Issued Shares: ERJ	700,508,267
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)	(listed) 265,812,782 (unlisted) 29,066,675
Share Price: ERJ ¹	\$0.023
Market Capitalisation (Undiluted)	\$16.1 M
Market Capitalisation (Diluted)	\$24.4 M



-  An emerging utility 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 2nd September 2011



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



\$25M zero coupon convertible bond facility to fund early installations



Longer term plan to use SPV to debt fund minimising 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

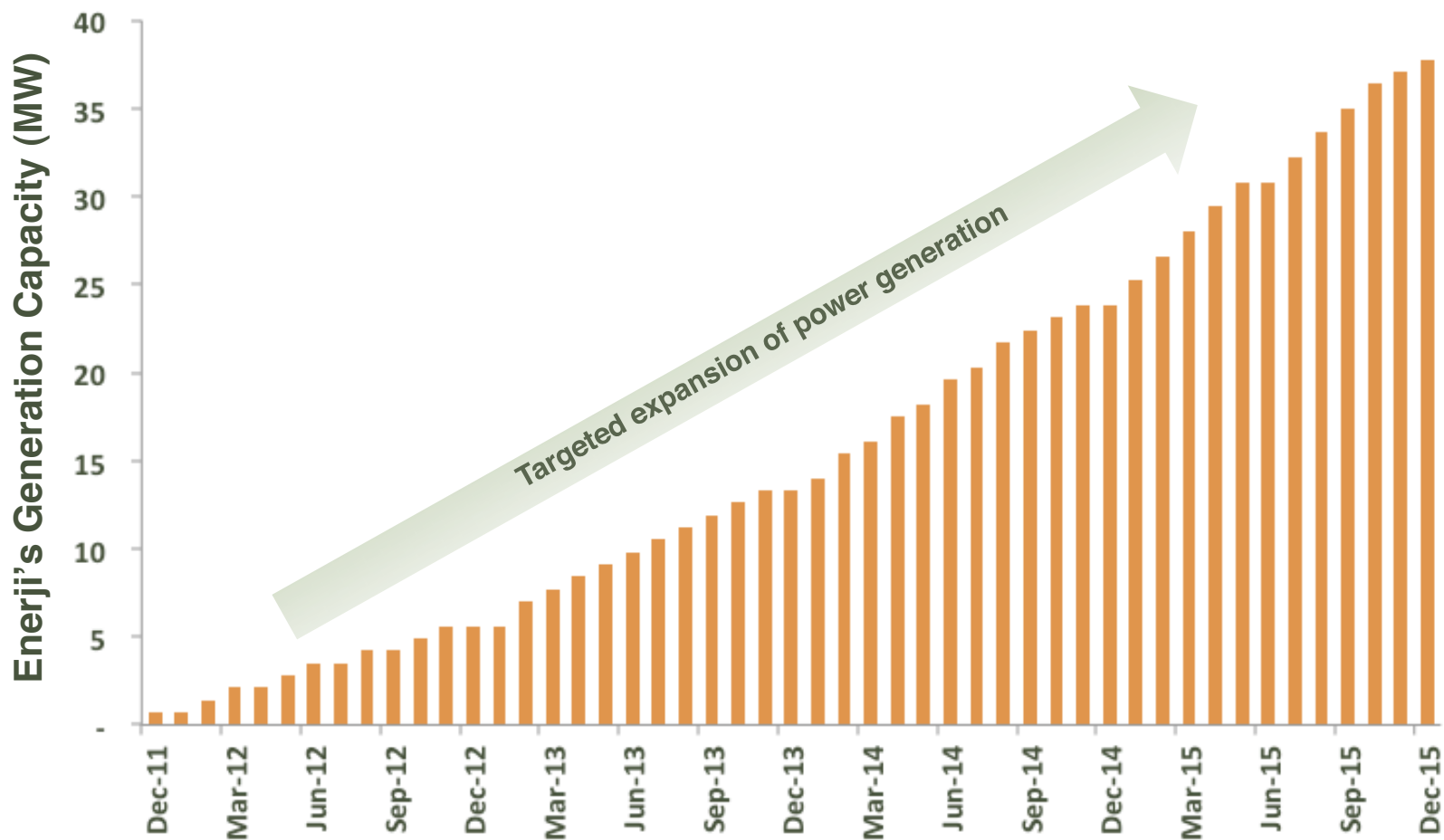
¹ Based on electricity sale price of AUD\$170-\$200/MWh, off-grid diesel fuelled sites, assumes 97% uptime

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 Opcon Powerbox near completion



Enerji's Opcon Powerbox – ready to load on the ship 17th August 2011

Installation timeline at Horizon Power's Carnarvon Power Station

March 2011

- Project Scoping Study completed

June 2011

- Construction of first two Powerboxes completed
- Equipment orders placed by Enerji Limited

July 2011

- Powerbox testing complete

August 2011

- Transportation from Sweden to Australia
- Shipped on 18th August

September to November 2011

- Powerbox arrives 29th September
- Installation and commissioning
- Estimated timeframe: 6-9 weeks

December 2011

- **First Invoice = Revenue**



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





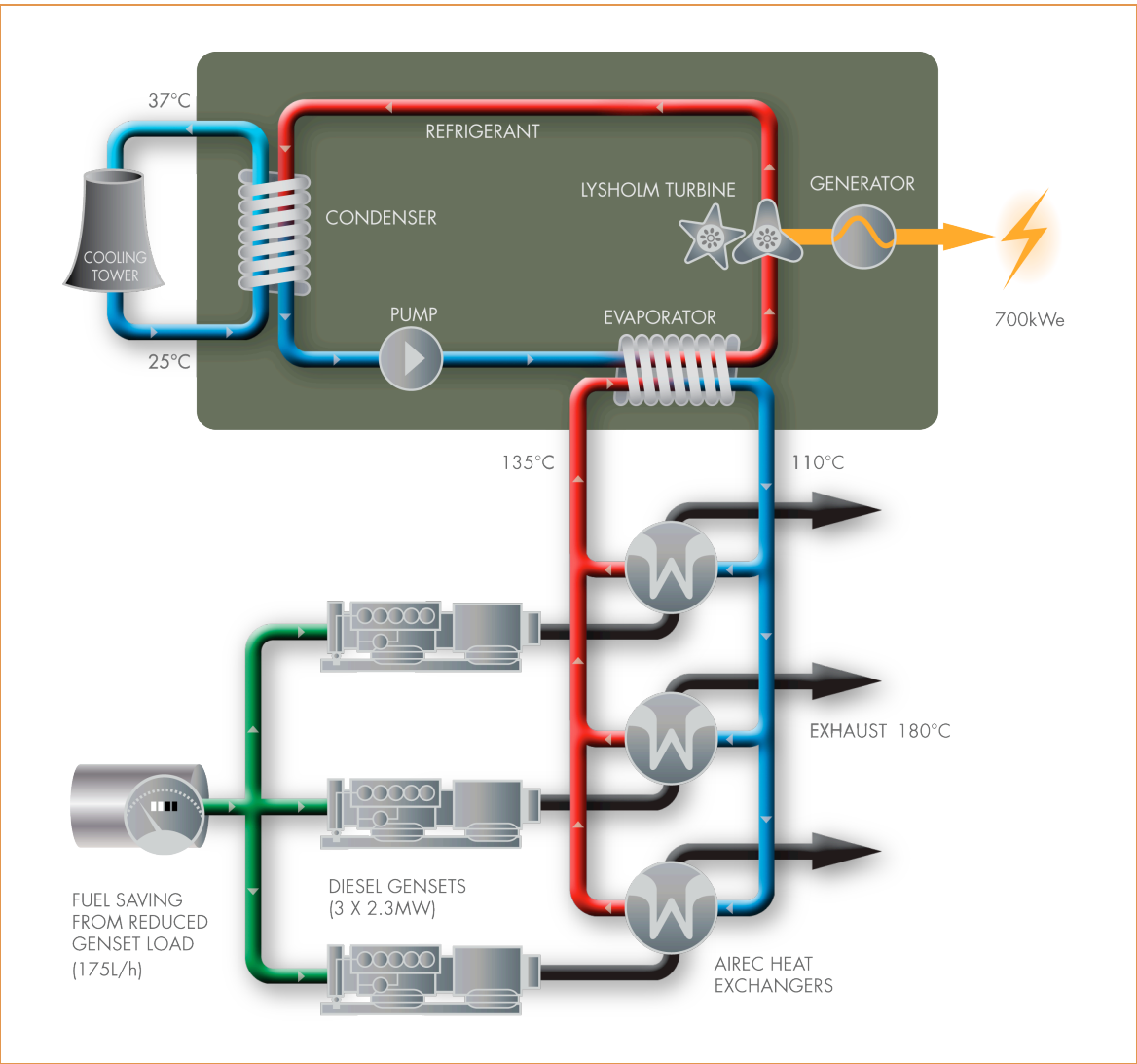
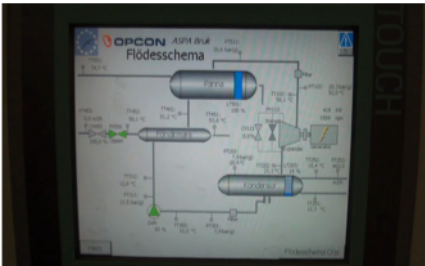
About Opcon



-  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 15% of ERJ



Enerji' s recovered energy solution





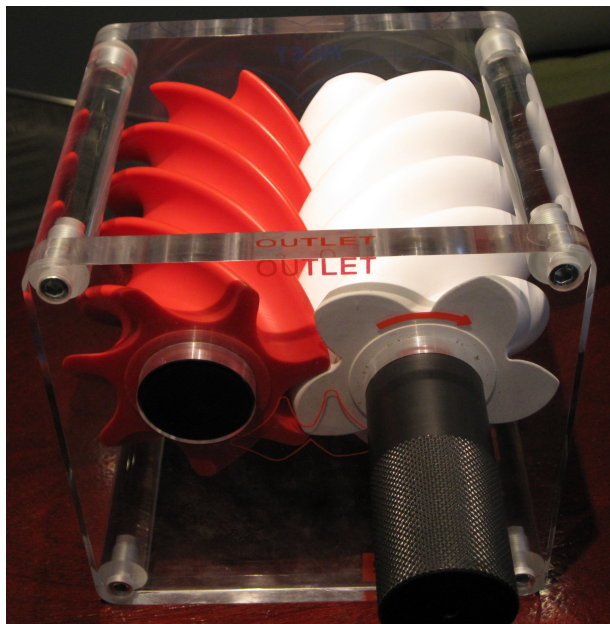
Opcon Powerbox Competitive Advantage



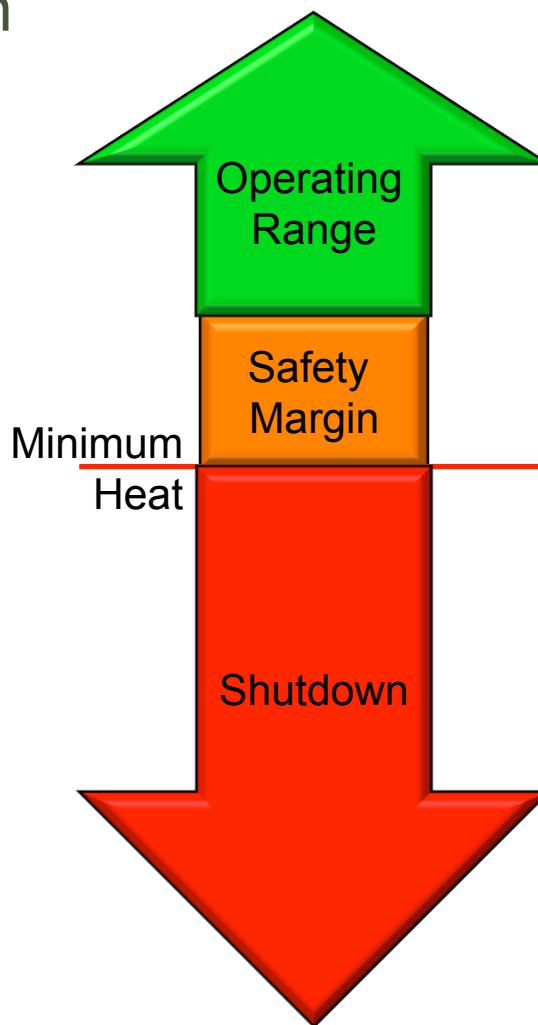
Uses a twin screw expander instead of an axial fin and blade turbine



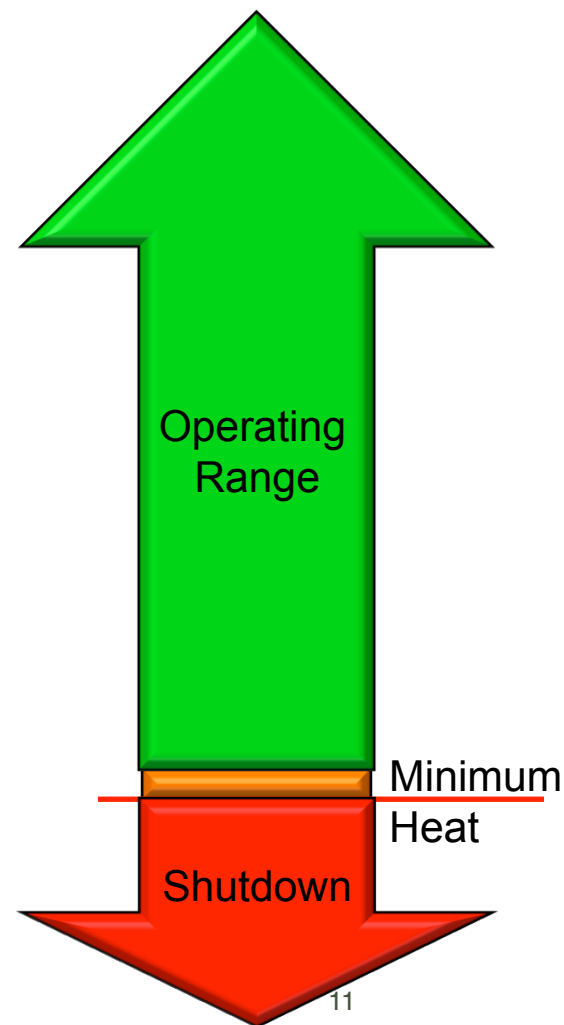
Greater operating range and flexibility



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 58.3 GWh/year of electricity ⁽¹⁾	Diesel Fuel use of 15.3 million Litres per year at a cost of \$15.3M (price = \$1/L)	Diesel Fuel Costs of \$15.3M per year	Maintenance cost of \$1.08M/ per annum ⁽³⁾	7MW Diesel Generator produce 40,000 tCO ₂ annually ⁽⁴⁾
			6.3 MW of Diesel capacity used, plus 0.7 MW from Powerbox. Total= 58.3 GWh/year ⁽¹⁾ .	Diesel Fuel use reduced to 13.8 million Litres per year at a cost of \$13.8M (price = \$1/L)	Fuel and Electricity Costs of \$14.8M 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: 1.5M litres reduction in diesel fuel use	Fuel Cost Savings: \$640k pa ⁽⁵⁾	Maintenance Savings: \$108 K pa	Emissions Savings: 4,000 tCO ₂
			\$750k pa				

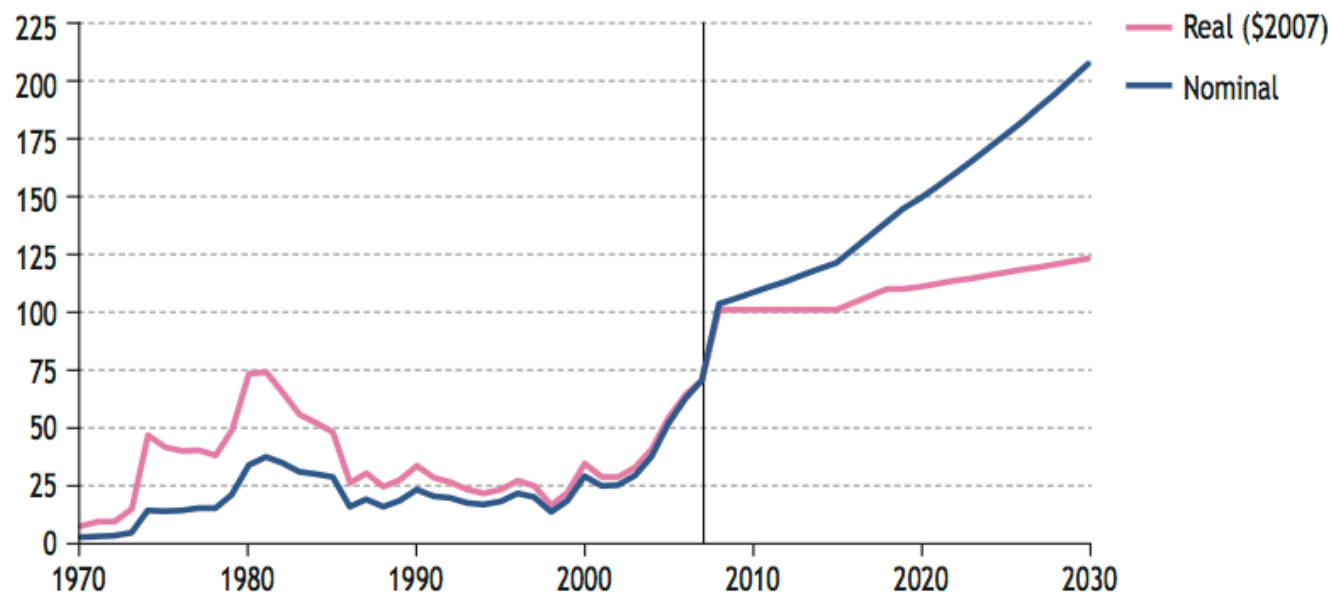
(1) Assumes 95% uptime (2) Electricity sale price of \$170 /MWh (3) Maintenance cost = \$0.0185 /kWh

(4) 2.62 kg of CO₂ produced for each litre of diesel (5) With the reduction in the fuel tax rebate of \$0.0621/l as of 1st July 2012



Rising fuel prices fuelling growth

Average International Energy Agency Crude Oil Import Price (annual data) ⁽¹⁾

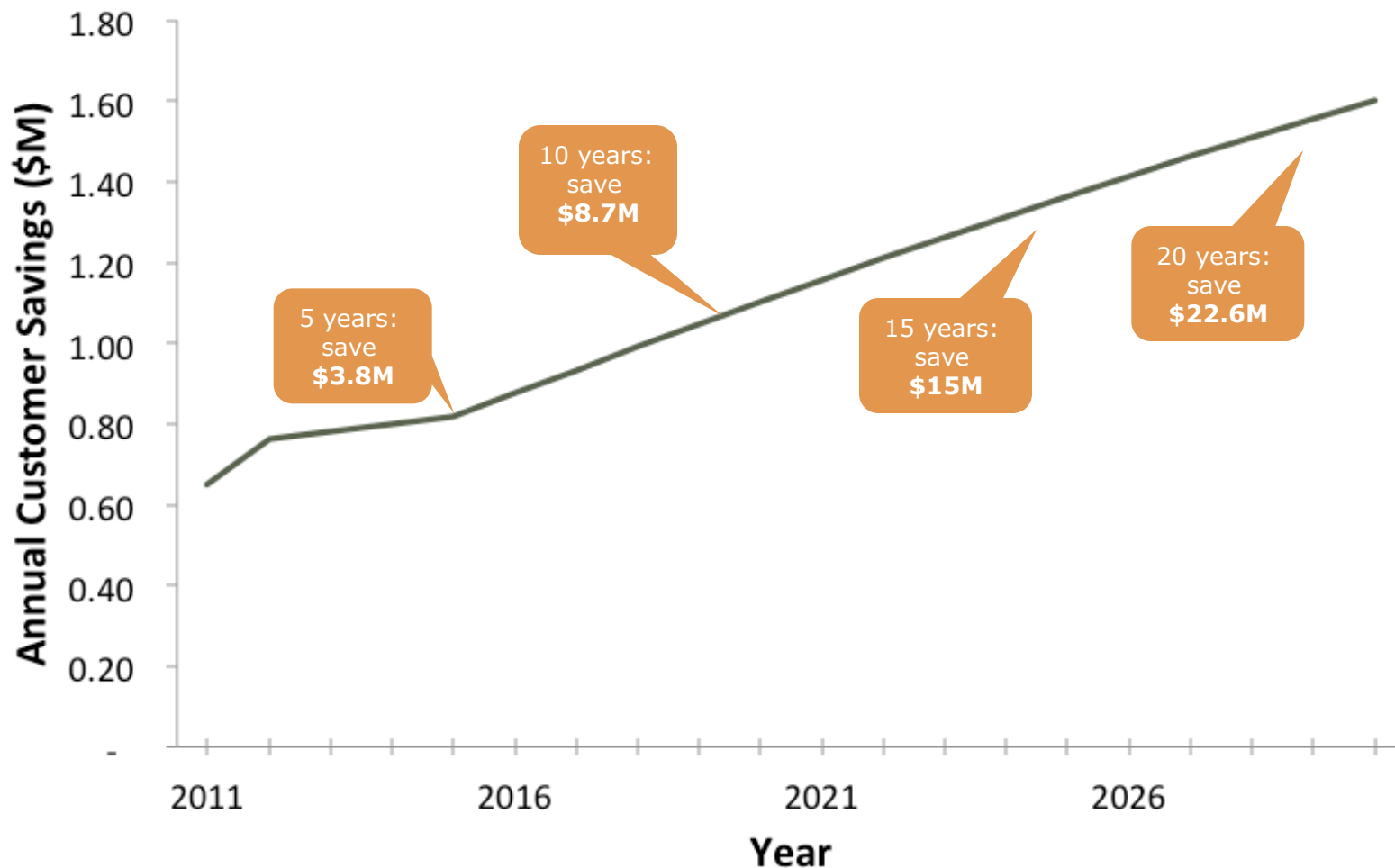


Opcon Powerboxes offer a hedge against rising fuel prices – they do not use fuel and pricing can be locked in for the entire contract period.



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 IEA publication, "World Energy Outlook 2008" (2) Fuel consumption reduces from 15.3 Million L/pa to 13.8 Million L/pa as Enerji provides 1 Powerbox unit of 0.7MW. (3) Diesel Fuel price at 2011 is \$1/L (4) Enerji electricity price increase = 3% pa.

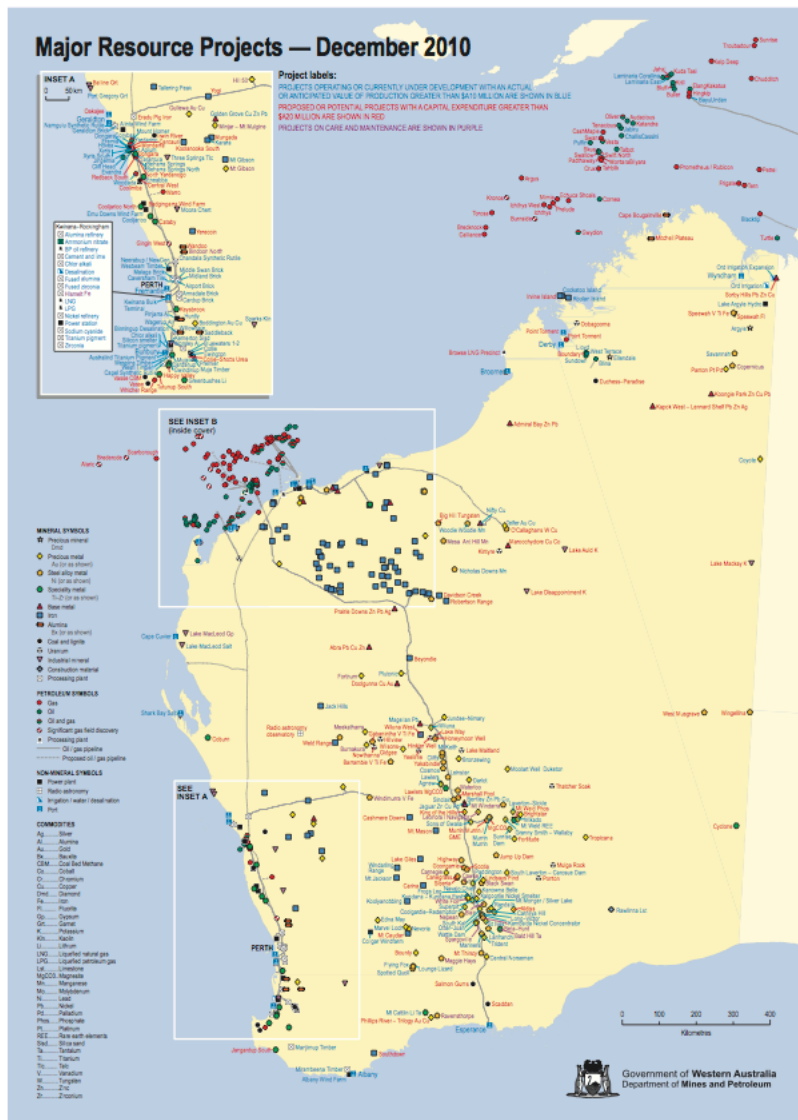


Massive target market

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

In WA alone there are 300 operating mines.

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

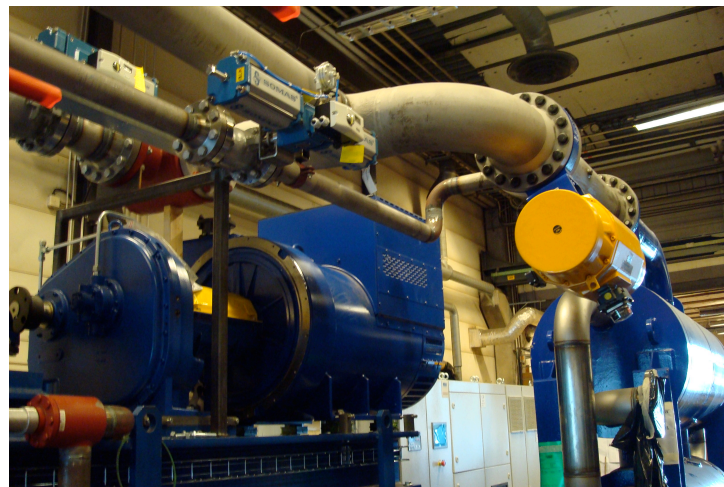


Map source: WA Department of State Development



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





Contact details



10 Ord St, West Perth 6005

Phone +61 8 9268 3800

www.enerji.com.au



Disclaimer

This document is prepared as a presenter's aid and support –not a standalone document. Best efforts have been taken to ensure the accuracy of information contained, at the time of preparation.

In some instances forward targets and/or assumptions have been included –all such instances are indicative only and subject to alteration and/or cancellation as and when the management of Enerji Limited sees fit.

All information contained here is general in nature.

Potential investors are cautioned against using the content of this presentation, in isolation, for making investment decisions.

Research and the counsel of a qualified financial adviser or accountant are strongly recommended to anyone considering investing in listed company securities, including Enerji Limited.