

## Frequently Asked Questions

### What does BioPower Systems do?

BioPower Systems is developing cost-effective systems for conversion of ocean wave and tidal energy into grid-connected electricity.

### What is BioPower Systems' technology?

The bioWAVE™ and bioSTREAM™ systems are modular machines designed to harness ocean energy and deliver electricity ashore via subsea cable. Once commercialised, multiple machines would be deployed in the coastal ocean as a farm, not unlike how a wind farm is arranged on land, with a cable running ashore and connecting into the distribution grid. Unlike other renewable energy technologies, as the bioWAVE™ and bioSTREAM™ systems are mounted on the seabed and fully submerged, they would have zero visual impact.

### What is the business strategy?

The business strategy is to manufacture and sell energy conversion systems that are robust, easy to install, and cost-competitive with other energy sources. It is intended that bioWAVE™ and bioSTREAM™ would be sold or licensed to project developers, utilities, industry or governments, and project management services would be offered to support the product deployment and operation.

### What is the company's commercial strategy?

The Company's approach to commercialisation is market-driven and outcomes-focused. Product development is focused on meeting the economic requirements of the customer and end user. BioPower Systems intends to seek collaborative relationships with strategic partners in order to enable deployment of its products.

### What are the benefits of the Company's technologies?

The bioWAVE™ and bioSTREAM™ are the only technologies designed to offer large-scale (up to 2MW) capacity per unit, while remaining lightweight and cost-effective, and maintaining a low impact on the environment. The systems will be fully submerged, not visible from shore, and due to their slow moving smooth surfaces, are not expected to impact on any marine species. In operation, the ocean movements will be directly harnessed and converted to energy, with electric power generated on board each unit and efficiently delivered ashore at high voltage. The generation of power on-board each unit avoids excess power losses associated with methods that involve pumping of fluids or conversion to air power before creating electricity. During infrequent extreme weather conditions, both bioWAVE™ and bioSTREAM™ are designed to automatically assume a streamlined orientation in order to minimise exposure to large forces and avoid damage.

### What is the potential power output of the BioPower Systems ocean farms?

The BioPower Systems ocean energy farms would be designed to be expandable to meet the power capacity of each site and the power

demand ashore. Each bioWAVE™ or bioSTREAM™ unit is being planned to have a capacity of 1-2MW. It is envisaged that commercial wave or tidal farms could have capacities initially of 50-100MW.

### How is biomimicry applied?

BioPower Systems' unique design approach, based on "biomimicry", has a key advantage in relation to the survivability of bioWAVE™ and bioSTREAM™ in the ocean. Both devices are designed to employ a biomimetic mechanism that enables them to avoid excessive loads that occur in adverse weather conditions. bioWAVE™ would automatically lay flat against the seabed during periods of extremely large wave conditions. bioSTREAM™ would streamline itself in very strong current conditions. During normal operation, the bioWAVE™ and bioSTREAM™ are designed to move gently through the water, working with the natural forces to produce electrical power. These motions are similar to those exhibited by natural species in the ocean.

### Is BioPower Systems planning to build wave and tidal farms in Australia?

We are currently investigating project opportunities, for both wave and tidal energy, in Australia. The vast wave energy resource along the coastlines of NSW, Victoria, Tasmania, South Australia and Western Australia present a range of viable wave energy farm opportunities. Tidal resources in Tasmania, Victoria, Western Australia and the Northern Territory are also recognised and BioPower Systems is investigating the potential of specific tidal energy farm locations.

### Who will use BioPower Systems' ocean energy technologies and buy the electricity?

The end users would be public and private energy providers, independent power producers, electric utilities and other purchasers of wholesale power worldwide.

### Where are BioPower Systems' pilot systems?

Plans are in place to deploy grid-connected pilots at two locations in Tasmania, Australia in 2010. A 250kW bioSTREAM™ tidal energy system is scheduled to be installed at Flinders Island and a 250kW bioWAVE™ wave energy system at King Island.

### Is BioPower Systems planning projects overseas or intending to license the technology to international utilities?

Yes. BioPower Systems is investigating project opportunities in Europe, The United States, and New Zealand.

### Is BioPower Systems planning to publicly list on a stock exchange?

The Board of BioPower Systems' is constantly reviewing the possible timing and potential benefits of listing on a stock exchange.

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