

ASX and Media Release
Powerhouse Ventures Limited
(ASX Code: "PVL")
NZ Company No. 1854396 / ARBN 612 076 169

Partial Sale of Investee Company shares – Arcactive Ltd

Christchurch, New Zealand, 31 October 2017

Powerhouse (ASX Code: PVL) announces that it has entered into a contract to sell part of its 5.91% shareholding in Arcactive Ltd at a price that represents a significant uplift to carrying value. The contract is conditional upon approval by the Board of ArcActive, and conclusion of the pre-emptive round which expires on Friday 3 November 2017.

Arcactive Ltd was originally a "spin out" of lead acid electrode technology from the University of Canterbury. The technology significantly improves lead acid battery performance and is ideal for application in start-stop and micro-hybrid automobiles.

The sale and purchase agreement is for 200,000 shares at NZ\$2.00 per share and consideration of NZ\$400,000. Powerhouse originally invested in Arcactive in 2011 at 40 cents per share, and again in 2012 at 60 cents per share. At 30 June 2017 Powerhouse held 935,416 shares which were held in the balance sheet at NZ\$1.60 per share. After the sale, Powerhouse will retain 735,416 shares representing a 4.65% shareholding.

The sale price represents an uplift of approximately 5X on the original share purchase price, and a 25% uplift on current carrying value. Proceeds from the sale will enhance Powerhouse's cash position and enable potential reinvestment in new university-sourced investment opportunities in New Zealand and Australia.

Powerhouse's CEO Paul Viney said: "This sale represents an opportunity to rebalance the portfolio and realise substantial funds to enable us to pursue strategic initiatives and invest further into exciting new technologies. It further demonstrates the success of the Powerhouse model whilst also validating portfolio valuations. It is very likely that further material sales of our ArcActive shares will be agreed through the finalisation of the pre-emptive round."

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About Powerhouse Ventures Limited

Powerhouse is a leading intellectual property commercialisation company which focuses on developing brilliant research from New Zealand and Australian universities into world changing businesses. It has developed a unique approach to develop these innovations and businesses by providing access to business building expertise, capital, networks, recruitment and ongoing business support. Powerhouse has a successful track record with an existing active portfolio of early stage to mature businesses across four main sectors: engineering and clean-tech, medical and healthcare, agritech and environmental and digital and ICT.