



A.C.N.: 115 621 317

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5th July, 2018

Dear Shareholders,

REVETEC Shareholder Interim Update

I came on-board as the as a Director in Mid-July 2015. So, by mid-July 2015, there was a completely new board with no board members from the previous board.

This is a brief Shareholder Interim Update, given that key objectives are yet to be achieved for a full Shareholder Update to be issued. One of the purposes of this update is to seek assistance from our Shareholders, particularly with development of the next engine.

As you know, Revetec Holdings Limited (RHL) (est. 04/08/2005) is an Australian based engine Research & Development company that designed and patented a true six (6) stroke engine per revolution of main/centre drive line/shaft. The Revetec engine replaced the traditional crankshaft with a unique co- axial counter-rotating/contra-rotating trilobate design.

For background purposes, I will provide a brief overview of Revetec' s Current situation. The Current Board of Revetec, inherited a company that had:

1. Company records that were not up to date & in a state of disorder. It took considerable effort by the Current Board of Revetec to order these records and take them to an up to date status. It took time to do so, unfortunately as a result of this process ASIC has issued the fine that we are seeking annulment of. I stress here that during this process the Board of Revetec kept in constant contact with ASIC.
2. A ZERO CASH BALANCE– the above is a considerable feat, given that the current Board of Directors inherited a company with NO CASH at Bank. Ongoing support by Shareholders had enabled the company to remain an ongoing concern, as well as preserving the integrity of our Intellectual Property (IP).
3. A technical direction that had come to a dead-end. The Current Board of Directors has evaluated the technology and commenced R&D into the next generation of the Revetec engine (a generator engine that is set to help underpin the Federal Government's requirement for dispatchable power). The next stage of this R&D requires the production of a 150cc variant of the Revetec engine. We have gone out to market and sought quotes to produce parts both by CNC & 3D metal printing. Also, we have a design approach that uses OEM parts. These quotes are from several companies and we now seeking a quote from WSU in Sydney.
4. No premises & no production machinery.
5. Engines in India, which is still the case despite efforts to recover.
6. Non-operational Engines & Parts in storage in Queensland. Also, boxer engines missing overseas, Revetec being in need of International legal & business assistance to recover our engine technology or somehow make good a partnership on the ground in India!



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Nevertheless, Revetec is working on a series of initiatives, which support both Federal & NSW government policy/objectives:

1. We working towards being a founding company member of the planned Forbes (NSW) Innovation & Energy Hub, which is planned to result in the following benefits:
 - a. Jobs, economic growth, export revenue, supporting the inland rail initiative
 - b. Regional Jobs.
 - c. Generating regional power to reduce the cost of regional power with an independent regional grid.
2. As part of the Hub and other renewable energy initiatives integrating with smart R&D & engineering (a 4% water tolerant engine):
 - a. Supporting the reliable & affordable power – The Energy Guarantee. Through, a dispatchable power high efficiency renewable generator. Working on biofuel with low production costs (4% water tolerant).
 - b. Proving the infrastructure to have a practical & commercial regional biofuel & power generation industry – supporting fuel security.
 - c. Providing the platform for practical hybrid vehicles – supporting fuel security.
3. A small proposed innovation hub, Murrumburrah (NSW) has stated that Revetec would be welcome to be included.
4. We are also talking to a party (associated with WSU) that provides feed & supplements to dairy, cattle, buffalo in India. They are investigating what they can do about our engines in India.

Further, given the stretched resources, REVETEC rationalised the IP portfolio. A program that identified any component of IP that would have been of little use. Our Current IP is:

Patent Country	Official No.
Australia	2007294489
New Zealand	576007
China	ZL200780037368.3
France	2066889
Germany	602007051839.3
Turkey	2066889
United Kingdom	2066889
Korea	10-1397874
Japanese	5266228
Indian	1333/KOLNP/2009

Apart for the drive to develop a generator engine variant, it has been mentioned to me by a shareholder that the Trike engine was reliable and the obvious question why aren't we selling it?



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So, in summary, Revetec has limited resources, we must build the generator variant engine to prove our technology and business model. However, if there is an opportunity around Trike engines, further if the Trike engine is reliable, we should seek to work with a Trike Builder to make this happen.

Revetec is then requesting any Shareholders who can help in these endeavours to contact us, particularly with regard to:

- I. Production, assembly & testing of engines.
- II. Possible partners, for example generator hire companies or Trike/Quad bike companies.
- III. Possible sites of Operations, such as Forbes or Murrumburrah, centres where facilities right through to possible funding and access to markets could be made available.
- IV. Assistance to recover engines from India or take advantage of these engines being there by forming a partnership with another party in India.
- V. Assistance to take engines out of storage in Queensland.
- VI. Assistance in IP.

We look forward to working with any Shareholders that could help Revetec achieve its objectives.

Yours Sincerely.

A handwritten signature in black ink, appearing to read 'William C. Horton', is written over a light grey rectangular background.

William C. Horton (CEO)
Revetec Holdings Limited
www.Revetec.com