



INVESTORS' NEWSLETTER

LATEST NEWS

OCTOBER 2012

In a Nut Shell

1. Servicing and refurbishment to T3
2. Investment needed
3. Overseas collaboration
4. New Director

Chairman's View

The company continues to explore international opportunities and pursue many lines of interest. As stated in the July Newsletter, investment remains minimal and we continue to use our limited funds to ensure we protect the intellectual property of the turbine, retaining our most valuable asset, patent coverage. We are delighted to welcome a new Director on the SWP Board. Ulrich Hartig has joined us and brings much experience and capability to the company.

Our AGM will be on November 12th in Melbourne at 5.00 pm. Details will be sent to shareholders.

T3 Development

T3 is back in Queensland and we are looking to have it serviced and to carry out some minor refurbishment.

Investors

The Directors continue to explore all avenues to get funding. We are no longer an ASSOB listed company as this has not been a successful avenue for investment and we cannot justify the on-going cost of being listed.

Overseas Opportunities

We have brokered a relationship with a European based manufacturer who seeks a commercial relationship for high quality, stainless steel manufacture in Europe. A visit by Fred Sundermann and involvement of our European based Director, Ulrich Hartig has accelerated this relationship.

A Non Disclosure Agreement and an exchange of letters of intent is underway. The Managing Director of the company will visit in early 2013 to view T3 and hold discussions with the Board.

We also are exchanging letters of intent with a sales agent in Italy.

One goal is to build a small working model, enabling us to exhibit at international trade shows relevant to SWP.



New Director

Dr Ulrich Hartig has over 35 years of professional experience in Australia, France, Germany, South Korea, Brazil and Canada. He is a chemical engineer and was a senior manager of the BASF Group.

He then successfully assisted a large number of companies with investment projects and exports during his time with the Australian Federal Government in his role as the Investment Commissioner Europe and Senior Trade Commissioner. His international exposure has provided him with the practical experience in dealing with the bureaucracies in many countries, as well as the cultural context of achieving business deals.

Ulrich spends months of each year in Australia and 6 months in Europe providing advice on business processes, corporate structure, policies and strategies as well as with the market introduction of new products and processes. He is fluent in English, French, German and Portuguese.

We welcome Ulrich and believe he adds an important skill set to the company and has already proven his capacity to broker critical relationships.

Ed Gibson, Chairman
Sundermann Water Power Pty Ltd