OZ Optics Limited

CORPORATE OVERVIEW FIBER OPTIC SENSORS

November 2016



- Company founded in 1985
- Corporate headquarters located in Ottawa, Canada
- Manufacturing facility in Ottawa/Canada, Izmir/Turkey, and Jiaxing/China

 Seven Product Groups: Laser-to-Fiber Delivery Systems, High Power Fiber Optic Components, Polarization Maintaining Products, Attenuators, Opto-Electronic Packaging, Test Equipment, Fiber Optic Sensor Systems

> Sales offices in Canada, USA, Turkey and China





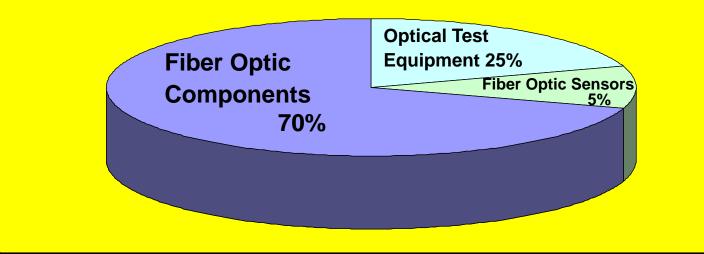




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> Three Product Groups:



> Over 1,000 products> Leading Edge R&D



OZ Optics Products





OZ Optics Products



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OZ Optics Products



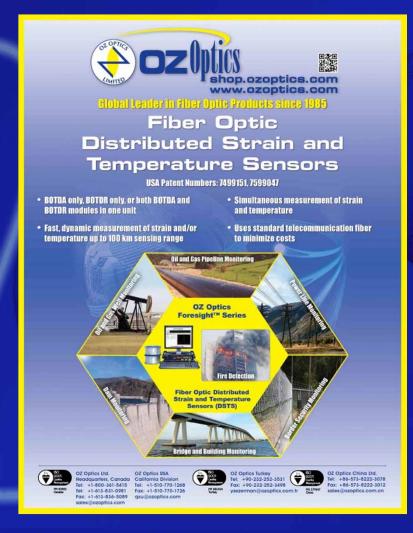


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Product Innovation





Product Innovation





OZ Canada

Over 470 employees worldwide:

- 260 in Ottawa and US
- ➢ 50 in Turkey
- ➢ 160 in China



OZ China



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OZ Turkey



OZ Optics is lead by an experienced team:

- Ömür Sezerman, Chairman, President & CEO
 - Founder and CEO since inception (31 years)
- Zahide Sezerman, VP of Human Resources
 - With OZ Optics since inception (31 years)
- Garland Best, VP of Components Division
 - 24 years at OZ Optics
- Gordon Youle, VP of Test Equipment Division
 - 17 years at OZ Optics
- Martin Powell, Operation Manager
 - 12 years at OZ Optics
- Sarah Miller, Controller
 - 3 years at OZ Optics
- Metin Sezerman, General Manager of OZ Turkey
 - 15 years at OZ Optics
- Bing Li, General Manager of OZ Optics China

• 12 years at OZ Optics PRIVATE AND CONFIDENTIAL



 ISO9001:2008 certified
 Broad patent portfolio
 Advanced proprietary processing technology

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Using our strong direct sales and distributors, we address the following markets:





OZ Optics has resellers and distributors in over 30 Countries & Regions and over 10,000 customers globally:



In-House Production Capabilities

Experienced and well-trained staff in following fields:
 optical, mechanical, electronics & software

CNC Machine Shop



Clean Room



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AR Coating



Laser Conditioning/Cleaving



Femtosecond Laser Lab





Branch Network









Facility – Ottawa Headquarters

- 60,000 sq ft. Manufacturing and R&D Facilities
- 15,000 sq ft. Admin, Sales and Marketing
- 15,000 sq ft. Training and Fitness Facility
- R&D, Product Design, Engineering, Final Assembly & QA

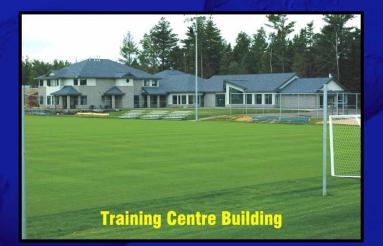






Facility – Ottawa Headquarters











OZ Optics – Turkey Factory

- Operational since 2000
- 33,000 sq ft. Manufacturing Facility
- Located in Free Trade Zone
- Low Tax Rates
- Sub Component Parts Manufacturing
- Cost Effective Manufacturing
- High Quality Labor









OZ Optics China

- Operational since 2009
- Wholly Foreign
 Owned Enterprise
- Subcomponent Parts Manufacturing
- Cost Effective Manufacturing
- High Quality Labor
- Extensive Training
 (3-6 months in OZ Canada)











OZ China Facility

Jiaxing, China

- Located in Economic Development Zone
- 500 sq meters Admin, Sales and Marketing
- 1500 sq meters Manufacturing Area
- 100 sq meters Class 10,000 Clean Room
- > 100 sq meters ESD Working Area



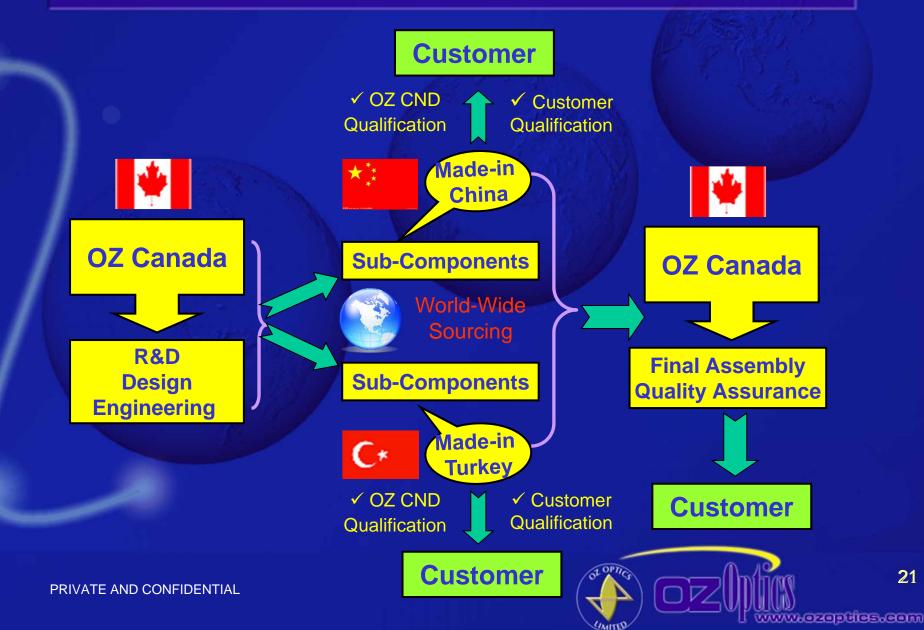








Manufacturing Strategy



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Industry Standards

🚰 Telcordia.

All products manufactured are in strict accordance with international industry standards:

- > Telecordia Compliance
- CE Compliance
- *RoHS Compliance*



CE

Controlled Goods Directorate Registered

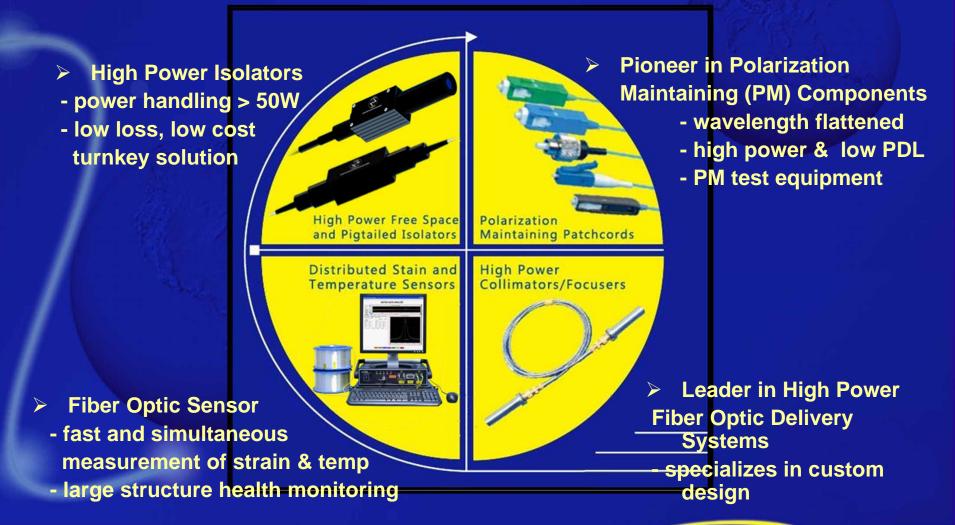


Core Competencies

- Pioneer in Polarization Maintaining (PM) Components
- Leader in Wavelength Flattened, High Power & Low PDL Components
- Leader in High Power Fiber Optic Delivery Systems
- Custom Test Equipment, Including Polarization Test Equipment and FTTH Equipment
- Widest Range in Attenuator Product Offering
- Fiber Optic Distributed Strain and Temperature Sensors
- Complete product line for OCT applications & 2 Micron



Leading Technology





OUR VISION

- Be the preferred Supplier of choice
- Capture and expand market share
- Maximize shareholder value

OUR CORE VALUES

- Leadership
- Teamwork
- Boldness
- Commitment
- Innovation
- **Rewards**

OUR MISSION

• To become the leading provider of innovative optical products to telecom and non-telecom sectors

OUR QUALITY POLICY

- Provide our Customers with a competitive advantage, leveraging performance, price and delivery, through a continuous process of Quality advancement in all areas of our Company
- Communicate effectively to our Customers, Suppliers and Shareholders our commitment to Quality and continuous improvement
- Promote opportunities of professional development for all members of our Company through education, training and personal challenge

Ömür Sezerman President

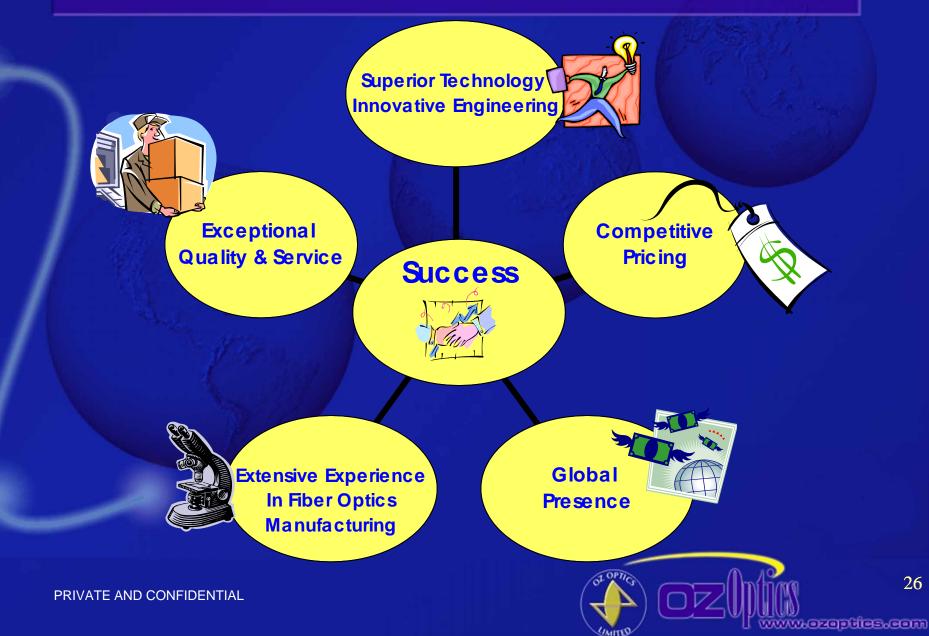






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Competitive Advantage



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Foresight[™] DSTS Awards & Patents

USA Patent # 7499151 on March 3, 2009 USA Patent # 7599047 on October 6, 2009



Your Product is being recognized as a Silver Level Winner



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FROST Ó	SULLIVAN
2009	B E S T P R A C T I C E S A W A R D

NORTH AMERICAN FIBER-OPTICS BASED STRUCTURAL HEALTH MONITORING SYSTEMS TECHNOLOGY INNOVATION AWARD



Applications – Innovative Solutions



Oil and Gas Pipeline Monitoring



Dam Monitoring



Oil and Gas Well Monitoring



Bridge and Building Monitoring



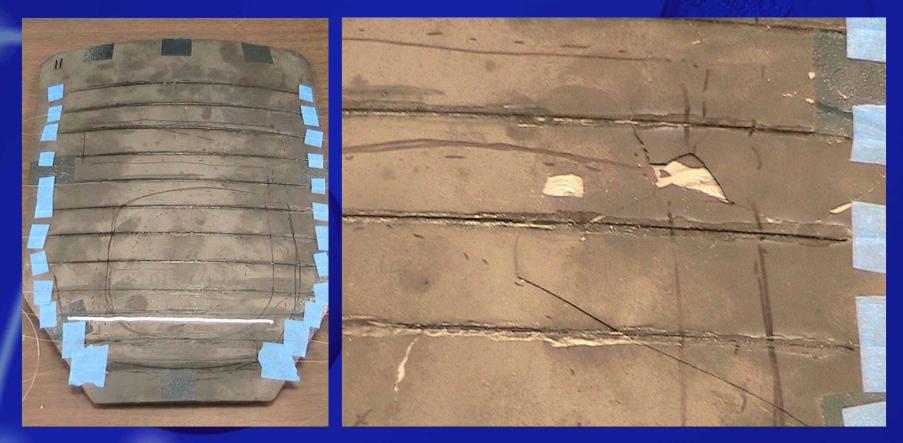
Power Line Monitoring



Border Security Monitoring



Fiber Optic Distributed Strain and Temperature Sensor (DSTS)



Innovative and Complete Solution for Monitoring Tiny Cracks



OPGW Monitoring

- Monitoring the working status of OPGW
- Abnormal event found and located
- Event caused by broken strand, lightning, frost covering, change of strain, etc..



OPGW Status Monitoring



- The OPGW is located from Smith Falls to Merivale-Ottawa, Ontario, Canada.
- The total fiber length was close to 140 km.
- The BOTDA located in Merivale-Ottawa made measurements as often as once every 60 minutes starting in June 2012 and continuing till July 2013.



The Costs of Catastrophic Failure

- Example: Druzhba Pipeline July 2006
- Small 50 cubic meter leak results in:
 - Interruption of \$100M/day pipeline
 - Global spike in oil prices
 - Report of environmental catastrophe
 - Months of investigation and ecological monitoring
- Single point of failure in 3000 km pipeline



OZ Optics Foresight[™] DSTS Benefits

Total System Solution Provides

Reduced Operating Expenses

Centralized monitoring

Reduced Danger of Catastrophic Failure

Real-time continuous monitoring
Corrosion and leak detection

Optimized Field Engineering Resources

Automated dispatch with GPS coordinates



OZ Optics Foresight[™] DSTS Features

Temperature and strain in a single telecom fiber

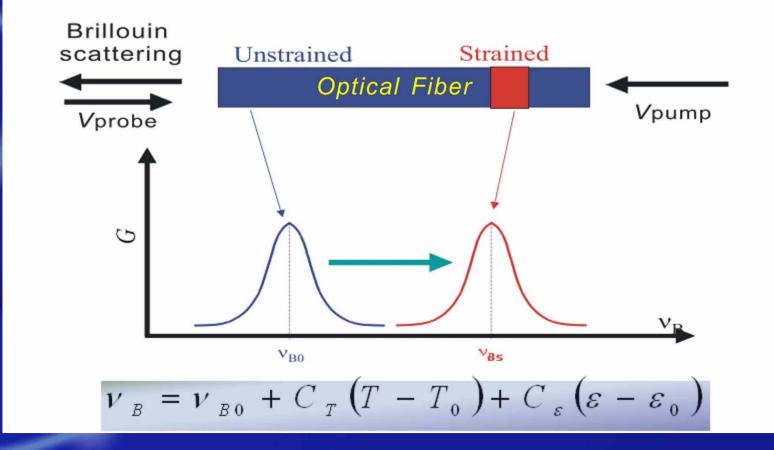
High resolution over lengths up to 100 km/sensor

Sends time and location stamped alerts

Escalates alarms until problem solved

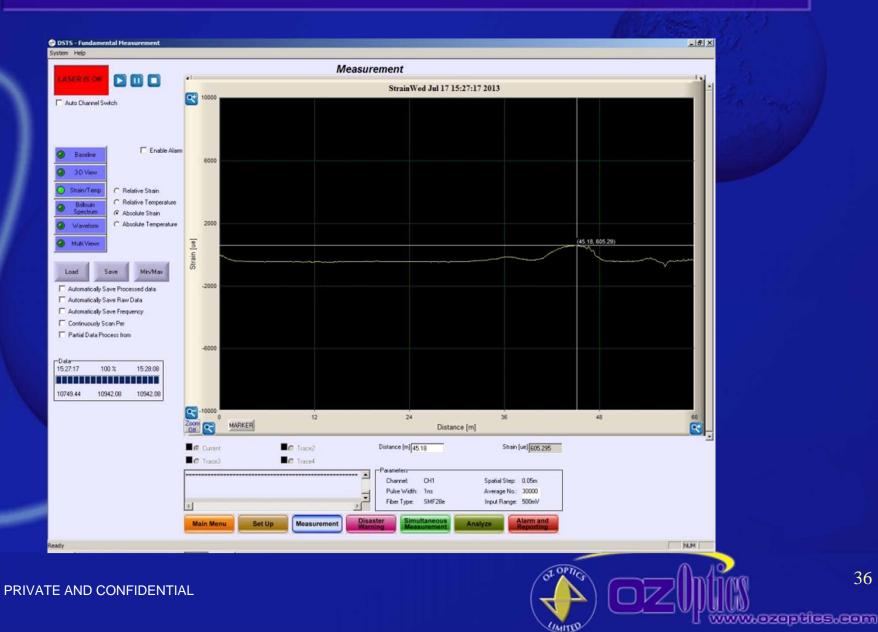


Working Principle — BOTDA



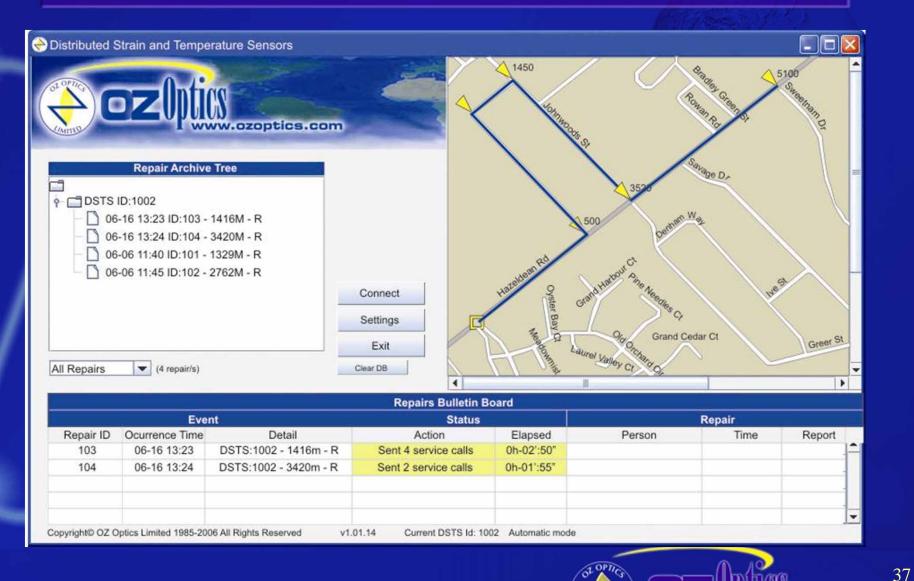


OZ Software Translates Raw Data...



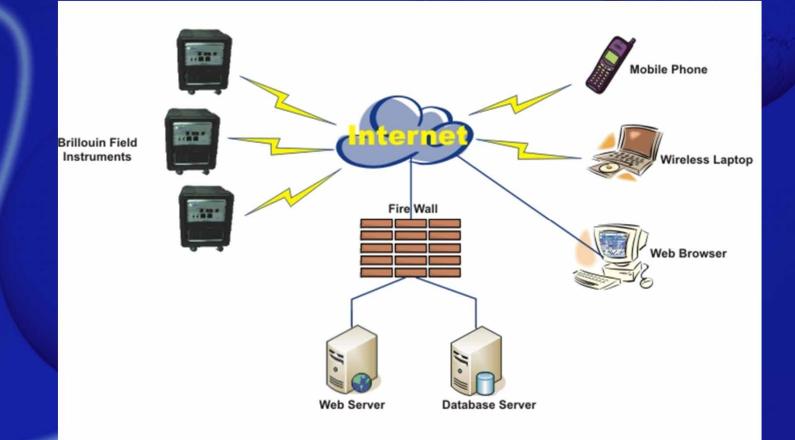
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...Into Service Calls



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OZ Monitoring System Architecture





Compact 2UR1US Model Package





Available Rack Mountable Package





Quantifiable Value Proposition (QVP)

- Example 1: Druzhba Pipeline
- 10 hour service interruption = \$43M
- Clean-up, repair & site surveys = \$3M
- Fines and penalties (Unknown)
- Brillouin installation < \$2/meter
- <u>Single 50 cubic meter spill costs much</u> more than sensor installation.



QVP Continued

- Example 2: Nigerian Pipeline July 2006
- Accidental leak
- 180,000 barrels / day shutdown
- 180,000 * \$74 = \$13M per day
- 10-day shutdown = \$130M
- Brillouin operation << \$1/m/year
- <u>Single production shutdown far exceeds</u> <u>lifetime sensor operating costs.</u>



Getting Started with DSTS

- Review OZ Optics reference material
 Contact OZ with your needs
 Consult with OZ on system design
- Request customized QVP estimate
- Receive OZ system quotation



The OZ Optics Commitment

OZ Optics is committed to providing a complete solution, lab evaluation, and field trial to meet your structural health monitoring requirements.



OZ Optics Limited

Your solution provider for existing and next generation fiber optic components, test equipment, and sensor systems...

For sales information please contact us at: 613-831-0981 x 3370 or 1-800-361-5415 or email us at: Sales@ozoptics.com



