OZ Optics Limited

FIBER OPTICS DISTRIBUTED STRAIN AND TEMPERATURE SENSOR (DSTS)

June 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





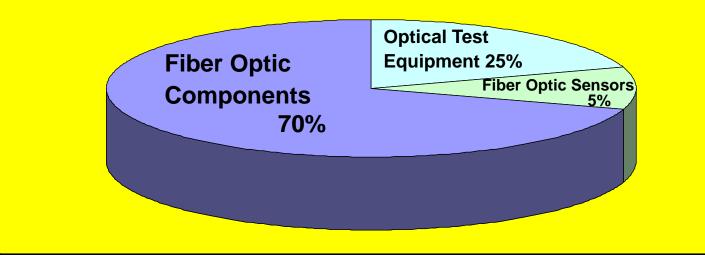




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Three Product Groups:



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



OZ Optics Products





OZ Optics Products



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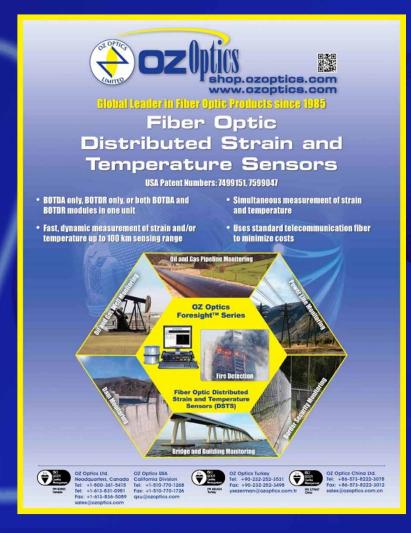
OZ Optics Products







Product Innovation





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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

| | EM - ISO 9001:2008 |
|--|---|
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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

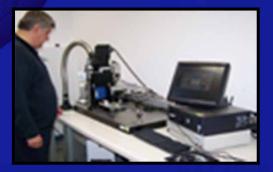


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AR Coating



Laser Conditioning/Cleaving



Femtosecond Laser Lab



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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

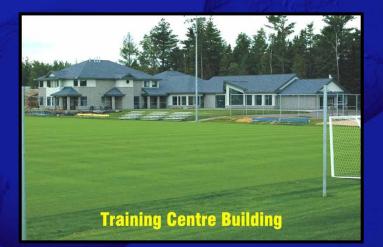






Facility – Ottawa Headquarters











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



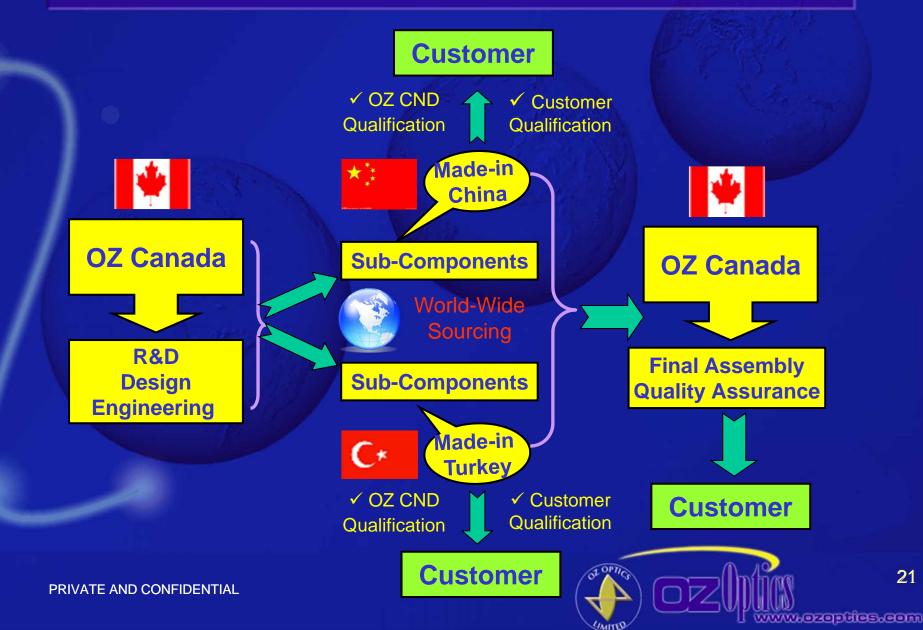








Manufacturing Strategy



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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

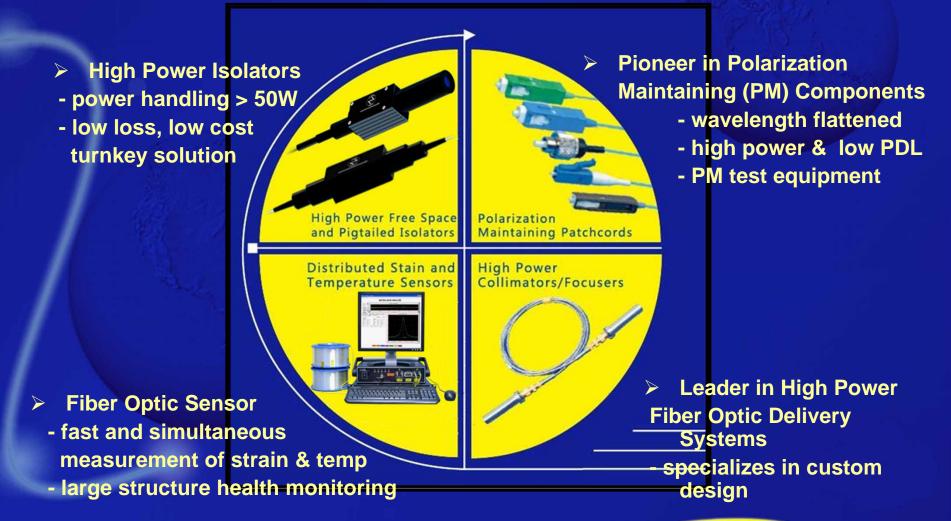


Core Competencies

- 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

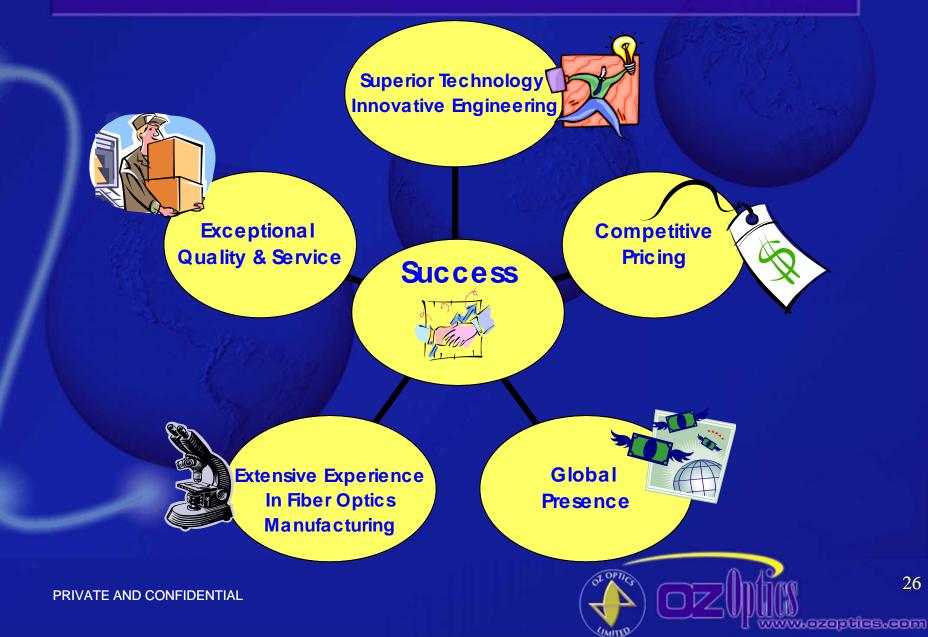
- Provide our Customers with a competitive advantage, leveraging performance, price and delivery, through a continuous process of Quality advancement in all areas of our Company
- Communicate effectively to our Customers, Suppliers and Shareholders our commitment to Quality and continuous improvement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

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Ömür Sezerman President

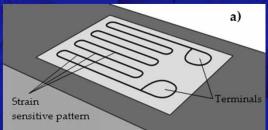
Competitive Advantage

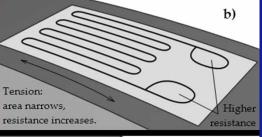


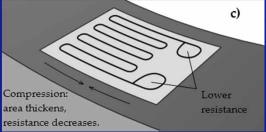
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Conventional Temperature & Strain Sensors

- Temperature sensor: thermocouple
- Strain sensor: electrical strain gauge
 - Temperature influence
 - Electromagnetic interference (EMI)
 - Humidity influence
 - Point sensor









Fiber Optic Sensors

Advantages of Fiber Optic Sensors

- Electrically insulating materials (no electrical cables are required)
 - high voltage environments
- Chemically passive, not subject e.g. to corrosion
- Immune to electromagnetic interference (EMI)
- Wide operating temperature range

Fiber Bragg Grating Sensor

- Strain resolution and accuracy: < 2 $\mu\epsilon$
- Cannot distinguish strain and temperature
- Point sensor

Distributed Fiber Optic Sensors

- Raman scattering based only temperature
- Brillouin scattering based both temperature and strain



Fiber Optic Sensors

Fiber Bragg Grating Sensor

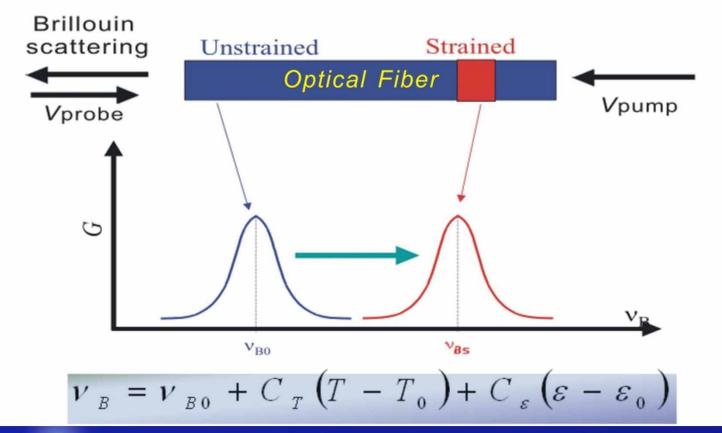
- Sensor medium: Fiber Bragg grating
- Laser source and data acquisition system: Spectrum analyzer

Distributed Fiber Optic Sensors (Brillouin Sensors)

- Sensor medium: Conventional communication fiber (such as SMF, LEAF, etc..)
- Laser source and data acquisition system: Brillouin sensor system
 - OZ Optics [Foresight[™] DSTS (<u>D</u>istributed <u>S</u>train and <u>T</u>emperature <u>S</u>ensors)]
 - Omnisens (STA)
 - Yokogawa (AQ8603) (Discontinued)
 - Sensornet (DTSS)
 - Neubrex (Neubrescope)
 - fibrisTerre (fTB 2505)



Working Principle — BOTDA

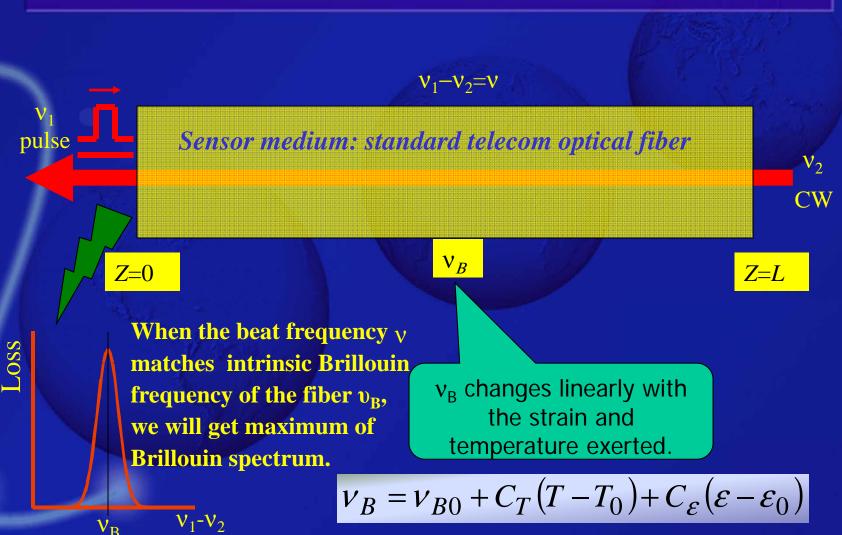


T and ε are variables

In order to differentiate these two variables, Brillouin peak in the spectrum is required.



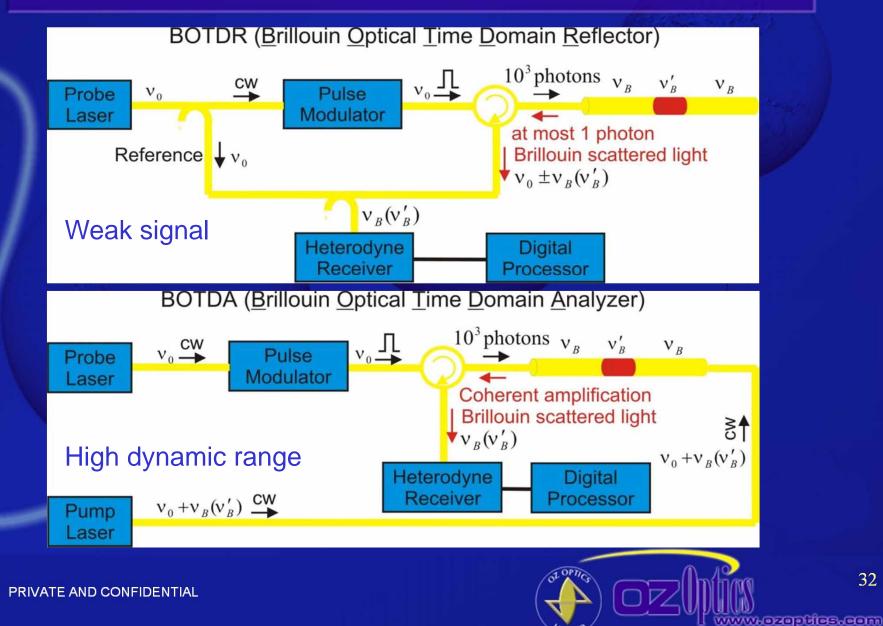
Working Principle — BOTDA



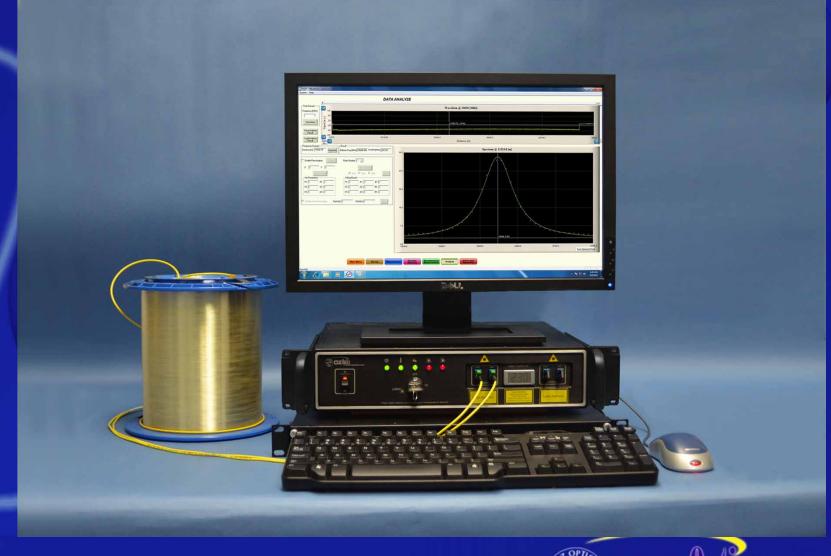
Brillouin Spectrum



Comparison of BOTDR and BOTDA



DSTS BOTDA





DSTS BOTDR



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DSTS BOTDA/R Combo



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Foresight[™] DSTS



US Patents #: 7499151 and 7599047



Merits of DSTS BOTDA

- Coherent amplification of Brillouin scattering signal
 ⇒ longest measured range (100 km sensing range, 160 km
 fiber length)
- Narrowest Brillouin spectrum (~ 45 MHz)
 ⇒ highest resolution of strain and temperature
- Special low loss fiber components and electronic processing
 ⇒ high stability of system
- With proprietary techniques, Brillouin frequency is extracted accurately

 \Rightarrow highest accuracy in measuring strain and temperature separately or simultaneously

New technology

 \Rightarrow quick measurement of strain and temperature (as low as 1 second: 1 Hz)

Merits of DSTS BOTDR

- Low noise detection for weak spontaneous Brillouin scattering signal
 - \Rightarrow longest measured range (70 km in one direction)
- Special low loss fiber components and electronic processing
 ⇒ high stability of system
- Sophisticated design
 ⇒ Small size and light weight



Competitive Analysis

| Company | OZ (| Optics | OmniSens | Neubrex | Sensornet | fibrisTerre |
|---|-----------------------|--|-----------|--------------|-----------|-------------|
| Technology | BOTDR | BOTDA | BOTDA | BOTDA | BOTDR | BOFDA |
| Maximum Sensing Range | 70km | 100km (fiber length up to 160km) | 50km | 27km | 24km | 25km |
| Highest Spatial Resolution ¹⁾ / Accuracy | 1m ²⁾ /5cm | 10cm ²⁾ /5cm | 50cm/10cm | 2cm/1cm | 1m/50cm | 50cm/5cm |
| Dynamic Range at highest spatial resolution | 10dB | 7dB | NA | 0.5dB | NA | NA |
| Strain / Temperature Precision (σ) | 16µɛ/0.8°С | 2με/0.1°C | NA/0.1°C | 7.5με/0.35°C | NA | 2με/0.1°C |
| Strain / Temperature Resolution | 0.1με/0.005°C | 0.1με/0.005°C | 2με/0.1°C | NA | 10µɛ/1ºC | NA |

1) Specifications of other vendor's products are based on their public datasheets.

2) Based on scientific definition, the spatial resolution is defined by pulse width. 10ns pulse width is equivalent to 1m spatial resolution while 1ns pulse width is equivalent to 0.1m spatial resolution.

MILLO

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Comparison: DSTS BOTDA and Raman based DTS

| | Raman based DTS | OZ Foresight TM DSTS | | | |
|--|---|--|--|--|--|
| Max Fiber Length | 20km (MM) | 150 km round-trip (physical distance 75 km | | | |
| Fiber Type | Multimode | Standard telecom singlemode | | | |
| Response time @ 20km, 2C Resolution | More than 10 minutes | 30 seconds to 3 minutes | | | |
| Configuration | Single ended or double ended | Single ended or double ended | | | |
| Measurement Base and Precision | Intensity based Require calibrations Sensitive to attenuation changes | Frequency based No calibration required after setup Not sensitive to attenuation changes | | | |
| Dynamic Range | 3-4 dB May fail when attenuation increases | 25-30 dB Allows better immunity to attenuation Wider measurement range and longer use o installed fiber | | | |
| Measurand | Temperature | Temperature and Strain | | | |
| Measurement Resolutions | Comparable @ over 1 minute | Comparable @ several seconds | | | |
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Competitive Analysis



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New Features

- Unit will auto configure almost everything
- Auto Channel Switch allows continuous scans between channels.
- Frequency data added to output file to compare against previous DSTS measurements from competitors equipment.
- Real-time fault point detection
- Fast measurement
- Simultaneous measurement



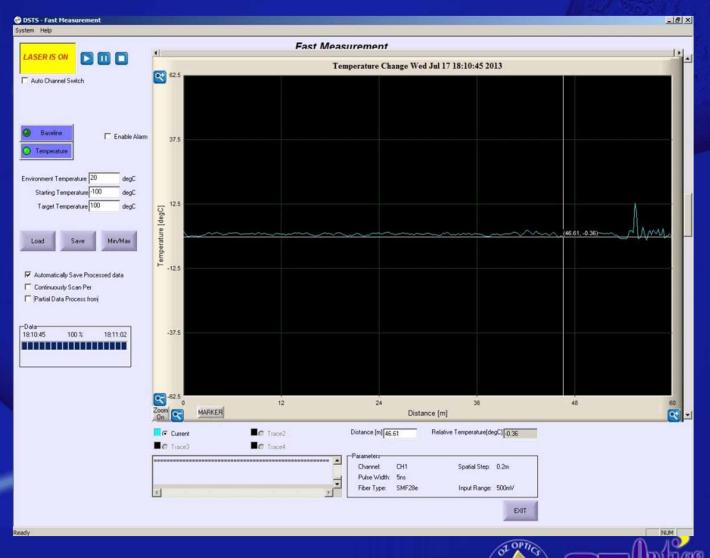
Merits of OZ Optics Foresight[™] DSTS

- Dynamic Measurement
- Fast Measurement

| LASER IS OFF | - | Measurement | | | | | |
|--|---|-------------|-------------------|----------------------------------|-------------------------------|--------------------|--|
| LASER IS OFF | 10944.5 | | Baseline | | | | |
| Batalize @ For Regular | 10934.4 | | | | | | |
| | elect Simultaneous Mode | | | | | | |
| | Dual Fibers Simultaneous | | | | | | |
| | Ferperature Compensation(channels) Ferperature Compensation(liber) | | | | | | |
| MultiVeen | | | | | | | |
| Last Save | OK Cancel | | | | | | |
| Automotically Save Processed dat Automotically Save Rain Date | ra 10393.4 -109.5 | | | | | | |
| | -119.5 Cri 💽 | 3912.7 | 7934.9 Distanc | 11957.1 re [m] | 15979.3 | 2001.5 | |
| | | | De Pa | itance (m) 0 Kaneters | Baseline (H) | 12] 10919.04 | |
| -0.89 | | | 131 | Channet CH2 Pulse Width: 40ms | Spatial Step: Average No.: | | |
| 02 | - | | | Fiber Type: GNG 40 | Input Range | 900 m / | |
| | | | | | | | |

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Fast measurement (temperature only)



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Simultaneous modes

DSTS - Simultaneous Measurement System View Help DUAL FIBERS SIMULTANEOUS LASER IS OFF 1 Strain Change Wed Nov 27 10:48:33 2013 Q* Auto Channel Switch 1263.16 (4042.03, 590.07) 763.156 **Strain Distribution** 263.156 -236.844 đ Baseline -736.844 Enable Strain Alarm -1236.84 Enable Temperature Alarm 4035 4037 4039 4041 4043 4045 Strain & Temp 9 Distance [m] ٠ -Simultaneous Measurement Configuration--S2.303 Temperature Change Wed Nov 27 10:48:33 2013 Connection Point [m] 4048.34 Fiber 1 Core2 ▼ Fiber 2 Core1 **Temperature Distribution** (4042.03, 21.30) be 2.703 9 -9.697 Min/Max Load Save 4037 4039 4043 4035 4041 4045 Automatically Save Processed Data Zoom ব ि Distance [m] Off Automatically Save Raw Data Continuously Scan Per Parameters Data processing... Partial Data Process from Channel: finished CH1 Distance [m] 4042.03 Pulse Width: 10ns -Data-[ue] 590.07 Strain Spatial Step: 0.1m 15:33:43 100 % 15:37:24 Average No.: 10000 Temperature [degC] 21.303 ٠ 111 10599.68 10997.12 10997.12 Disaster Simultaneous Alarm and Main Menu Set Up Measurement Analyze Warning Measurement Reporting





OZ Optics Foresight[™] DSTS Benefits

Reducing risk and influence of failure

Fast response
Status trend in long term
Full range of coverage

Reducing operating expenses

No future re-calibration of unit
Expected cable life over 20 years



Applications







Dyke and Levee Monitoring



Power Line Monitoring



Oil and Gas Well Monitoring



Bridge and Building Monitoring



Border Security Monitoring

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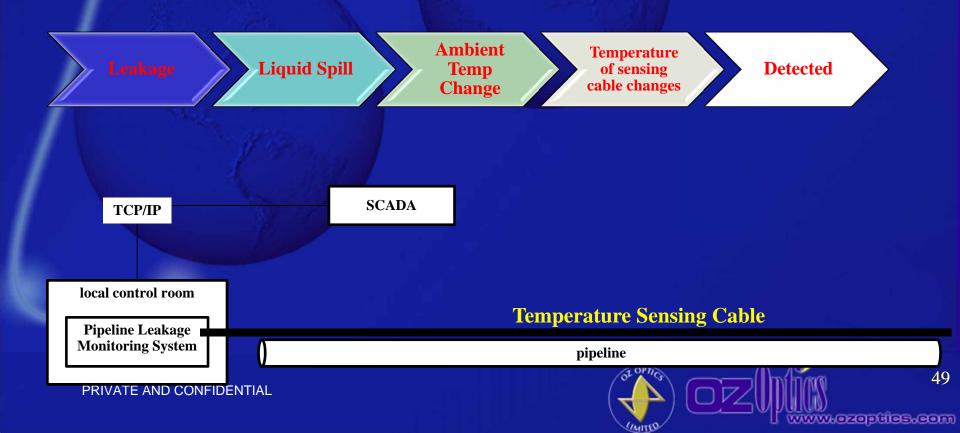
Oil and Gas

- Pipeline Leakage Monitoring
- Well Integrity Management
- Refinery Temperature Monitoring



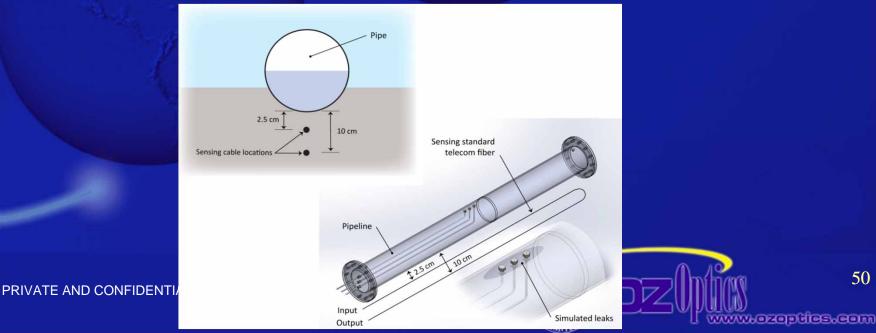
Pipeline Leakage Monitoring System

- Policy Requirement
- Economic Requirement

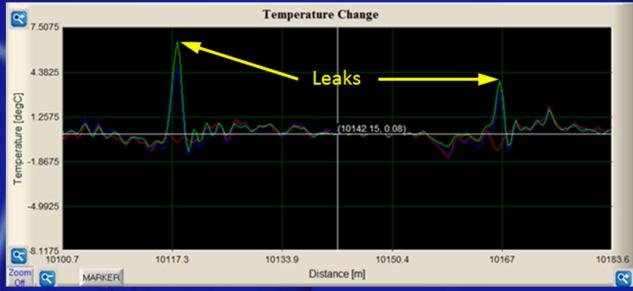


Third Party Evaluation

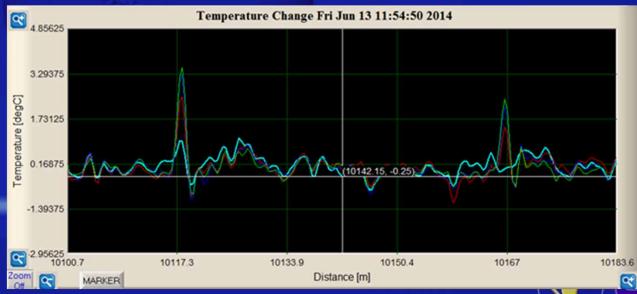
- Leakages from a 1/8" orifice with an injection pressure as low as 22 psi, and a temperature difference of 20°F between the soil and line temperatures, have been easily detected and accurately located.
- An impressive leakage detection response time of less than 2 minutes has been achieved.
- Evaluation was done under laboratory conditions over a period of one month, by Southwest Research Institute (SwRI) and funded by major oil companies through a joint industry program.



Performance



Large leakage detection from 1/8" orifice with 400 psi injection pressure, soil temperature before test: 85°F, line temperature: 115°F.



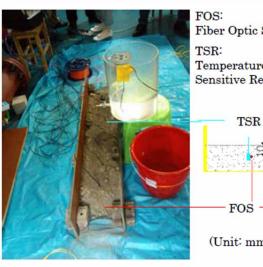
Small leakage detection from 1/8" orifice with 50 psi injection pressure, soil temperature before test: 73°F, line temperature: 90°F.

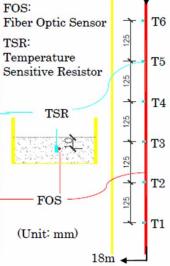
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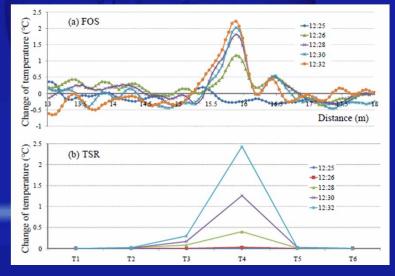
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Soil Temperature Monitoring

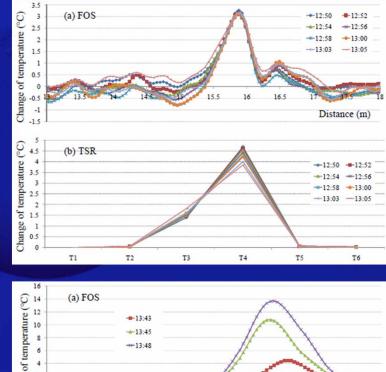


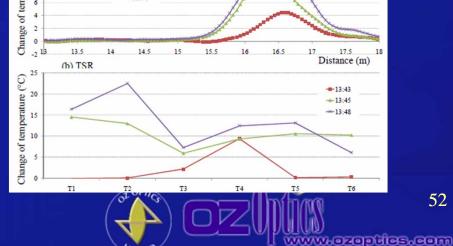


13m



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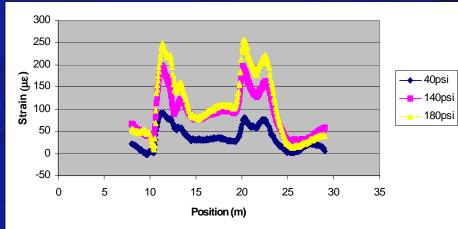


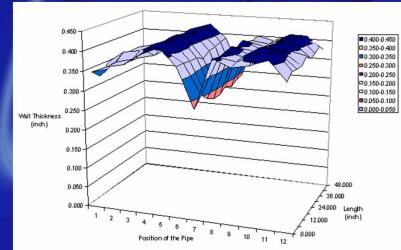


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Pipeline Corrosion Monitoring

Pipeline corrosion monitoring in Canmet Materials Technology Laboratory, NRCan, Ottawa, NACE International — Corrosion 2008 Conference and Expo, New Orleans (Louisiana, USA 16-20 March, 2008).





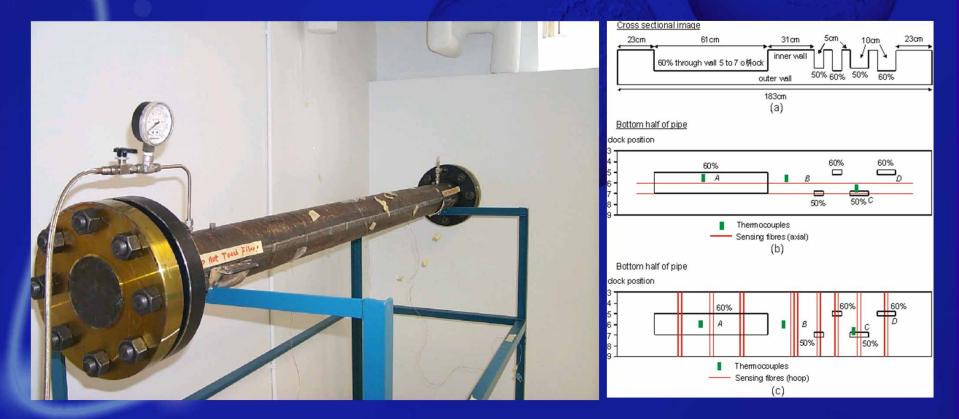
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Pipeline Corrosion Monitoring

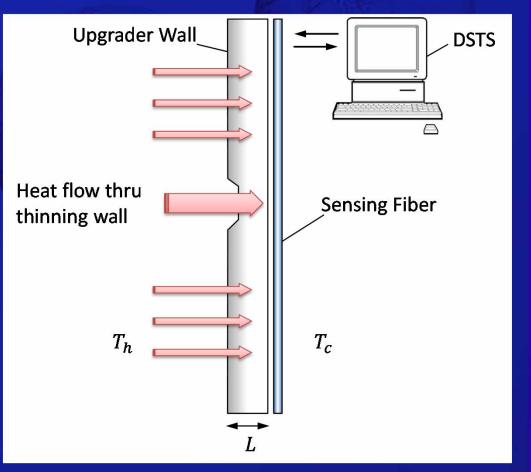
Pipeline corrosion monitoring in Canmet Materials Technology Laboratory, NRCan, Ottawa, NACE International — Corrosion 2008 Conference and Expo, New Orleans (Louisiana, USA 16-20 March, 2008).





Refinery Temperature Monitoring

- Refineries use reactors and pressure vessels to transform heavy oil into synthetic crude oil.
- The upgrader reactors are operated at very high temperatures, exceeding 500 °C.
- Due to the thermal stress exerted on the structure of the reactor, a wall-thinning problem might occur, resulting in conductive heat dissipation.
- Without the proper sensing technology, the refinery operator might prematurely shut down operations to perform untimely maintenance, or worse yet, the problem might go unnoticed, resulting in a catastrophic accident.





Pipeline Buckling Detection

 Pipeline buckling detection in TransCanada Pipeline Ltd, Calgary, and C-FER Technology, Edmonton



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Metal/Polyimide Coated Hermetic Fibers

Coating materials and maximum sustainable temperatures

UV-cured acrylate100°CUV-cured dual acrylate150°CPolyimide400°CCopper+polyimide400°CAluminum450°CCopper alloy600°CGold700+°C





Power Utility

- OPGW Monitoring
- Power Cable (Submarine Cable) Monitoring





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



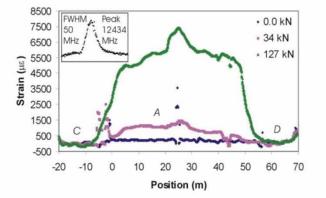
- The OPGW is located from Smith Falls to Merivale-Ottawa, Ontario, Canada.
- The total fiber length was close to 140 km.
- The BOTDA located in Merivale-Ottawa made measurements as often as once every 60 minutes starting in June 2012 and continuing till July 2013.

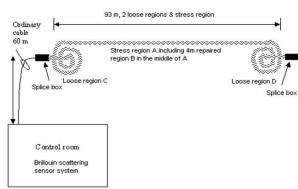


OPGW Strain Monitoring

• Power line/OPGW monitoring in Hydro-Quebec, Montreal











High Voltage Underground Cable with Fiber



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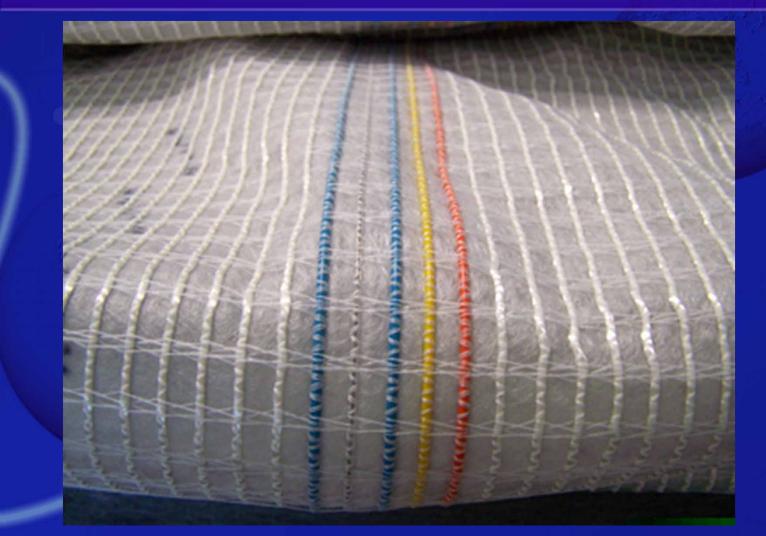
Concrete Beam/Highway Monitoring

 Concrete beam/Highway monitoring on HW40/University of Sherbrooke, Dr. Brahim Benmokrane





GeoDetect With Embedded Fibers





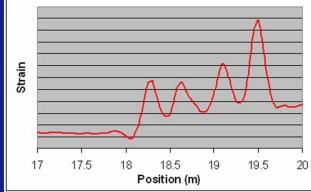
Crack Detection

Crack detection in University of California, Irvine, Dr. Maria Feng, 19th International Conference on Optical Fiber Sensors, Perth (Australia, 14-18 April 2008).





Strain distribution

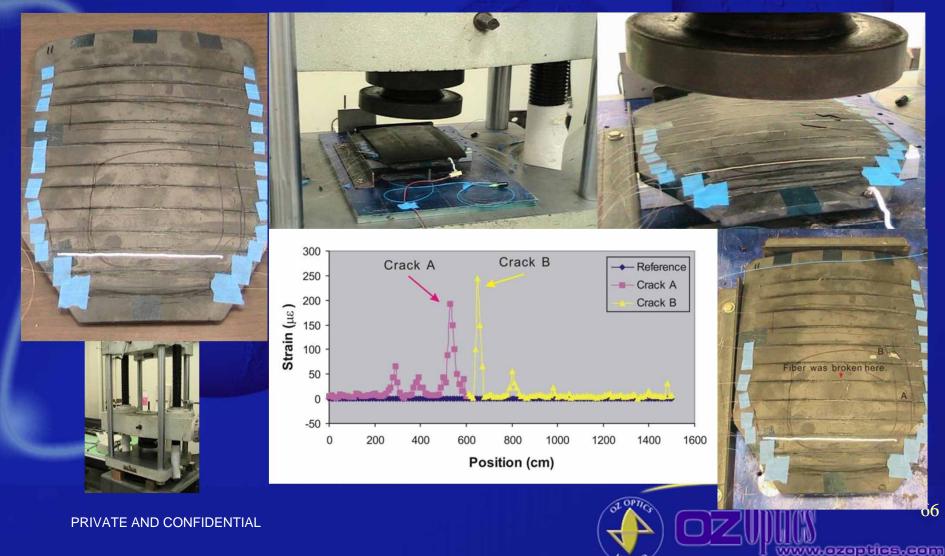


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Crack Detection

Crack detection in University of California, Irvine, Dr. Maria Feng, 19th International Conference on Optical Fiber Sensors, Perth (Australia, 14-18 April 2008).

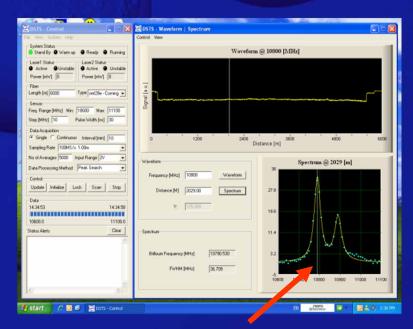


Brillouin Sensor Monitoring of Telecom Fibers

- Detects minor events that are too small to be seen by OTDRs.
- Can replace OTDRs for monitoring fibers.
- Can be used to monitor new or existing fiber installations.
- Permits performance monitoring of fibers above or below ground.
- Avoids unnecessary replacement of old fibers, saving millions of dollars in installation costs.



Yogokawa's results from AT&T's old telecom fiber, very broad Brillouin spectrum, which results in poor resolution and accuracy. PRIVATE AND CONFIDENTIAL



OZ's results from AT&T's old telecom fiber, very narrow Brillouin spectrum, which results in high resolution and accuracy.

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The Cost 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 3,000 km pipeline



The Cost of Catastrophic Failure

- 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>



Acknowledgements

- University of California, Irvine, Dr. Maria Feng
- University of Ottawa, Dr. Xiaoyi Bao
- University of Sherbrooke, Dr. Brahim Benmokrane
- TransCanada Pipelines Limited (TCPL)
- C-FER Technologies
- Canmet Materials Technology Laboratory, NRCan
- Hydro-Quebec
- Southwest Research Institute[®]



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

Your solution provider for existing and next generation fiber optic components and test equipment

Please Contact Our Sales Dept: Tel: 613-831-0981 ext 3370 Toll Free: 1-800-361-5415 Email: <u>sales@ozoptics.com</u>.



Thank You for Choosing OZ!



