

# More About REM Technology Inc.

## OVERVIEW

REM Technology is a technology development company specializing in providing solid, proven optimization technology for reciprocating machinery. The name “REM” stands for **R**eciprocating **E**quipment **M**anagement. Our “Technology” usually comes in the form of a packaged control system with our application software and application specific engine/compressor modifications, sensors and end devices to deliver the Customer expected results. We also offer our technology as components or stand-alone applications that can easily interface to existing customers control and monitoring systems.

REM Technology Inc. came into being as a result of Spartan Controls Ltd.’s acquisition of CARMA Systems Ltd. in 1998. The name ‘REM’ was chosen as an abbreviation for Reciprocating Equipment Management, signalling that the new company would utilize a combination of CARMA’s technical and manufacturing expertise in diagnostic equipment with Spartan’s knowledge and experience of compression applications and service capability.

The CARMA technology originated in 1986 when a project was commissioned to acquire field data from engines and compressors. The resulting products represented an innovative advance in technology.

Its appointment as the Alberta Representative for the Fisher Governor Co. in 1963 launched the start of Spartan Controls. Then Spartan’s compression business unit evolved in 1967 when it added representation for Amot Controls.

Spartan Controls Ltd. (“SCL”) has established itself in its 40 years of operation as a premier organization that sells high-quality process control equipment and instrumentation from leading manufacturers while maintaining the highest degree of customer service, efficiency and competitiveness.

Formed in January 1963, SCL has steadily evolved as numerous changes and growth occurred. Total sales achieved during that first year of operation in 1963 was \$960,000. By 1979 the staff had increased to 72, inventory was over \$2M and annual sales were over \$20M. From its original beginning as a representative for Fisher Controls, SCL has steadily increased its repertoire of representation for companies including Amot Controls, Emerson Process Management, Rosemount Instruments, REM Technology and Farris. SCL’s head office is established in a 100,000 square-foot facility in Calgary, Alberta, with a 107,000 square-foot facility (*sales, training centre and warehouse*) based out of Edmonton and Regional Service Centres in Grande Prairie, Fort McMurray and Fort St. John, British Columbia. SCL and its about 500 employees were pleased to have been named as one of Canada’s 50 Best Managed Private Companies in 2001. Spartan is a privately-held, employee owned company. REM Technology is wholly owned by Spartan.

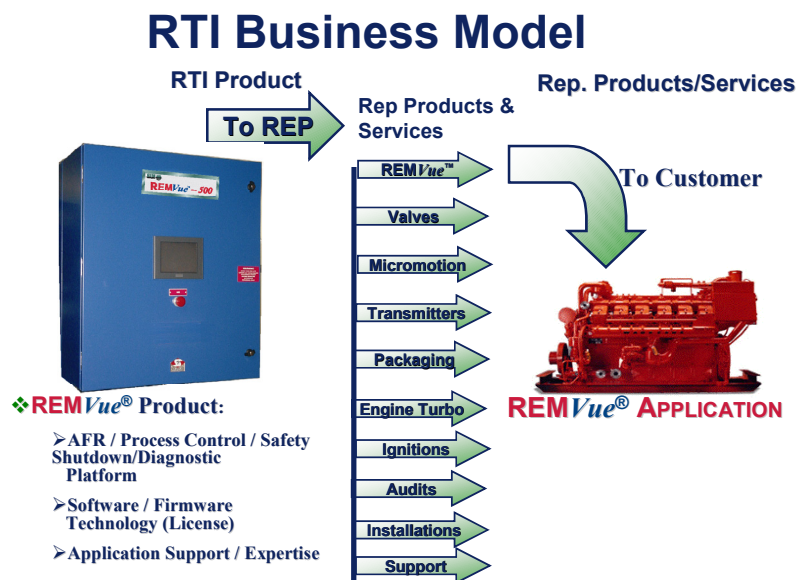
SCL serves the geographic area of Alberta and Northwestern British Columbia.

At REM Technology Inc., we are committed to providing technology that has a positive environmental effect by reducing emissions of CO, NOX and greenhouse gases (CO<sub>2</sub> and CH<sub>4</sub>). In contrast to many of the other emissions-reduction systems on the market that tend to

increase costs, our technology allows most customers to achieve lower operating costs as they reduce their CO, NO<sub>x</sub> and greenhouse gas emissions – emissions reduction with a payback!

By improving and optimizing the performance of engines and their loads, we have consistently improved fuel efficiency — leading to lower greenhouse gas emission rates. We have also been able to reduce emissions of carbon monoxide (CO) and nitrogen oxides (NO and NO<sub>2</sub>) from natural gas engines with improved control methods and optimized combustion processes. This improved efficiency comes from our advanced patented air-fuel control technology and our intimate knowledge of industrial reciprocating equipment.

As mentioned above, RTI is a product and application development company. We “go to market” via a representative channel system. Each representative is carefully chosen to have the right technical, sales, service and marketing skills and customer relationships to support our target customer base. RTI provides our products and application support and expertise to the representative, who in turn supplies RTI products and their services as needed by the customer.



To date, RTI and its representatives have sold more than 200 systems to companies such as Chevron, BP, Exxon, Encana, Hanover, Conoco, etc. to name a few.

RTI will continue to focus on providing cost-effective control and monitoring solutions for compression equipment owners that will enable their reciprocating assets to run safer, while being environmentally compliant with increased efficiency.

Our before and after machinery efficiency and emissions audits enable us to document the mechanical condition, performance and emission rates before and after the installation of the **REMVue®**. This provides our customers with quantitative business results of their new **REMVue®** engine performance system. We have numerous documented examples of where significant reductions in energy consumption and emissions as well as substantial increases in reliability have resulted from applying **REMVue®** technology to existing engine and compressor operations.

We are working with a number of institutions and industry associations to investigate new innovative ideas on ways to further reduce the environmental impact of reciprocating equipment. Innovative applications of technology to industrial processes are sure to continue yielding environmental benefits. As responsible members of society, the REM Technology Inc. team is proud of its continuous environmental contributions.