INTRODUCTION

GOLGIX is a manufacturing AI company with turnkey software that helps manufacturers predict machine & process failures, reduce production losses, and prevent automated lines from grinding to an unexpected halt. Delivered through a SaaS model that allows for ongoing model training, fitting and management as production environments change, GOLGIX's AI runs on manufacturers' existing plant data without incremental meters, sensors, or client-led model development. Deployed behind client firewalls or within client clouds, GOLGIX's AI Solution is secure by design.

GOLGIX & PELLET TECHNOLOGY USA have been engaged for 5 months, over which period the companies have collaboratively explored the technical feasibility and commercial value of a GOLGIX AI deployment at Pellet Tech's York, NE Plant across 4 extrusion lines. As a part of that process, GOLGIX conducted a Data Value Assessment at no cost to Pellet Tech, which A) demonstrated the Solution's ability to predict failures and unplanned downtime with Pellet Tech's existing plant data, B) quantified the expected value of a GOLGIX AI deployment, and C) resulted in Pellet Tech's request for this proposal.

DEMONSTRATED SOLUTION BENEFITS

- **Empower the Pellet Tech Team with Visibility, Foresight & Actionable Intelligence** to move the needle on plant performance and profitability.

- **Visualize Real-Time Plant Performance & Boost Awareness** with live KPIs and intuitive graphics, all in one place.

- **Detect Suboptimal Operations Early** to adjust operating parameters and maximize performance.

- **Streamline Menial Tasks, Enhance Data Accuracy & Prevent Human Error** with quick, easy-to-use digital Production & Downtime Logs.

- **Predict Machine & Process Failures** with ample lead time to prevent unplanned downtime, avoid production losses and boost throughput.

- **Prevent Catastrophic Breakdowns** that take lines down and lock-up production for weeks.

- **Extend Asset Use Life & Avoid Unexpected CAPEX** with actionable intelligence that drives optimal operations.

-60%	+5%	+6%
DOWNTIME	**OEE**	**CAPACITY**

Based on the findings of GOLGIX's Data Value Assessment, Pellet Tech can boost throughput, prevent downtime & avoid production losses with existing plant data and GOLGIX's AI Solution. With only cursory data treatment and model training, GOLGIX's AI predicted failures that led to 71% of Pellet Tech's downtime with 9 to 31 hours of lead-time, empowering engineers & operators with accurate failure predictions and actionable intelligence a shift to a full day in advance.

PROPOSAL OVERVIEW

GOLGIX will deploy and deliver its AI Solution across 4 extrusion lines at Pellet Tech's York, NE Plant through an annual subscription license agreement. That agreement will cover solution implementation, ongoing model re-training to ensure accuracy as Pellet Tech's production environment changes, and ongoing support, maintenance, updates and services. It will allow Pellet Tech to access and use the AI software with unlimited users and usage. After discounts for multiple lines, line similarity and the future potential of a broader deployment at ICM, **GOLGIX offers to deploy and deliver its AI Solution at Pellet Tech for $86k (-52% vs. List, $180k).**

SOLUTION IMPLEMENTATION

A one-time $14k implementation fee ($3.5k/line) covers solution configuration, customization, testing and deployment.

- AI Model Configuration & Training
- UI/UX Configuration & Customization, Including Digital Production & Downtime Logs
- Support On-Prem Virtual Machine Provisioning & Data Access (IT)
- Functionality, Performance, Compatibility & User Acceptance Testing
- Solution Launch

ANNUAL SUBSCRIPTION LICENSE

An annual $72k subscription license fee ($18k/line) provides solution access and use, along with ongoing model re-training, and solution configuration, customization, maintenance, updates, support and services.

- Solution Access & Use with Unlimited Users & Usage
- AI Model Management, Upgrades, Testing, Re-Training & Accuracy Assurance
- UI/UX Maintenance, Updates, New Releases, Configuration & Customization
- 24/7 Solution Support & Services

DELIVERY TIMELINE

Empowering Pellet Tech with AI in 8 weeks following project kickoff.

WEEK	MILESTONE
W1	Kickoff Meeting, Confirm Project Schedule & Engage IT
W3	Deployment & Connectivity Plan
W4	AI Model Training Complete
W5	Configuration & Customization
W7	Internal & User Acceptance Testing
W8	**GO-LIVE** & Ongoing Support & Maintenance Plan

EXISTING DATA. NO HARDWARE. NO DEVELOPMENT.