29 December 2014

Manager
Company Announcement Office
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GREEN INVEST LIMITED – 2014 AGM CHAIRMAN’S ADDRESS

Please find attached a copy of the Chairman’s address at today’s 2014 Annual General Meeting.

Regards

Peter McCoy
Chairman
Chairman’s Address 2014 AGM

Welcome ladies and gentlemen to the 2014 shareholders meeting for Green Invest Limited (GNV). GNV apologizes for the inconvenient date, but as shareholders will be aware the last few months has seen substantial activity in relation to the Company’s capital structure which in turn has pushed out the date for today’s meeting.

Shareholders would have noted that on the 22nd December 2014 the Company, with the consent of the Underwriter, cancelled and withdrew its prospectus relating to the proposed rights issue. This was withdrawn in favor of what the Directors believe is a far more attractive proposal for the Company and its shareholders.

The Board is of the view that upon completion, the investment by DLB Holdings Limited (DLB) marks a significant point in the future of the Company. As a strategic investor, DLB brings to it a number of advantages as follows:

- It is an international environmentally focused investment group with operational infrastructure within the United States and elsewhere.
- It has investments in a number of companies and joint ventures with product suites compatible with GNV’s expanded commercialization model in the United States, Australia and elsewhere.
- It has the capacity to assist GNV in project financing the rollout of various Green Plumbers/Green City and other initiatives in the United States.

The 2014 year in Review

I am disappointed to report the consolidated loss of the Group for the full year period ended 30th June 2013 after providing for income tax amounted to $1,224,085. The result should be viewed in the context of the major activities the Board has embarked on over the last 12 months which include:

1. The successful implementation of the Green Plumber/Green Cities and associated commercialization models in the United States. Variations of the models are beginning to receive the attention of internationally recognized manufacturers focused upon establishing alternate routes to market for their environmental and sustainable products. The model has provided the catalyst for the investment by DLB about which I will refer later.

2. Programming for the development of a sustainable business models in Australia based upon an association with a leading Australian Bank, providing upgrading of Body Corporate property together with the development of a compatible product line in Australia and Asia providing specialized environmental products for industry, retailers and the community.

3. A continuing program to significantly reduce overhead in Australia
Overview

Green Plumbers USA

- The rollout of the Green Plumbers/Green Cities projects continues as outlined in various ASX announcements. This is the major focus of the USA operations, with the rollout of the project in Cobb County experiencing sales in line with estimates. This focus will continue for the next few months and which will see GPUSA establishing a base in Atlanta from which expanded programs e.g. other Atlanta Counties, Dade (Miami) and additional South East USA projects can be managed.
- Following the current recapitalization program, it is envisaged that the Company will be able to conclude negotiations with a number of substantial manufacturers who have been attracted to the model, which provides a cost effective alternate route-to-market with the assurance of quality install at competitive price.
- The Company has been invited to submit a variation of the Green City program to a major US manufacturer of air-conditioners and related products. If successful, the model will be adapted to air-conditioner supply and installation ensuring installation by trained installers.
- The Company has also recently commenced trials, initially in respect to a community based rollout of environmentally focused fire retardant products. The product suite is substantial and the Company is hopeful of expanding the range of products both in the United States and Australia.

Announcements will be made as negotiations progress.

Green Plumber /Green City program

The Green Plumber/Green City Projects water conservation programs are carried out in conjunction with local municipalities and utilities. These are generally located in those USA States undergoing drought or water metering. The imperative for the relevant County or Municipality is that given sufficient number of retrofit installs sufficient water can be saved to avoid or at least delay construction of dams to meet the shortfall. Supply and installation e.g. of 200,000 water efficient toilets is by far the preferred way both for the municipality and the customer.

The Directors foresee in the immediate future the role of GPUSA will increase as they establish an ongoing presence in those areas where programs are of a sufficient size to warrant a base. GNV is pleased to advise that the uptake has been very encouraging and most importantly the amount of capital likely to be required by GPUSA going forward is not substantial for a company of GNV’s size.

The rate of installs is increasing with the recently announced Cobb County program which commenced sales and installs in the September quarter. GPUSA objective is to sell 3000 units per month. This target has been achieved with an expansion program underway to see this increased.
The major focus of sales is property management companies who typically have ownership or control of buildings requiring anywhere between 1500 to 3000 units. GPUSA objective is to have in any month 2 such property management companies participating in the program.

Other operation activities of GPUSA remain as outlined in announcements with the exception of Dallas where the program has been delayed and the County requiring the program to go to tender. GPUSA will of course be submitting a proposal and is confident of success.

Expenses for GPUSA are in line with budget ($40k per month), however it is expected additional marketing personnel will be required to keep pace with the early encouraging indications from Cobb County and other municipalities. Currently, given the level of sales in Cobb and other municipalities and subject to a non-repeat of climatic conditions, GPUSA is cash flow positive.

Finally, with our recently announced enhanced Capital Raising initiatives underway, any possible restructure of USA operations have been put on hold for the immediate future.

**GP Australia**

The company will proceed with the following activities in Australia this year:

- The establishment of a sustainable business model in Australia based upon an association with a leading Australian Bank providing upgrading of Body Corporate property and the development of a product line providing specialized environmental products to the community. It is expected that the involvement of DLB will provide the Company with more flexibility in the manner in which these objectives can be achieved.
- Reworking of the Green Plumber model as to whether some aspects of the Green plumbers/Green Cities model is transferable to Australia
- Improving communications with Industry Bodies and Contractors
- In addition, GNV is committed to substantially reduce corporate overhead and other operating expenses, particularly in the Australian operations and at the same time adequately staffing these activities at the appropriate time.

**Investment in Envex Services Pty Ltd**

The Company retains its 26% shareholding in Envex Services Pty Ltd. The 2014 year was a difficult one for Envex Services given uncertainty in relation to the carbon tax and additional government uncertainties. The GNV interest was subject to a call option by the Envex Services shareholders for $2.1 m which lapsed. The industry itself is subject to a number of structural re-arrangements and in this environment, GNV has indicated interest in selling its interest in Envex Services. In the meantime, it has maintained the carrying value of its investment to $1.6 m reflecting general industry uncertainty.

Once again the involvement of DLB may increase the Companies options as to how to deal with this investment.

**Moving forward**

The GNV Board intends to focus on the following areas over the next period:
• Expand its business in the USA.
• In conjunction with DLB, Nexstar and other industry project financiers, to seek to increase and diversify project financing to better deal with the level of sales anticipated in Green City projects.
• Work with DLB to increase product suites suitable for the model.
• Subject to completion of the recapitalization program, the establishment of a sustainable business model in Australia based upon an association with a leading Australian Bank providing upgrading of Body Corporate property coupled with development of a product line providing specialized environmental products to the community.
• Reduction in liabilities to be undertaken in the context of capital raising initiatives, longer term borrowing facilities and improved operational cash flows.
• Restructure of the finance department in Australia and USA.
• Substantial reduction on Australian corporate overhead as well as professional fees.
• Restructure of the Board of Directors with and most importantly a separation of the Chairmanship from Executive functions. This was programmed last year but was deemed not realistic until such time as the proposed capital restructure of the Company took place. The DLB investment will provide the catalyst.