



2 November 2018

ASX: IGE

Update on New International Partnerships

- **Four sites planned with three new local business partners across Thailand, Australia and Spain.**

The directors of Integrated Green Energy Solutions Limited (“IGES” or “the Company”) are pleased to update the market on the progress of opportunities in Spain, Thailand and Australia for the proposed construction and operation of Waste Plastic to Fuel (“WPTF”) plants in those jurisdictions.

The proposed plants will utilise IGES’s patented technology and will ensure both the supply of plastics and local experienced management in the global expansion of IGES and the maximising of shareholder value in IGES.

Spain

IGES has executed a term sheet with Ecology Management Waste, S.L (“EMW”). The management of this company has over 20 years’ experience in waste collection, aggregation and recycling in Spain. The agreement locks in local assistance for IGES in the achievement of government approvals and the supply of 200 tonnes per day (“tpd”) of feedstock respectively for two plants. That is, the combined feedstock capacity for the two planned facilities is 400 tonnes per day and therefore, the initial output capacity from the two Spanish plants combined is expected to produce 140 million litres of fuel per annum.

Subject to agreement regarding detailed contractual terms by 30 November 2018, IGES will establish an entity in Spain (“**IGE Spain**”) and will take a 90% equity position. EMW will have a 10% equity stake in consideration for providing reliable feedstock supply and local management assistance. It is forecast that the Spain opportunity has the potential to generate substantial profits to the shareholders of IGES. There are no conditions precedent to the term sheet.

This planned expansion into Spain is consistent with the Board’s international growth strategy of identifying an experienced local partner where possible. EMW’s local knowledge, experience, and expertise is expected to assist in delivering operational facilities. These facilities are in addition to the plant currently under construction in Amsterdam and would strengthen the Company’s imprint in Europe.

Thailand

IGES has executed a term sheet with Infinite Recycling co.,ltd (“IRC”). IRC staff have nearly a decade of experience in consulting with third parties on waste to energy projects in Thailand. IRC also has expertise with respect to the expansion of pre-established waste to energy projects as well as assisting clients to successfully leverage their technology in Thailand. IRC’s experience is clearly relevant in assisting IGES to expand into Thailand. Under the agreement IRC will be responsible for the supply of plastic feedstock to the 200 tpd WPTF plant and provide full assistance in obtaining governmental approval for the site.

Subject to agreement regarding detailed contractual terms by 30 December 2018, IGES will establish an entity in Thailand (“**IGE Thailand**”) and will take a 90% equity position. IRC will have

For personal use only

a 10% equity position in consideration for providing reliable feedstock supply and local management assistance. As with the Spain opportunity, it is forecast that this plant can generate substantial profits for the shareholders of IGES. There are no conditions precedent to the term sheet.

The Board of IGES considers the execution of a long form contract with IRC will lead to a range of synergies and further expansion in the region.

Australia

A memorandum of understanding (“**MOU**”) has been signed between IGES and Acacia Green Energy Pty Ltd (“**AGE**”) to construct a WPTF facility in Victoria. The proposed location for the facility is near Shepparton in Central Victoria, where this will be a much-needed facility as it will enable recycling of agricultural plastic which is currently being sent to landfill.

AGE is a Victorian company. The AGE directors have substantial experience in waste management, recycling and engineering projects, with 30 years in waste management consulting, 25 years in recycling experience and over 35 years in the construction of large industrial facilities.

Under the terms of the MOU, AGE must produce all submissions and commission any reports required to receive operating and construction approvals from the relevant local and state government authorities. AGE will be responsible for overseeing and funding this approval process.

Upon achieving the abovementioned approvals, IGES and AGE will establish a company in which IGES will hold 51% of the equity and maintain a majority on the board of directors. Both IGES and AGE shall jointly fund the construction of the WPTF plant in proportion to their equity positions. The MOU can be cancelled by either party prior to the finalisation of long form contracts.

The Board of IGES considers the extensive experience in the management of AGE is a synergistic addition to its Australian activities and the proposed Victorian facility to be a positive investment for IGES shareholders. The board considers involving AGE will assist in risk mitigation and that the proposed project represents a potentially lucrative upside in terms of the initial plant as well as potential further plants in Australia.

The Future

These three agreements add to the business relationships already established in the Netherlands, the United States of America, China and Hong Kong. All the above-mentioned business relationships are consistent with the board’s intention to engage local experienced and commercially astute partners to assist in the rollout of IGES technology and plants, whilst maintaining a majority stake in territory, mitigating risk, leveraging resources available and generating profits for the shareholders of IGES.

IGES continues to pursue other business relationships globally, to maximise the value of the company to shareholders and to maximise the benefit of the IGES technology.

For personal use only

About IGES

IGES is a company focused on converting waste plastic that is destined for landfill or discarded into the environment, into valuable fuels. The company has a patented waste plastic to fuels process that results in a range of fuels and products, including Naphtha, Marine fuel and Marine Diesel Oil (MDO). The specific products we provide from our range are determined by the territory requirements for each individual site location. The Company believes that utilising its technology will inevitably reduce the amount of plastic entering the environment. It will also help to create circular economies, serving to provide a cleaner planet for the next generation while bringing value to shareholders.

FOR FURTHER INFORMATION CONTACT:

Joshua Herbertson, Company Secretary +61(0) 438 771 846

For personal use only