

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN OR
INTO THE UNITED STATES, OR TO US PERSONS**

**INTEGRATED GREEN ENERGY SOLUTIONS LIMITED
ACN 003 669 163**

(formerly known as FOY Group Limited)

PROSPECTUS

For the issue of a minimum of 32,500,000 New Shares at an Offer Price of \$0.20 per New Share to raise a minimum of \$6,500,000 and up to 75,000,000 New Shares to raise up to \$15,000,000

(Offer)

The Offer is not underwritten.

This Prospectus is a re-compliance prospectus for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules and to satisfy the ASX requirements for re-listing following a change to the nature and scale of FOY's activities.

Important Notice

This document is important and should be read in its entirety (including the 'Risk Factors' in **section 6**) before deciding whether to apply for New Shares. If, after reading this Prospectus, you have any questions about the New Shares being offered under this Prospectus, then you should consult your stockbroker, accountant or other professional adviser.

The New Shares offered by this Prospectus should be considered speculative.

IMPORTANT NOTES

LODGEMENT AND LISTING

This Prospectus is dated 12 September 2017 and a copy of this Prospectus was lodged with ASIC on that date. It is a replacement prospectus which replaced the prospectus dated 18 August 2017 and lodged with the ASIC on that day (**Original Prospectus**). This Prospectus has been issued to, amongst other matters, include additional information regarding use of funds, approval for projects in the ACT, the status of the ACT land, Director disclosures and amendments to key risks. The Prospectus also retracts various forward looking statements relating to production rates and financial margins previously disclosed in the original prospectus of 18 August 2017 and FOY's ASX announcements of 24 March 2017, 28 April 2017 and 8 August 2017, on the basis that FOY does not consider it has reasonable grounds for these statements. ASIC and ASX take no responsibility for the content of this Prospectus. No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of the Original Prospectus. FOY will apply to ASX for the New Shares to be granted quotation on ASX.

Integrated Green Energy Solutions Limited, formerly known as FOY Group Limited (**FOY or Company**) applied to the ASX within 7 days of the date of the Original Prospectus for admission to the official list of ASX and for official quotation on ASX of the New Shares issued under the Offer and all other Shares on issue as at the date of this Prospectus.

Neither ASIC nor ASX take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

DISCLAIMER

No person named in this Prospectus, nor any other person, guarantees the performance of FOY, the repayment of capital or the payment of a return on the Shares. No person is authorised to give any information or make any representation in connection with the Offer which are not contained in this Prospectus.

Any information or representation not contained in this Prospectus may not be relied on as having been authorised by FOY or the Directors.

Other than as set out in this Prospectus, and as otherwise required by law or the Listing Rules, FOY has no intention to update forward looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus.

INVESTMENT RISKS AND FINANCIAL INFORMATION PRESENTATION

This Prospectus does not take into account your investment objectives, financial situation or particular needs. Before deciding to invest in FOY, it is important that you read the entire Prospectus and consider both the risk factors that could affect the financial performance of FOY and the assumptions underlying the financial information.

NO OVERSEAS REGISTRATION

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. Refer to **Section 7.14** for treatment of overseas shareholders.

Applications for New Shares offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by FOY in connection with this Prospectus.

NOTE TO APPLICANTS

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser.

In particular, it is important that you consider the risk factors (see **Section 6**) that could affect the performance of FOY before making an investment decision.

The New Shares, that are the subject of this Prospectus, should be considered speculative.

RE-COMPLIANCE PROSPECTUS

This Prospectus is a re-compliance prospectus for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules and to satisfy ASX requirements for re-listing following a change to the nature and scale of the Company's activities.

The Offers under this Prospectus are conditional on:

- (a) the satisfaction or waiver of all of the conditions precedent to the Business Sale Agreement; and
- (b) the Company's successful re-compliance with Chapters 1 and 2 of the ASX Listing Rule.

The Company's securities were suspended from Quotation in July 2015 and will not be reinstated until satisfaction of the conditions to the Offer and ASX approving the Company's compliance with the admission requirements of Chapters 1 and 2 of the ASX Listing Rules.

There is a risk that the Company may not be able to meet the requirements of ASX for re-quotation on the ASX. The Company does not intend to issue any New Shares unless and until the ASX has confirmed that the Company will, upon issue of the New Shares, have re-complied with Chapters 1 and 2 of the Listing Rules and that the New Shares will be quoted on the ASX. If permission is not granted for the New Shares to be quoted within 3 months of the date of this Prospectus or such longer period permitted by the Corporations Act or with the consent of ASIC, all Application Payments received pursuant to the Prospectus will be refunded in full without interest within the time prescribed by the Corporations Act.

ELECTRONIC PROSPECTUS

A copy of this Prospectus can be downloaded from the website of FOY at <http://www.foygroup.com.au>, or the ASX website. Any person accessing the electronic version of this Prospectus for the purposes of making an investment in FOY must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person the Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting FOY.

FOY reserves the right not to accept an Application Form from a person if it has reason to believe that, when that person was given access to the electronic Application Form, that person was not also provided with the electronic Prospectus and any relevant supplementary or replacement prospectus or where any of those documents were incomplete or altered.

Applicants accessing this Prospectus outside of Australia should carefully read the disclaimer wording as set out in Section 7.14 "Foreign Selling Restrictions" and, if in any doubt, are strongly recommended to obtain professional advice before applying for New Shares under this Prospectus.

WEBSITE

No document or information included on FOY's website is incorporated by reference into this Prospectus.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of FOY, the Directors and FOY's management.

FOY cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Except where required by law or the ASX Listing Rules, FOY has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that may cause FOY's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are summarised in Section 1 of this Prospectus and set out in detail in Section 6.

FOREIGN INVESTORS

No action has been taken to register or qualify the New Shares, or the Offer, or otherwise to permit the public offering of the New Shares, in any jurisdiction outside Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

PHOTOGRAPHS AND DIAGRAMS

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by FOY.

Diagrams used in this prospectus are illustrative only and may not be drawn to scale.

COOLING-OFF RIGHTS

Cooling-off rights do not apply to a subscription for New Shares under the Offer. This means that you cannot withdraw your Application once it has been submitted except as required by law. Once the New Shares are issued and quotation is granted by the ASX you may trade your Shares as usual.

FINANCIAL AMOUNTS

All financial amounts referred to in this Prospectus are expressed in Australian dollars unless otherwise stated. Any discrepancies between totals and sums and components in tables contained in this Prospectus are due to rounding. Fees disclosed in this Prospectus are quoted exclusive of GST.

GLOSSARY

Some words and expressions used in this Prospectus have defined meanings which are explained in **section 12**.

PRIVACY

By filling out an Application Form to apply for New Shares, you are providing personal information to FOY through its service provider, the Share Registry. FOY, and the Share Registry on its behalf, collect, hold and use that personal information in order to process your Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration.

If you do not provide the information requested in the Application Form, FOY and the Share Registry may not be able to process or accept your Application. Your personal information may also be used from time to time to inform you about other products and services offered by FOY which it considers may be of interest to you.

Your personal information may also be provided to agents and service providers of FOY on the basis that they deal with such information in accordance with the privacy policy of FOY. Agents and service providers of FOY may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the Shareholder register;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- market research companies for the purpose of analysing the Shareholder base of FOY and for product development and planning; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising on, the New Shares and for associated actions.

You may request access to your personal information held by (or on behalf of) FOY. You may be required to pay a reasonable charge to the Share Registry in order to access your personal information. You can request access to your personal information by writing to or telephoning the Share Registry on the contact details below.

CONTACTS

If you require assistance to complete the Application Form, require additional copies of this Prospectus, or have any questions in relation to the Offer you should contact the Share Registry on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia), or go to FOY's website at <http://www.foygroup.com.au>.

If you are uncertain as to whether FOY is a suitable investment for you, you should seek professional advice from your stockbroker, lawyer, accountant or other professional adviser.

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KEY OFFER INFORMATION

KEY DATES*

Lodgement of this Prospectus with ASIC	Tuesday, 12 September 2017
Offer open	Tuesday, 12 September 2017
Offer close	Monday, 25 September 2017
Issue Date	Tuesday, 3 October 2017
Completion of the Offer	Tuesday, 3 October 2017
Completion of Acquisition	Wednesday, 4 October 2017
Shareholding Confirmation Statements expected to be dispatched	Wednesday, 4 October 2017
Trading on normal settlement basis commences on ASX	Tuesday, 10 October 2017

* Notes:

1. This timetable is indicative only
2. FOY, reserves the right to vary the times and dates of the Offer without prior notice, including closing the Offer early or to accept late Applications. The date of completion of the Offer and Acquisitions, dispatch of shareholding confirmation statements and trading may change depending on if and when ASX confirmation of re-compliance with Chapters 1 and 2 of the Listing Rules is given.
3. Investors are therefore encouraged to submit their Application Forms as early as possible after the Opening Date.
4. All times are Sydney times.

KEY OFFER STATISTICS

Offer price	\$ 0.20
Number of existing Shares on issue as at the date of this Prospectus	68,989,550
Minimum Subscription	
Minimum number of New Shares to be issued under the Offer	32,500,000
Minimum total proceeds from the Offer	\$6,500,000
Total number of Shares on issue at completion of the Offer assuming minimum subscription	324,168,536
Maximum number of New Shares to be issued under the Offer	75,000,000
Maximum total proceeds from the Offer	\$15,000,000
Total number of Shares on issue at completion of the Offer assuming maximum subscription	366,668,536
Number of Shares controlled by existing FOY Shareholders after the Offer	68,989,550
New Shares to be issued under the Terms of the Loan Agreements	10,655,599
New Shares to be Issued to Directors	5,335,287
Maximum number of Shares controlled by IGE Parties after the Offer	209,700,000

LETTER FROM THE CHAIRMAN

12 September 2017

Dear Investor

On behalf of the Directors, it gives me great pleasure to offer you this opportunity to acquire shares in Integrated Green Energy Solutions Limited, formerly known as FOY Group Limited (**FOY** or **the Company**). FOY offers the market a potential commercial solution to the international problem of post consumer plastics polluting our landscapes and waterways.

Since FOY released its original prospectus in November 2016, significant international opportunities have arisen necessitating a refocus of FOY's priorities, including:

- Substantial progress has been made in the USA for a Waste Plastics to Fuel (**PTF**) facility to be owned and operated jointly by FOY and GEP Fuel & Energy Indiana, LLC (**GEP**) which will process 1,500 tonnes per day ("**TPD**") of Automotive Shredder Residue ("**ASR**"). Due to the proposed size and scope as detailed in the signed binding term sheet along with the anticipated scope and potential revenue generation, this project has been given a high priority by the directors of FOY. In March 2017, the Company announced the execution of an agreement where, FOY's US subsidiary, Integrated Green Energy USA, Inc., will be paid to design and provide construction support for the facility, in addition to having a 50% ownership stake and management control in the company that will own and operate it.
- FOY is now also in the process of preparatory work to commence site identification, design and construction of three sites in the UK and one in the Netherlands. As announced to the market on 28 April 2017, a conditional agreement for US\$90 million has been executed with Structured Growth Capital, Inc, a company based in Philadelphia, USA, for the construction of these four sites. The Netherlands site is already permitted for a 100TPD plastics to fuel facility.
- The above along with ongoing, positive business development work in Hong Kong, China, USA, Western Europe, Puerto Rico, Indonesia and other off-shore territories have led the company to enhance its international focus

FOY is a proud Australian company and is committed to helping Australia in its path to environmental maturity. However due to its typically low population density, relatively limited plastic supplies, lack of exposure to first world proven technologies and environmental solutions and the extended time-frames attributable to the local approval process has driven FOY offshore; a fact that is reflected in this new prospectus being issued to support the Company's evolving international business model.

Subject to completion of the Acquisition, FOY will acquire certain business assets from IGE, including:

- three technologies with full ownership and exploitation rights;
- a completed commercial facility located at Berkeley Vale, NSW ("**BKV Commercial Plant**"); and
- the transfer to FOY of an experienced management team capable of operating PTF commercially;

Acquisition

The technologies acquired by FOY are:

- plastic fuel technology (**PTF Technology**);
- biomass to energy technology (**BTE Technology**);
- biomass to liquid fuels technology (**BTF Technology**).

Whilst IGE has not used the Technologies in a commercial capacity, the PTF Technology has been developed and tested extensively by IGE in a pilot plant facility. FOY now aims to be the first to conclusively prove the Technology on a commercial scale. The PTF Technology is considered the most readily commercialised of the three technologies being acquired as part of the Acquisition.

Following completion of the Acquisition and re-quotation of its Shares on the ASX, FOY's main business undertaking will be to globally exploit the Technologies acquired as part of the IGE transaction and more specifically:

- continue the progress made with GEP Fuel & Energy LLC and begin achieving revenue through the design and construction of the 1,500 tonnes per day ASR PTF facility being proposed for Indiana, USA;
- design and construct three 200 tonnes per day plants on selected sites throughout the UK and one plant in the Netherlands via the utilisation of a proposed conditional US\$90 million in debt funding. The board intends to obtain written confirmation from SGC allowing the use of these funds to include a site in the Netherlands.
- continue to work with Australian authorities to introduce global proven technologies used in first world nations to address landfill with a desire to construct a facility in Australia; and
- continue to undertake research and development with a view to enhancing the FOY technologies and to develop further technologies for commercialisation.

As consideration for the Acquisition, FOY will issue:

- the Consideration Shares and Consideration Options to IGE Shareholders in their respective proportions; and
- upon satisfaction of the Performance Target, the Milestone Shares and Milestone Options.

The Consideration Securities and Milestone Securities will be issued to the IGE Shareholders as restricted securities and FOY and the IGE Shareholders will enter into escrow agreements, which will preclude them dealing with those securities for two years from the date of Listing.

The Board considers that the PTF Technology presents a unique option to convert negative or low value end-of-life plastics into high value fuels throughout the World.

FOY's intention is to maximise share price by rolling out the PTF solution in the listed jurisdictions via a model of:

- Developing and protecting intellectual property;
- Maintaining a high quality of safety, efficiency at all constructed sites;
- Building the FOY brand;
- Maintaining control of all plants in all jurisdictions;
- Maintaining the Company's core values; and
- Generating strong cashflow and profitability at all sites.

The Acquisition is conditional on FOY re-complying with Chapters 1 and 2 of the ASX Listing Rules, among other things.

The Maximum Offer made under this Prospectus is an offer of 75,000,000 New Shares at an issue price of \$0.20 to raise \$15,000,000, which may be issued to professional, sophisticated, retail or unsophisticated investors (**Maximum Offer**).

The Minimum Offer made under this Prospectus is an offer of 32,500,000 New Shares at an issue price of \$0.20 to raise \$6,500,000, which may be issued to professional, sophisticated, retail or unsophisticated investors (**Minimum Offer**).

The purposes of the Offer is to raise funds for a range of projects and objectives, as identified in this prospectus, as well as paying transaction costs associated with the Acquisition and the Offer, and to assist FOY in re-complying with Chapters 1 and 2 of the Listing Rules and being readmitted to the Official List. The Offer is conditional on:

- ASX giving in-principle advice that FOY has satisfied the ASX's requirements for its readmission to the Official List; and
- the completion of the transaction between Integrated Green Energy Limited and FOY.

There is a risk FOY will not satisfy these requirements and in this event the Offer will not proceed and FOY will repay all Subscription Amounts received. Further details of the Offer, including the purpose of the Offer and the use of proceeds, can be found in section 7.

This Prospectus contains detailed information about the Offer and FOY as well as the risks associated with an investment in FOY (including those risks set out in section 6). I encourage you to read this document carefully and in its entirety and seek your own professional advice before making your investment decision. If there is any matter on which you require further information, you should consult your stockbroker, accountant or other professional advisor.

On behalf of my fellow Directors, I look forward to welcoming you as a shareholder of FOY.

Yours sincerely



Paul Dickson

Executive Chairman
Integrated Green Energy Solutions Limited

1. INVESTMENT OVERVIEW

This Section is a summary only and not intended to provide full information for investors intending to apply for New Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

TOPIC	SUMMARY	SECTION
INTRODUCTION		
Who is the Issuer of this Prospectus?	Integrated Green Energy Solutions Limited ACN 003 669 163 (formerly known as FOY Group Limited) (FOY or Company)	
Who is FOY?	<p>FOY is a public company that was incorporated in NSW on 16 December 1988 and has been listed on the ASX since November 1989.</p> <p>Since 2008, FOY has been engaged in exploring for minerals in Papua New Guinea (PNG). FOY has held exploration licences in PNG during this period, exploring for gold, copper and iron. FOY's primary asset during this time has been the iron sands project at Amazon Bay, 150kms south east of Port Moresby (Amazon Bay Project).</p> <p>In early 2014, the Company embarked on a process of identifying a cash flow generating project or business. In July 2014, the Board identified the PTF Technology held by IGE and on 5 February 2016 entered into a Business Purchase Agreement to acquire the IGE Assets as part of the Acquisition.</p>	3.1
Who is IGE and what assets does it own?	<p>IGE is an unlisted public company established on 15 February 2013. In the second half of the 2014 calendar year a number of investors joined with Solid Energy Technologies Pty Ltd (Formerly BTOLA Pty LTD) and UTOF Pty Ltd, the founders, using IGE as the investment vehicle for the purpose of raising the capital required to develop and commercialise the following technologies:</p> <ul style="list-style-type: none"> • plastics to fuel technology; • biomass to energy technology; and • biomass to liquid fuels technology. <p>These technologies are exclusively licensed to IGE and form the basis of the BSA with FOY.</p>	3.2
What is the Acquisition?	<p>The Acquisition involves FOY acquiring the following assets from IGE:</p> <ul style="list-style-type: none"> • three technologies with full ownership and exploitation rights, including <ul style="list-style-type: none"> ○ plastics to fuel technology; ○ biomass to energy technology; and ○ biomass to liquid fuels technology. • Intellectual Property ("IP") in addition to the technologies, developed and patented by IGE in the previous 12 months; • a commercial facility which after regulatory approvals are obtained will be capable of converting plastic to fuel, with an installed initial capacity of 50 tonnes of feedstock per day (tpd); • a project development strategy including executed agreements for the design, construction and maintenance of a commercial plant to be located in the US; • a project development strategy including advanced planning for the construction and operation of commercial PTF facilities; and 	3.7

	<ul style="list-style-type: none"> • executed contracts for post consumer plastic feedstock supply; and • an existing management and operations team. <p>In addition to the above, FOY will be nominated as the purchaser under the Property Purchase Agreement and have novated the rights and obligations of IGE under the Loan Agreements and the General Security Deed.</p> <p>In consideration for the acquisition of those assets, FOY will:</p> <ul style="list-style-type: none"> • issue to the IGE Shareholders (as IGE's nominees) the Consideration Shares and Consideration Options; and • if the Performance Target is met, issue to the IGE Shareholders (as IGE's nominees) the Milestone Shares and Milestone Option. <p>The effect of the Acquisition is that the nature and scale of the activities of FOY will change as FOY proposes to focus on the development of the IGE Assets upon completion of the Acquisition.</p> <p>The Acquisition is an event that requires FOY to re-comply with the requirements of Chapters 1 and 2 of the Listing Rules, including seeking Shareholder approval of the Acquisition and issuing this prospectus. Shareholders approved the Acquisition on 7 August 2017.</p>	
Is the Acquisition conditional?	<p>Completion of the Acquisition under the Business Sale Agreement is conditional on the satisfaction of a number of conditions precedent, including ASX resolving to readmit the Shares on the ASX.</p> <p>A summary of the Business Sale Agreement is contained in section 11.1.</p>	11.1
BUSINESS MODEL		
What industry will FOY operate in after the Acquisition?	<p>FOY's main business undertakings will be:</p> <ul style="list-style-type: none"> • the design and construction of 30 x Catalytic Depolymerisation Modules (CDM) for a planned 1,500 tonnes per day facility located in Indiana, USA. FOY will be paid at commercial rates for the manufacturing of these modules. Once completed the facility will produce diesel and petrol products utilising ASR feedstock using the PTF technology incorporated into the Commercial Plant. The sale of the end products will be to diesel and petrol users (such as commercial users) and resellers (such as wholesale fuel blenders). The facility will be owned and operated by Integrated Green Partners, LLC (IGP), a company jointly owned by FOY and GEP Fuel & Energy Indiana, LLC, a US based company who specialise in resource recovery. • FOY aims to construct three 200 tpd Commercial Plants in the UK and one in the Netherlands utilising the PTF Technology. FOY has executed a conditional agreement with Structured Growth Capital, Inc (SGC), to debt fund the construction of these facilities. • Continue the regulatory process for the commercial plant in the ACT. • Build and operate nine more 1,500 TPD facilities in North America with FOY's US partners GEP, utilising ASR as feedstock. • Build other PTF facilities in North America utilising mixed post-consumer plastic as feedstock. • Advancing PTF projects in the U.K, North America, Puerto Rico, Europe, Indonesia, China and other Australian jurisdictions. • continue to hold its existing mineral tenement interests in Papua 	3.3

	<p>New Guinea.</p> <ul style="list-style-type: none"> Continue to undertake research and development with a view to enhancing the FOY technologies and to develop further technologies for commercialisation. 	
What are the key drivers in the waste plastics to fuel industry?	<p>The Directors consider that the key drivers in the plastics to fuel industry are:</p> <ul style="list-style-type: none"> demand for diesel and petrol products; jurisdictional wholesale fuel prices (which influences the price at which producers of diesel and petrol can sell their products); and the delivered cost of post-consumer plastic feedstock. 	2
How does FOY propose to develop its waste plastics to fuel activities in the short-term?	<p>FOY's focus in the immediate term will be:</p> <ul style="list-style-type: none"> construction of 30 x CDMs for IGP, for which the Company will be paid commercial rates. Construction of three PTF facilities in the UK and one in the Netherlands. Continuing the regulatory approval process in the ACT. advancing projects in North America, Europe, the UK, China, Puerto Rico, Indonesia and Australia. 	3.5
How will FOY grow?	<p>At the appropriate time during FOY's growth phase, and after developing appropriate business plans and taking account of prevailing market conditions, FOY intends to:</p> <ul style="list-style-type: none"> Jointly own and operate the 1,500 tonnes per day PTF Facility utilising ASR as feedstock, which is to be located in Indiana, USA, once FOY completes construction of the 30 x CDMs it is to be paid for. Build and operate nine more 1,500 TPD facilities in North America with FOY's US partners GEP, utilising ASR as feedstock. Operate the three PTF facilities planned for the UK and one in the Netherlands. Build other PTF facilities in North America utilising mixed post-consumer plastic as feedstock. form business partnerships for the implementation of PTF Technology with local operators in appropriate offshore jurisdictions; build PTF conversion plants in appropriate locations throughout Australia; continue to develop the BTE Technology and BTF Technologies and exploit those technologies; and pursue the Amazon Bay Project and other resource and business opportunities in PNG. 	3.4
Key Strengths of IGE	<p>The key strengths of the IGE business are as follows:</p> <ul style="list-style-type: none"> experience in the construction and operation of these types of facilities; existing operations and management team; existing contacts within the fuel industry; existing contacts within the waste aggregation industry within Australia; 	3.2

	<ul style="list-style-type: none"> • experience in the management of these types of facilities; • a management team that has been involved in the fuel and energy industries for the past 15 years; • an existing operational facility; • functional research and development and prototyping facility; • existing energy crop nursery for IGE's BTE and BTF Technologies; and • an exclusive licence to three technologies able to be exploited worldwide. 	
KEY RISKS		
What are the key risks of investing in the New Shares?	<p>An investment in FOY should be considered speculative.</p> <p>You should give careful consideration to this summary of key risks and the detailed discussion on risks set out in Section 6 before deciding whether to apply for New Shares pursuant to this Prospectus.</p> <p>The key risks associated with an investment in FOY include:</p> <ul style="list-style-type: none"> • Crude oil prices - Oil and fuel prices are volatile and low prices could have a material adverse impact on cash flow and on FOY's business. Future production from the Commercial Plants will be dependent on the price of oil being adequate to make the facilities economic. Price declines in the market value of oil could cause production from the Commercial Plants to be rendered uneconomic. There is no guarantee that a profitable market will exist for commercial quantities of fuel produced. • Failure of Technology - The PTF Technology has been trialled in a pilot plant, but has not yet been conclusively proven to produce fuel or energy (as applicable) on a commercial scale. The BTE Technology has been commercially deployed is ready to market however has limited track record in commercial deployment. The BTF Technology is still laboratory based and has not been tested in a pilot plant on any scale. • Property acquisition risk – The contract for the ACT property subject of the ACT Land Purchase Agreement was due for completion on 18 July 2017. FOY received a legal notice to complete the contract for sale of the ACT land at 2.30pm on 7 September 2017. The Seller has advised that if completion of the contract is not effected in accordance with the notice the Seller may terminate the contract for sale and have recourse to such other rights as are available to it pursuant to the contract. FOY did not complete the contract by 7 September 2017 which now gives the Seller the right to terminate the contract for sale and have recourse to such other rights as are available to it pursuant to the contract. The Company is looking to settle the amount as soon as possible either via the capital raising or utilising debt funding and is currently in negotiations with the ACT Land Development Agency to extend the settlement date. Under the terms of the ACT Land Purchase Agreement, there are a number of remedies available to the seller in these circumstances including, terminating the agreement and retaining the 5% already paid and either suing FOY for breach or re-selling the land and any deficiency arising on the resale and all expenses of and incidental to the resale or attempted resale and FOY's default are recoverable by the seller from FOY as liquidated damages, provided the seller has entered into a contract for the resale of the land within 12 months of termination. Similarly, the contract for the Berkeley Vale property located at 11 Apprentice Drive is due for completion on 11 September 2017. IGE is due to settle the amount by that date. Should IGE fail to complete, the company would be in breach and the property would fail to 	6

	<p>transfer to FOY as part of the Acquisition.</p> <ul style="list-style-type: none"> Funding risk - FOY has the intention of utilising funding for its immediate growth plans, including a debt facility to be organised by GEP, that will be utilised for the design and construction of the previously announced 1,500 tonnes per day ASR facility to be located in Camden, Indiana. Also, a conditional US\$90 million in debt funding has been organised by FOY for the design and construction of three facilities in the UK and one in the Netherlands with a capacity of 200 TPD per site. The ability to maintain this funding will depend on various factors, including the results of its operations and the status of various capital and industry markets at the time it seeks such capital. Accordingly, additional financing may not be available on acceptable terms, if at all. In the event additional financial resources are unavailable, FOY may be required to curtail its planned growth Counterparty risk – FOY is party to a number of material contracts as set out in section 11 some of which are conditional. The Directors have assumed that the counterparties to these contracts will comply with their obligations under these agreements however there is a risk that a counterparty will not live up to its contractual obligations under those agreements. If a counterparty defaults, it could have a material and adverse impact on the financial performance of FOY. Regulatory risks – FOY’s operations are subject to regulation at the Federal, State and local Government level and some of the laws, rules and regulations that govern operations carry substantial penalties for non-compliance. Rules and regulations include those relating to taxation, environmental protection, management and occupational health and safety standards. Changes to regulatory requirements could result in increased operating, financial and capital costs that could make continued operations unsustainable. Construction permits will be required to be lodged for each facility FOY proposed to build. If there are delays in obtaining the necessary development application or if the construction permits are refused this could have a material and adverse impact on the financial performance of FOY Infringement of third party intellectual property rights - Other parties may develop, or have already developed, processes or technologies substantially similar to those to be used by FOY, and other parties may allege that FOY’s technologies and processes incorporate intellectual property rights derived from third parties without their permission. Whilst FOY is not the subject of any claim that its technologies infringe the intellectual property rights of a third party, allegations of this kind may be received in the future and, if successful, injunctions may be granted against FOY which could materially affect the operation of FOY and FOY’s ability to earn revenue, and cause disruption to FOY’s services. Failure to protect intellectual property rights - Solid Energy Technologies (formerly BTOLA) previously filed a number of provisional patent applications in relation to the PTF Technology, including Patent Application Numbers AU2015904828, AU2016901654 and AU2016902869 (as set out in Section 9). FOY has ensured the trade secrets and know-how, as well as all industrial copyright, relating to the Technology has been professionally recorded and will be transferred to FOY at Completion. FOY has engaged a professional engineering architect to compile the necessary documents. On 23 November 2016, an International Patent Application under the Patent Cooperation Treaty was filed in respect of the PTF Technology. This international application combined the disclosures of, and claimed priority from, the three previous provisional patent applications. If a patent is granted over the PTF Technology, the granting of the patent does not guarantee that FOY’s intellectual 	
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	<p>property is, or will be, protected, that others will not develop similar technologies that circumvent the patent, or that FOY is protected from infringing the intellectual property rights of third parties.</p> <ul style="list-style-type: none"> • Low liquidity and release from escrow risk- Some Shareholders including related parties and promoters of FOY may be subject to ASX imposed escrow requirements which are designed to protect the integrity of the market. IGE shareholders will be subject to ASX imposed mandatory escrow and as a result IGE shareholders will not be able to deal their Shares or Options for a period of 24 months from the date of re-quotation of FOY's Shares on ASX following compliance with Chapters 1 and 2 of the Listing Rules. The number of restricted securities during the restriction periods may cause or contribute to a limited liquidity in the market for Shares, which could affect the market price at which other Shareholders are able to sell their Shares. • Failure to meet local fuel standards - Failure to meet the local fuel standards for FOY's finished products would adversely impact the price at which the diesel, petrol and fuel products produced could be profitably sold. Inconsistencies, errors or contamination of the products could result in cancellation of any off-take agreements then in place, and leaving FOY exposed to compensation payments or penalties. • Management risk – the responsibility of undertaking the PTF business is currently concentrated amongst a small number of key management personnel. Further, if FOY's development programme is successful, FOY could experience a rapid growth in its operations which could place significant demand on managerial, operational and financial resources due to the need to manage relationships with business partners, difficulties in hiring, managing and retaining appropriate personnel and pressures for the development of information systems. The loss of these key employees or the inability to retain additional key employees as FOY's operations develop may materially impact the financial performance and the value and price of FOY's shares. • Change in fuel standards – new fuel standards may be introduced and existing fuel standards may be amended or repealed from time to time. Any change to the standards in any market in which FOY sells its products may result in FOY needing to modify its production process or procure alternate or additional feedstock, which may impact the revenue and expenditure of FOY and materially and adversely affect FOY's financial performance. In an extreme case, such new or amended standards could significantly limit or prevent altogether the use of non-petroleum derived fuels, having a material and adverse effect on the future viability of FOY. • Funding risk – FOY's partner GEP is in the process of finalising a US\$208 million debt facility that will be utilised for the design and construction of the previously announced 1,500 tonnes per day facility to be located in Camden, Indiana. Also, US\$90 million in debt funding has been organised by FOY for the design and construction of three facilities in the UK and one in the Netherlands with a capacity of 200 TPD per site. The ability to maintain this funding will depend on various factors, including the results of its operations and the status of various capital and industry markets at the time it seeks such capital. Accordingly, additional financing may not be available on acceptable terms, if at all. In the event additional financial resources are unavailable, FOY may be required to curtail its planned growth. • Plant construction risk – FOY's initial business model is based on the design and construction of 30 x CDMs for the planned US Commercial Plant, which are to be modelled on the existing 	
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	<p>module at the BKV Commercial Plant. There is no guarantee that the Modular system will work as predicted and without complication. Further, there could be delays in the construction of FOY's planned commercial plants if the equipment is damaged or faulty and requires replacement.</p> <ul style="list-style-type: none">• Foreign exchange risk - FOY's foreign exchange risk is primarily related to fluctuations between the Australian dollar and the US dollar. <p>There are also risks associated with FOY's interest in the Amazon Bay Project, which are specifically outlined in section 6.3.</p>													
DIRECTORS AND KEY MANAGEMENT PERSONNEL														
Who is on the Board of FOY?	<table><tr><td>Paul Dickson</td><td>Executive Chairman</td></tr><tr><td>Stuart Clark</td><td>Managing Director</td></tr><tr><td>Bevan Dooley</td><td>Executive Director</td></tr><tr><td>David McIntosh</td><td>Non-Executive Director</td></tr><tr><td>Clifford James</td><td>Non-Executive Director</td></tr><tr><td>Kilroy Genia</td><td>Non-Executive Director</td></tr></table>	Paul Dickson	Executive Chairman	Stuart Clark	Managing Director	Bevan Dooley	Executive Director	David McIntosh	Non-Executive Director	Clifford James	Non-Executive Director	Kilroy Genia	Non-Executive Director	5.1
Paul Dickson	Executive Chairman													
Stuart Clark	Managing Director													
Bevan Dooley	Executive Director													
David McIntosh	Non-Executive Director													
Clifford James	Non-Executive Director													
Kilroy Genia	Non-Executive Director													
Who will be involved in the executive management of FOY?	<table><tr><td>Paul Dickson</td><td>Executive Chairman</td></tr><tr><td>Stuart Clark</td><td>Managing Director</td></tr><tr><td>Bevan Dooley</td><td>Chief Technical Officer</td></tr><tr><td>Joshua Herbertson</td><td>Chief Financial Officer / Company Secretary</td></tr></table>	Paul Dickson	Executive Chairman	Stuart Clark	Managing Director	Bevan Dooley	Chief Technical Officer	Joshua Herbertson	Chief Financial Officer / Company Secretary	5.2				
Paul Dickson	Executive Chairman													
Stuart Clark	Managing Director													
Bevan Dooley	Chief Technical Officer													
Joshua Herbertson	Chief Financial Officer / Company Secretary													
What will the interests of the Directors be in FOY following completion of the Offer and the Acquisition?	<p>Details of the Securities in which the Directors will have a Relevant Interest after completion of the Offer and the Acquisitions are set out below.</p> <p>This table assumes that:</p> <ul style="list-style-type: none">• each Director does not apply for Additional New Shares;• the Acquisition completes and Fandola (a company associated with Mr Dickson) is issued his Respective Proportion of the Consideration Shares and Consideration Options under the Business Sale Agreement;• the Acquisition completes and Mr Dooley and Solid Energy Technologies (formerly BTOLA) (a company controlled by Mr Dooley) is issued his Respective Proportion of the Consideration Shares and Consideration Options under the Business Sale Agreement; and• Mr McIntosh (or his nominee) is issued the Shares and Options approved by Shareholders at the extraordinary general meeting of FOY held on 7 August 2017.• Mr Genia (or his nominee) is issued the Shares and Options approved by Shareholders at the extraordinary general meeting of FOY held on 7 August 2017. <table><tr><th>Director</th><th>Shares</th><th>% Shares under Maximum Offer</th><th>% Shares under Minimum Offer</th><th>Options</th></tr></table>	Director	Shares	% Shares under Maximum Offer	% Shares under Minimum Offer	Options	3.100							
Director	Shares	% Shares under Maximum Offer	% Shares under Minimum Offer	Options										

	<table><tr><td>Paul Dickson</td><td>113,863,835</td><td>31.05%</td><td>35.12%</td><td>83,036,143</td></tr><tr><td>Bevan Dooley</td><td>14,183,367</td><td>3.87%</td><td>4.38%</td><td>10,416,032</td></tr><tr><td>David McIntosh</td><td>2,941,675</td><td>0.80%</td><td>0.91%</td><td>1,644,311</td></tr><tr><td>Stuart Clark</td><td>700,000</td><td>0.19%</td><td>0.22%</td><td>0</td></tr><tr><td>Clifford James</td><td>689,656</td><td>0.19%</td><td>0.21%</td><td>689,656</td></tr><tr><td>Kilroy Genia</td><td>100,000</td><td>0.03%</td><td>0.03%</td><td>100,000</td></tr></table>	Paul Dickson	113,863,835	31.05%	35.12%	83,036,143	Bevan Dooley	14,183,367	3.87%	4.38%	10,416,032	David McIntosh	2,941,675	0.80%	0.91%	1,644,311	Stuart Clark	700,000	0.19%	0.22%	0	Clifford James	689,656	0.19%	0.21%	689,656	Kilroy Genia	100,000	0.03%	0.03%	100,000	
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Are there any related party transactions?	<p>FOY is (or will be following completion of the transactions under the Business Sale Agreement) a party to the following agreements with related parties of FOY:</p> <ul style="list-style-type: none">• Business Sale Agreement relating to the acquisition with IGE and Bevan Dooley;• a consultancy agreement between Fandola and FOY for the provision of services relating to business leadership, strategy and management, investment and financing, risk management and controls and effective implementation of Board decisions;• a consultancy agreement between Klick and FOY for the provision of services relating to business leadership, strategy and management, investment and financing, risk management and controls and effective implementation of Board decisions;• employment agreement between FOY and Paul Dickson appointing Paul Dickson as executive Chairman of FOY;• employment agreement between FOY and Stuart Clark appointing Stuart Clark as the managing director of FOY;• a consultancy agreement between Solid Energy Technologies (formerly BTOLA) and FOY for the provision of services (including Bevan Dooley acting as Chief Technical Officer);• a loan agreement between Fandola Pty Ltd and IGE;• a loan agreement between Rebelly Healthcare (Shanghai) Ltd and IGE;• A loan agreement between Fandola Investments Pty Ltd and FOY; and• A loan agreement between McIntosh and Associates and FOY.	10.11 and 11.7																														
SIGNIFICANT INTERESTS IN FOY																																
Who are the IGE Shareholders and what will be their interest in FOY post-completion of the Acquisition and the Offer?	Despite the disparity among the group of IGE Shareholders, the Corporations Act treats them (together with their respective Associates and IGE) as potentially being Associates. These IGE shareholders broadly fall in to three categories: the developers of the Technology; early supporters of the Technology; and seed capitalists.	10.7																														

IGE Shareholder	Respective Proportion ¹	Associates (other than IGE Shareholders)
Fandola Investments Pty Ltd	49.462%	Paul Dickson ****
Bevan Dooley and Solid Energy Technologies (formerly BTOLA) ²	6.106%	
Rebelly Healthcare (Shanghai) Ltd*****	26.390%	
Adrian Phillip Lake*	3.664%	
CVO Family Investments Pty Ltd	3.664%	Andrew Kelly***
Healey Enterprises Australia Pty Ltd	3.664 %	
Alpha Darling Pty Ltd	2.620%	Benjamin Robertson***
Svenska Seamans	1.650%	
E2E Consulting Pty Ltd ATF The Influence Investment Trust	1.227%	Andrew Kenyon***
Garry Ohlson	0.776%	
The Kylin Unit Trust	0.369%	
Martin Ohlson	0.194%	
Adrian Bunter	0.194%	
Powell-Trestrail Family Trust	0.019%	
Total % interest in IGE	100%	
<p>* Adrian Lake is a co-founder of the PTF Technology, together with Bevan Dooley.</p> <p>*** Each of Andrew Kelly, Rodney Healey, Benjamin Robertson and Andrew Kenyon are sole directors of the IGE Shareholder company next to their name. None of Kelly, Healey, Robertson or Kenyon hold or will hold Shares directly, but they will have a relevant interest in the Shares held by their respective IGE Shareholder companies. As such, their Voting Power will increase in the same proportion as their respective IGE Shareholder companies' Voting Power.</p>		

¹ The Respective Proportion is the percentage shareholding in IGE which the relevant IGE Shareholder has (rounded to three decimal places) and also represents the proportion of the Consideration Securities and (if the Performance Target is met) Milestone Securities that IGE Shareholder will be issued.

² As Bevan Dooley controls Solid Energy Technologies (formerly BTOLA), their voting power will be aggregated for the purpose of this section 8. Mr Dooley holds 3.664% of the shares in IGE directly and Solid Energy Technologies holds 2.442% of the shares in IGE.

	<p>****Paul Dickson is Chairman of FOY. He has made substantial cash contributions to IGE since October 2014 as a seed capitalist.</p> <p>***** Rebelly has made cash contributions to IGE as a recent seed capitalist.</p> <p>Bevan Dooley, Solid Energy Technologies and each of the shareholders of UTOF (being, together, the principal developers and inventors of the Technology) collectively hold 17.01% of the shares in IGE.</p> <p>The largest single shareholder of IGE, with 49.46% of IGE's issued share capital, is Fandola Investments Pty Ltd, an associate of Mr Dickson, a seed capitalist who has contributed significant cash investment to IGE. Mr Dickson is the Chairman of FOY.</p> <p>Immediately following Completion of the Acquisition and the Offer, the IGE Parties will have Voting Power of between 57.39% (minimum) and 73.00% (maximum) as a result of the issue of the Consideration Shares. The minimum Voting Power assumes that all Non-Associated Option holders exercise their Options but no IGE Parties exercise their Options. The maximum Voting Power assumes that the Options held by the IGE Parties are exercised at 40 cents (notwithstanding the offer price being 20 cents) and no other party exercises their Options.</p>	
What interest will each IGE Shareholder have in FOY after the Acquisition and the Offer?	Each IGE Shareholder will be issued their Respective Proportion of the Consideration Securities and Milestone Securities. The current interests of IGE shareholders in FOY and their Respective Proportion is set out in section 10.7	10.7
What is the Performance Target and what will be the interest of the IGE Shareholders following the issue of the Milestone Securities?	<p>The Performance Target is achieving EBITDA of \$5,000,000 per annum from operating the Technologies or applications of the Technology developed by certain key executives, during any 6-month period ending on either 30 June or 31 December (pro-rata) between Completion and 30 June 2020.</p> <p>Following the issue of the Milestone Securities (if the Performance Target is met) the IGE Parties will have Voting Power of between 59.78% (minimum) and 78.53% (maximum), assuming that no changes to FOY's capital structure (such as additional issues of securities or capital reductions) occur between Completion and the date of issue of the Milestone Securities. The minimum Voting Power assumes that all Non-Associated Option holders exercise their Options but no IGE Parties exercise their Options. The maximum Voting Power assumes that the Options held by the IGE Parties are exercised at 40 cents (notwithstanding the offer price being 20 cents) and no other party exercises their Options.</p> <p>The minimum voting power calculation assumes (amongst other things) that all Non-Associated Option holders have exercised their Options but the IGE Parties have not exercised their Options. The maximum voting power calculation assumes that no Non-Associated Option holders have exercised their Options, but all IGE Parties have exercised all their Options.</p> <p>If the Performance Target is not achieved the Milestone Securities will not be issued to the IGE Shareholders.</p>	11.1
THE OFFER		
What is the Offer?	<p>FOY is offering to issue a maximum of 75,000,000 New Shares at \$0.20 per Share to raise \$15 million.</p> <p>The minimum issue is of 32,500,000 New Shares at \$0.20 per Share to raise \$6.5 million.</p> <p>The Offer is conditional on:</p> <ul style="list-style-type: none"> – ASX giving in-principle advice that FOY has satisfied the ASX's 	7

	<p>requirements for its readmission to the Official List and achieving re-compliance with Chapters 1 and 2 of the Listing Rules; and</p> <p>– the completion of the transaction between Integrated Green Energy Limited and FOY.</p> <p>If the above conditions are not satisfied, the Offer will not proceed, no New Shares will be issued pursuant to this Prospectus and FOY will repay all Subscription Amounts received.</p>																													
Who can apply under the Offer?	The Offer is open to residents of Australia.	7																												
What is the Offer Price?	\$0.20 per share	7																												
Is the Offer underwritten?	No	7																												
Will the New Shares be listed?	<p>Yes. FOY has applied to ASX for quotation of the New Shares on ASX (as well as the existing New Shares in FOY).</p> <p>However, Applicants should be aware that ASX will not commence Official Quotation of any Shares until FOY has re-complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be readmitted to the Official List. As such, the New Shares may not be able to be traded for some time after the close of the Offer.</p>	7.4																												
How will the proceeds of the Offer be used?	<p>FOY intends to apply the proceeds raised from the Maximum Offer as follows:</p> <table><tr><th>Use</th><th>\$15m raised under the Offer</th><th>\$10.7m is raised under the Offer</th><th>\$6.5m is raised under the Offer****</th></tr><tr><td>IGE Transaction and Fundraising costs*</td><td>\$741,000</td><td>\$512,000</td><td>\$512,000</td></tr><tr><td>Capital expenditure for the design and construction of the IGP modules and commercial facilities</td><td>\$1,500,000</td><td>\$1,500,000</td><td>-</td></tr><tr><td>Acquisition of land in Hume, ACT**</td><td>\$2,953,075</td><td>\$2,953,075</td><td>-</td></tr><tr><td>Acquisition of land in Berkeley Vale, NSW</td><td>\$402,500</td><td>\$402,500</td><td>-</td></tr><tr><td>Loan Repayments (including interest)</td><td>\$1,256,706</td><td>\$1,256,706</td><td>\$1,256,706</td></tr><tr><td>Examination</td><td>\$700,000</td><td>\$250,000</td><td>-</td></tr></table>	Use	\$15m raised under the Offer	\$10.7m is raised under the Offer	\$6.5m is raised under the Offer****	IGE Transaction and Fundraising costs*	\$741,000	\$512,000	\$512,000	Capital expenditure for the design and construction of the IGP modules and commercial facilities	\$1,500,000	\$1,500,000	-	Acquisition of land in Hume, ACT**	\$2,953,075	\$2,953,075	-	Acquisition of land in Berkeley Vale, NSW	\$402,500	\$402,500	-	Loan Repayments (including interest)	\$1,256,706	\$1,256,706	\$1,256,706	Examination	\$700,000	\$250,000	-	7.5
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	<table><tr><td>and progression of opportunities in other territories</td><td></td><td></td><td></td></tr><tr><td>Establish subsidiary and office China***</td><td>\$2,000,000</td><td>-</td><td>-</td></tr><tr><td>Interest on CPNs and Loan from TVI</td><td>\$56,155</td><td>\$56,155</td><td>\$56,155</td></tr><tr><td>Payment of commissioning expenses to IGE</td><td>\$2,000,300</td><td>2,000,300</td><td>\$2,000,300</td></tr><tr><td>Working capital</td><td>\$3,390,264</td><td>\$1,769,264</td><td>\$2,674,839</td></tr><tr><td>Total amount of funds to be raised</td><td>\$15,000,000</td><td>\$10,700,000</td><td>\$6,500,000</td></tr></table> <p>FOY intends to apply the proceeds raised from the Minimum Offer as follows:</p> <p>* Includes legal fees, Independent Expert Report fees, assumed brokerage fees, ASX re-listing fees, and printing and meeting costs.</p> <p>** On 11 August 2016, FOY entered into a contract to purchase a leasehold interest in Crown Land at Block 11, Section 21, Hume ACT from the ACT Land Development Agency (LDA) for a purchase price of \$3,108,500.00. It is anticipated an additional \$158,223 will be incurred in stamp duty costs on FOY property acquisitions. In the event that FOY does acquire this property, FOY will utilise these funds on an alternative site that meet the needs of the Company.</p> <p>*** FOY proposes to establish operations in China and has formulated a 2-year plan. Costs associated with this include the monthly retainer for Rebelly (US\$24,000), administration and travel costs, and the cost of establishing a demonstration facility in China including commissioning. Under the minimum raise, FOY intends to use collected through the construction of the 30 x CDMs to meet the monthly retainer expense. See section 3.3.1 for further information.</p> <p>**** under the minimum raise, FOY intends to use debt funding or fees collected through the construction of the 30 x CDMs to fund the acquisition of the properties.</p> <p>The above table is a statement of the Board's current intentions as at the date of this Prospectus. As with any work plan and budget, intervening events and new circumstances have the potential to affect the way funds will ultimately be applied. Accordingly, the actual expenditures may vary from the above estimates and the Board reserves the right to vary the expenditures dependent on circumstances and other opportunities.</p>	and progression of opportunities in other territories				Establish subsidiary and office China***	\$2,000,000	-	-	Interest on CPNs and Loan from TVI	\$56,155	\$56,155	\$56,155	Payment of commissioning expenses to IGE	\$2,000,300	2,000,300	\$2,000,300	Working capital	\$3,390,264	\$1,769,264	\$2,674,839	Total amount of funds to be raised	\$15,000,000	\$10,700,000	\$6,500,000	
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Total amount of funds to be raised	\$15,000,000	\$10,700,000	\$6,500,000																							
What will FOY's capital structure look like post completion of the Offer and the Acquisition?	<p>Following completion of the Offer and the Acquisition, FOY will have the following Shares, Options and Preference Shares on issue:</p> <table><tr><td>Shares</td><td>\$15m Offer</td><td>\$10.7m Offer</td><td>\$6.5m Offer</td></tr><tr><td>Existing Shares</td><td>68,989,550</td><td>68,989,550</td><td>68,989,550</td></tr><tr><td>Maximum Offer</td><td>75,000,000</td><td>53,500,000</td><td>32,500,000</td></tr></table>	Shares	\$15m Offer	\$10.7m Offer	\$6.5m Offer	Existing Shares	68,989,550	68,989,550	68,989,550	Maximum Offer	75,000,000	53,500,000	32,500,000	3.7												
Shares	\$15m Offer	\$10.7m Offer	\$6.5m Offer																							
Existing Shares	68,989,550	68,989,550	68,989,550																							
Maximum Offer	75,000,000	53,500,000	32,500,000																							

	Consideration Shares issued under the Acquisition	209,700,000	209,700,000	209,700,000
	Issue of Securities to Palmer or his nominee	250,000	250,000	250,000
	Issue of Securities to Genia or his nominee	100,000	100,000	100,000
	Issue of Securities to McIntosh or his nominee	1,273,387	1,273,387	1,273,387
	Issue of Securities to Clark or his nominee	700,000	700,000	700,000
	Issue of Securities under the loan agreements	6,183,699	6,183,699	6,183,699
	Issue of Securities to Fandola Investments Pty Ltd securities under the loan agreements	3,361,900	3,361,900	3,361,900
	Issue of Securities to Rebelly Healthcare (Shanghai) Ltd under the loan agreement	1,110,000	1,110,000	1,110,000
	Total	366,668,536	345,168,536	324,168,536
	Options			
Number	Exercise Price	Expiry		
182,281	\$1.25	30 June 2018		
182,281	\$1.75	30 June 2018		
32,333,111	\$0.20	31 December 2019		
148,000,000	\$0.40	31 December 2020		
Is there any brokerage, commission or stamp duty payable by the applicants?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of New Shares under the Offer.			7.15
How can I apply?	You may apply for New Shares by completing a valid Application Form (attached to or accompanying this Prospectus). To the extent permitted by law, an Application under the Offer is irrevocable.			7

Can the Offer be withdrawn?	<p>The Offer will not proceed if:</p> <ul style="list-style-type: none"> the ASX does not approve FOY's re-compliance with the admission requirements under Chapters 1 and 2 of the ASX Listing Rules; or the conditions to the Acquisition, other than FOY's re-compliance with Chapters 1 and 2 of the ASX Listing Rules, are not satisfied. <p>FOY reserves the right not to proceed with the Offer at any time before the issue of New Shares to successful Applicants.</p> <p>If the Offer does not proceed, all Subscription Amounts will be refunded.</p> <p>No interest will be paid on any Subscription Amounts refunded or as a result of the withdrawal of the Offer.</p>	7.3
When will I receive confirmation that my Application has been successful?	It is expected that initial holding statements will be dispatched by standard post on or around 4 October 2017.	7
Will dividends be paid on the shares?	<p>The New Shares will rank equally in all respects (including dividend and bonus issues) with all Existing Shares from the date of issue.</p> <p>The Board intends to use available financial resources to extend FOY's commercial operations. Whilst the Board intends to pay dividends as and when business conditions permit, it is unlikely that any dividends will be declared in the short to medium term.</p>	3.14
What are the tax implications of investing in the shares?	Summaries of certain Australian tax consequences of participating in the Offer and investing in the New Shares are set out in section 7.13. The tax consequences of any investment in New Shares will depend upon your particular circumstances. Applicants should obtain their own tax advice before deciding to invest in New Shares.	7.13
Where can I find out more information about this Prospectus or the Offer?	<p>If you require assistance or additional copies of this Prospectus you should contact FOY's head office on +61 2 8920 2300 between 9.00am and 5.00pm (Sydney time) Monday to Friday.</p> <p>If you are unclear about any matter in relation to this Prospectus or are uncertain as to whether FOY is a suitable investment for you, you should seek professional guidance from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest.</p>	7.16





An investment in FOY is not risk free and investors should consider the risk factors described above and in **section 6**, together with information contained elsewhere in this Prospectus, before deciding whether to apply for New Shares. Potential investors should consider that the investment in FOY is speculative and should consult their professional advisers before deciding whether to apply for New Shares.




2. INTRODUCTION TO POST-CONSUMER PLASTICS

Plastics are used to manufacture an enormous range of products in almost every sector of the economy. The design and innovation advantages of plastics include their ability to be moulded into almost any shape, size and colour, the wide range of properties which can be achieved, such as water and chemical resistance, sound and heat insulation, hygiene and food safety, water or gas barrier, and their relatively low cost.

2.1 What kind of plastic will FOY accept

The Plastics Identification Code identifies the type of plastic resin a product is made from. The Code makes it easier for re-processors to identify and separate used plastics for a range of new applications. In the plastics industry, the term 'recycling' is used to cover a range of activities including collection, sorting, reprocessing, export for reprocessing and manufacture of new products. Recycled plastics can be converted to new products or converted into energy. Specifically, FOY's feedstock requirements will be drawn from the plastic types 2,4, 5 and 6 in the table below:

Plastics Identification Codes (data for MSW 2014)						
Number	Type	Common Applications	Common Recycled Applications	Tonnes consumed	Tonnes recycled	Recycling rate
	Polyethylene Terephthalate (PET)	Carbonated soft drink bottles, fruit juice bottles, pillow and sleeping bag filling, textile fibres	Beverage bottles, clothing, geo-textiles, bottles for detergents etc., laminated sheets, clear packaging film, carpet fibres	5,070,000	970,000	19.1%
	High Density Polyethylene (HDPE)	Crinkly shopping bags, freezer bags, milk bottles, bleach bottles, buckets, rigid agricultural pipe, milk crates	Film, blow moulded containers, agricultural pipes, pallets, bins for compost and kerbside collections, extruded sheet, moulded products, crates, household bags, pallets.	5,830,000	610,000	10.5%
	Unplasticised Polyvinyl Chloride (UPVC) Plasticised Polyvinyl Chloride (PPVC)	Plumbing pipes and fittings, blister packs, clear drinks bottles, garden hose, shoe soles, cable sheathing, blood bags and tubing, watch straps, rain wear	Pipe, flooring, pipe and hose fittings, garden hose, electrical conduit, shoes, road cone bases, drainage pipes, electrical conduit and ducting, detergent bottles	840,000	Neg.	
	Low Density Polyethylene (LDPE) and (LLDPE)	Garbage bags, black irrigation tube, stretch and shrink films, mulch films, garbage bins	Films: builders, concrete lining and bags, agricultural pipe, nursery & other films	7,710,000	450,000	5.8%

	Polypropylene (PP)	Film, carpet fibre, crates, automotive products, toys, housewares, plant pots	Crates, boxes, plant pots and compost bins, garden edging, irrigation fittings, building panels	7,110,000	60,000	0.8%
	Polystyrene (PS) Expanded Polystyrene (EPS)	Refrigerator bins, air conditioners, coat hangers, medical disposables, meat trays, dairy containers, vending cups, protective packaging for fragile items	Industrial packaging, coat hangers, moulded products, coat hangers, office accessories, spools, rulers, printer cartridges, boxes, waffle pods for buildings, building and picture frame mouldings	2,330,000	30,000	1.3%
	Other includes ABS, acrylic, nylon, polyurethane (PU) & poly-carbonates (PC)	Automotive, aircraft and boating, furniture, electrical and medical	Piping, furniture fittings, wheels and castors, fence posts, pallets, outdoor furniture and marine structures	4,300,000	1,050,000	24.4%
Total				33,250,000	3,170,000	9.5%

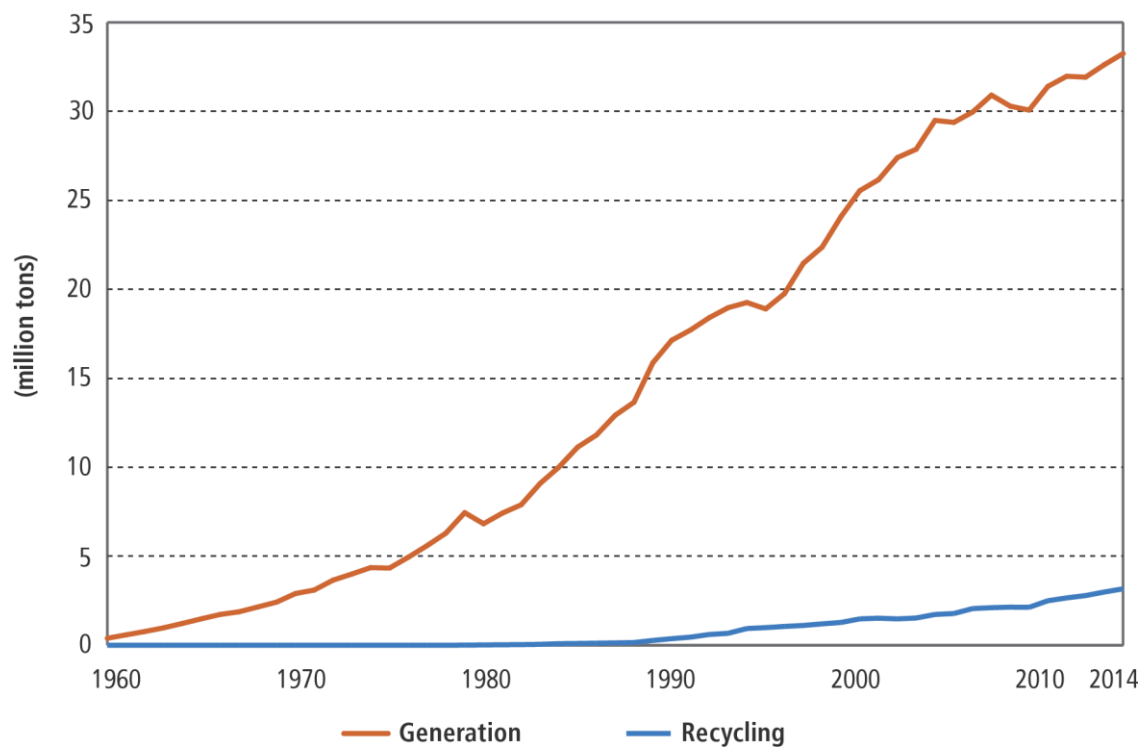
Source: Advancing Sustainable Materials Management: 2014 Tables and Figures, Assessing Trends in Material Generation, Recycling, Composting, Combustion with Energy Recovery and Landfilling in the United States, December 2016, United States Environmental Protection Agency.

Historically, approximately 90% of plastic consumed and in circulation is not recycled in the United States, offering FOY significant scope for plastic to be used as feedstock.

FOY considers the depolymerisation process, under which post-consumer plastic is converted to diesel fuel as described in section 2.5 (PTF Technology) to be a true recycling option.

2.2 Characteristics of the Plastics Market

As shown in the table above, a total of 3,170,000 tonnes of plastics were sent for recycling in the United States, either locally or via export in 2014 representing 9.5% of consumed plastic. This indicates that approximately 90% of plastic consumed is likely to be still in circulation or has been diverted to landfill as part of the Municipal Solid Waste stream.



Source: Figure 10. Plastics Generation and Recycling, 1960 to 2014, Advancing Sustainable Materials Management: 2014 Tables and Figures, Assessing Trends in Material Generation, Recycling, Composting, Combustion with Energy Recovery and Landfilling in the United States, December 2016, United States Environmental Protection Agency.

As can be seen above, the rate of plastics generation continues to out-strip improvements in recycling through until 2014.

2.3 End Use of Post-Consumer Plastic

There are a number of options available for the end of use of post-consumer plastic. Where the plastic ends will determine the end environmental impact of a product at end of life. These include:

End Use for Plastic Product	
Landfill	A large proportion of post-consumer plastics that are not reused, recycled or used for energy recovery are disposed of in landfill.
Product repair or reuse	Reuse is the most environmentally sound option, however its feasibility will depend on the economic viability and environmental impact of reuse, for example from cleaning or transportation. Reuse is increasingly being used as a design for sustainability strategy for distribution packaging, such as produce crates or printer cartridges.
Material recovery	Feedstock recycling is the conversion of polymers back into chemical building blocks or new raw materials by changing their chemical structure.
Energy recovery - Manufacture of fuel	Energy recovery may be a good option for plastics that are not suitable for mechanical recycling, such as contaminated products.
Energy recovery - Controlled combustion	Energy can be recovered from plastics through controlled combustion or conversion to a liquid fuel (which is subsequently burnt).

The Board considers that the PTF Technology presents the only option to convert post-consumer plastics into fuels in a way that is commercially viable.

2.4 Why are such large amounts of plastic not recycled?

For plastic to be recycled back into a similar material it must meet the following criteria

- It must be a singular type easily separated from other plastic species
- It must be free of bulk contaminants
- It must be of a form that is easily and economically transported to the user of such materials

Plastic not meeting these criteria will be deemed uneconomic to recycle (non-recyclable) with existing conventional technology and will be discarded.

2.5 POST-CONSUMER PLASTIC TO FUEL GENERATION

PTF technology is able to convert the above non-recyclable waste plastic to fuel through a depolymerisation process, followed by fractionation and diesel fuel impurity removal processes. The Board believes that there is currently no more advanced technology using post-consumer plastics as feedstock to make road ready fuels in the Australian and international market.

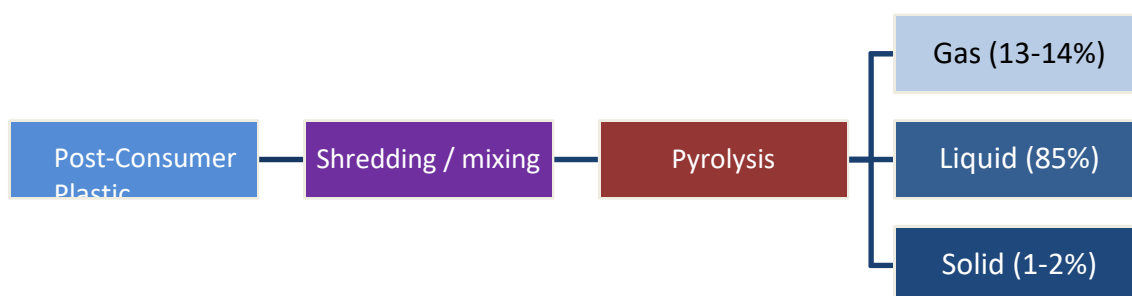
Therefore, this market overview considers:

- the availability of post-consumer plastic materials; and
- the market for diesel and petrol product.

For details of the Board's intentions regarding the sale of fuel to the market, please see section 2.8.

This section should be read in conjunction with the various risks associated with an investment in FOY outlined in section 6.

The PTF Technology breaks down long chain polymers into smaller molecules to produce a fuel. The PTF technology is a thermal decomposition (normally operating at around 400 to 500°C) process occurring in the absence of oxygen. Heat is required to sustain this process; this is often derived from combustion of by-product gases. There are 3 products; (shown in the diagram below), a gas, a liquid and a solid, although the percentage of each can be varied dependant on the temperature and material feedstock. Most successful PTF processes require a homogeneous feedstock (plastics, tyres, sludge) to be able to produce a solid, liquid or gaseous product to the desired quality.



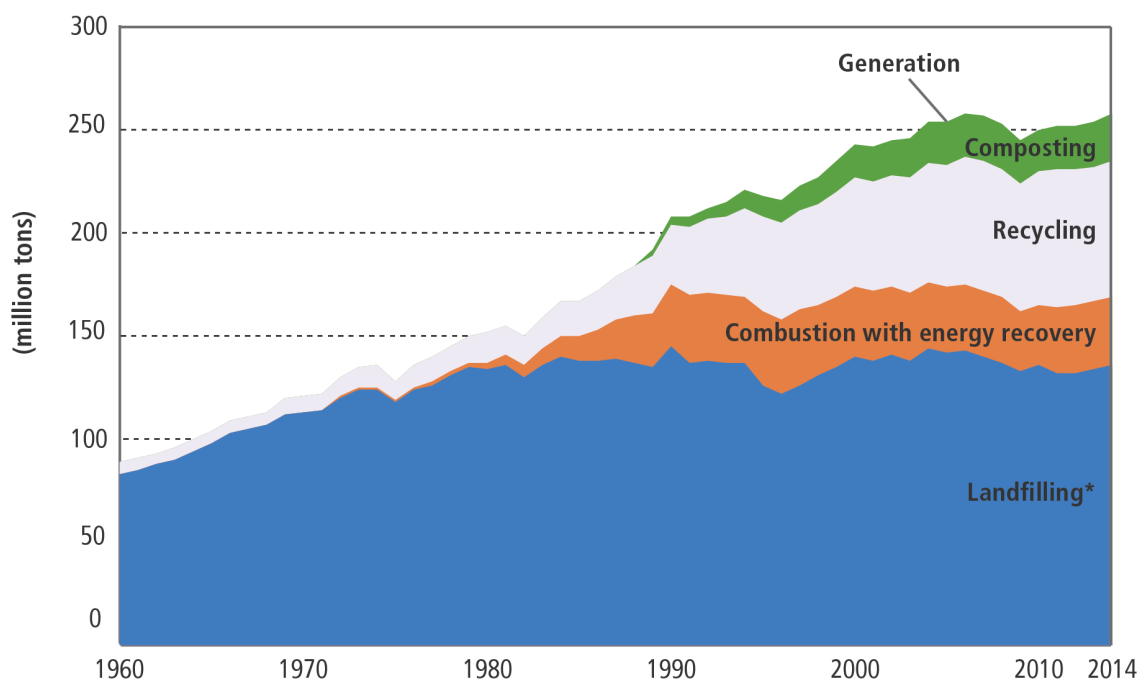
Post-consumer plastics can be found by many sources, including:

- Pre-use plastic (production scrap) – waste from companies producing plastics product, off cuts etc.
- Post-use plastic –mainly from households, but also to include industrial and commercial recycling collections. These plastic streams will arise from a material recycling facility (MRF) to produce a plastics stream.

2.6 Market Overview

Landfills

A large proportion of plastic that is not reused, recycled or used for energy recovery is disposed of in landfill.



*Landfilling after composting, recycling and combustion with energy recovery. Includes combustion without energy recovery.

Source: Figure 12. Recycling, Composting, Combustion with Energy Recovery and Landfilling of Materials in MSW, 1960 to 2014, *Advancing Sustainable Materials Management: 2014 Tables and Figures, Assessing Trends in Material Generation, Recycling, Composting, Combustion with Energy Recovery and Landfilling in the United States*, December 2016, United States Environmental Protection Agency.

The cost of waste disposal at an MSW facility is referred to as the tipping fee. Many tipping fees exist at a facility, but the most commonly referenced tipping fee is the spot market tip fee (i.e., the drive-up cost to dispose of a single ton of MSW).

Between 1987 and 1995, tipping fees increased steadily at \$2.36 per year. This increase was likely caused by states implementing the federal Resource Conservation and Recovery Act (RCRA) Subtitle D regulations or their state equivalents. Tipping fees remained relatively constant between 1995 and 2004. From 2004 to 2010 tipping fees rose at a rate similar to the 1987 to 1995 period at \$1.95 per year. This increase was probably caused in part to rising fuel costs. (National Solid Wastes Management Association, 2012)³

The Average Price to Landfill a Ton of MSW by Region and Year

³ National Solid Wastes Management Association, 2012, Municipal Solid Waste Landfill Facts, October 2012, [online], accessed 30/07/2017, available at: <https://wasterecycling.org/images/documents/resources/municipal-solid-waste.pdf>

	2010	2011	2012	2013	2014	2015	2016	2017*	2016-17 Increase
Northeast	\$69.00	\$69.30	\$72.90	\$74.90	\$76.10	\$77.00	\$77.80	\$79.30	1.9%
Southeast	\$38.10	\$38.20	\$39.30	\$39.80	\$40.20	\$40.40	\$40.90	\$43.60	6.6%
Midwest	\$44.00	\$44.00	\$45.90	\$46.20	\$47.20	\$47.60	\$48.40	\$52.70	8.9%
Western	\$30.30	\$30.40	\$33.30	\$34.00	\$34.40	\$34.40	\$34.80	\$35.70	2.6%
Pacific	\$50.50	\$51.80	\$54.00	\$55.30	\$56.70	\$56.80	\$57.20	\$57.90	1.2%
Entire US	\$43.30	\$43.50	\$45.90	\$46.80	\$47.60	\$48.10	\$48.80	\$50.60	3.7%

Total increase since 2010 \$7.30

* As of May 2017

Source: Waste Business Journal

The average price to dispose municipal solid waste (MSW) has edged up to \$50.60 per ton, up about 3.5% over the average price in 2016. The price continues to rise despite relatively flat to slightly declining landfill volumes. The rising price reflects pricing discipline among the major waste management firms and is reflective of ever more precious landfill capacity in a society that loathes and often protests their presence.

Offsetting declines in waste paper are ever increasing volumes of some other waste types, especially plastic waste whose volume has increased nearly 30% in that time period but which weighs much less than paper. These changing material ratios, what the industry calls an “evolving ton”, have led to higher processing costs for recyclers, as they have to process larger volumes of waste through their facilities to yield each one-ton bale of raw material.⁴

With landfill sites diminishing in capacity and with levies making disposal challenging and expensive, the Board considers the PTF Technology offers industry an alternative to potentially reduce landfill costs and convert into a revenue stream.

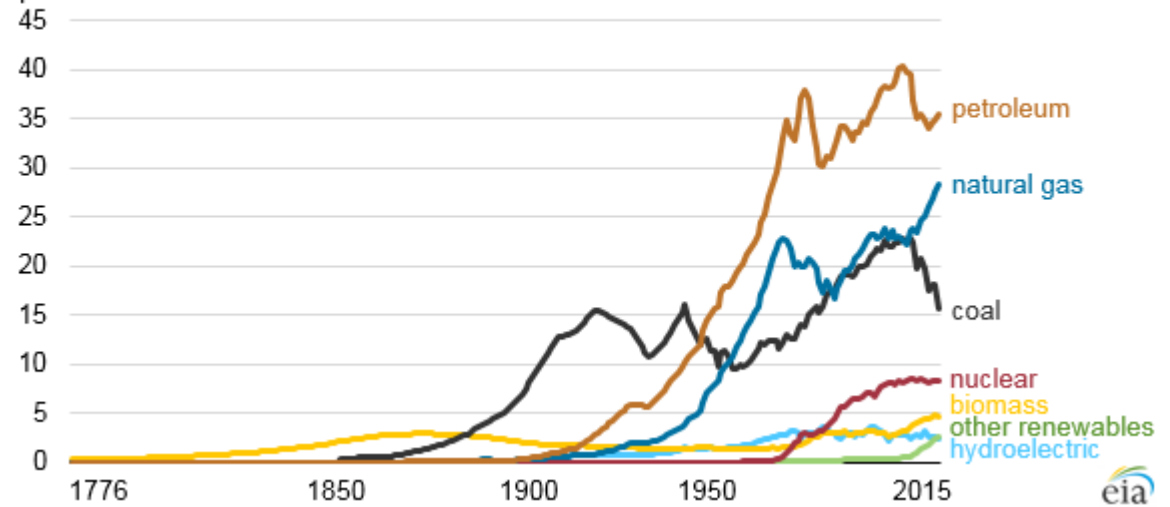
2.7 Product Market – Fuel in the United States

In 2016, about 143.37 billion gallons (or about 3.41 billion barrels) of finished motor gasoline were consumed in the United States, a daily average of about 391.73 million gallons (or about 9.33 million barrels per day). This was the largest amount of annual motor gasoline consumption on record (*US EIA 2017*). In 2016, the U.S. transportation sector consumed some 2.9 million barrels of distillate fuel oil daily (Statista 2017).

⁴ Watson R, 2017, The Cost to Landfill MSW in the US Continues to Rise Despite Soft Demand, 10/07/2017 [online], Accessed 31/07/2017, Available at: <http://nrra.net/sweep/the-cost-to-landfill-msw-in-the-us-continues-to-rise-despite-soft-demand/>.

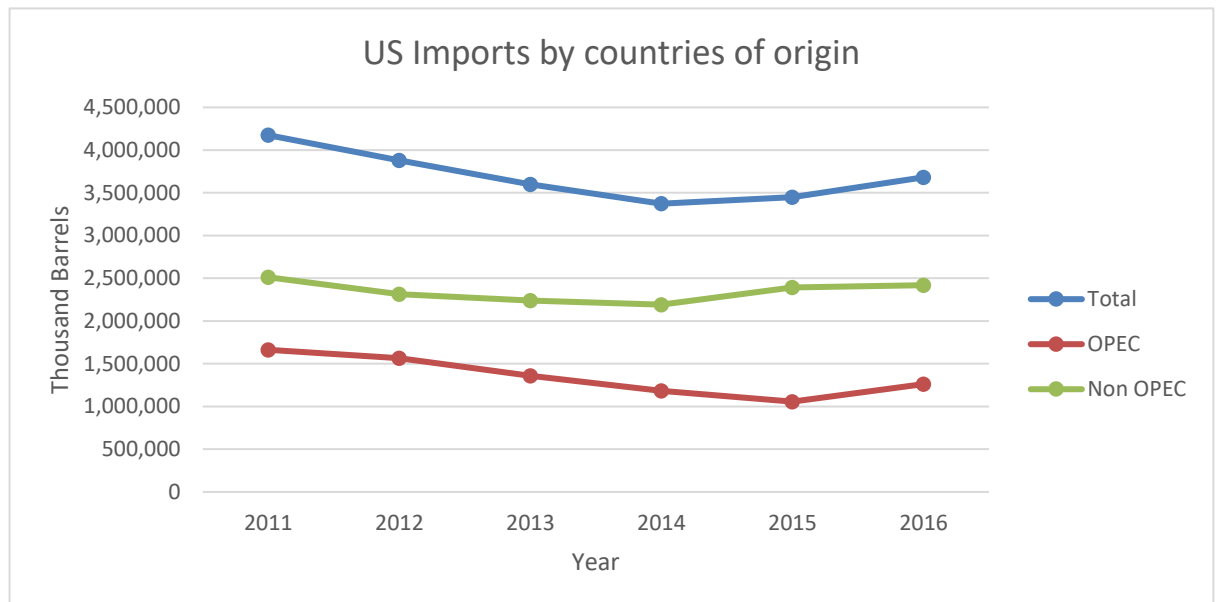
Energy consumption in the United States (1776-2015)

quadrillion Btu



Source: U.S. Energy Information Administration, [Monthly Energy Review](#)

The U.S. does not have enough domestic fuel sources to meet domestic fuel demand. Imports are



obtained from both OPEC and Non-OPEC countries per the below:

Source: U.S. Energy Information Administration, US Imports by Country of Origin June 2017

The following is sourced from the US EIA (*US EIA Oil Imports and Exports 2017*):

US fuel imports were highest in 2005 and have declined up to 2015. The cause of this was a decline in consumption, increased biofuels usage and increased production of crude oil and other hydrocarbons.

The decline in fuel consumption was due to the economic downturn of 2008, changes in consumer behaviour and an increase in the fuel economy of vehicles.

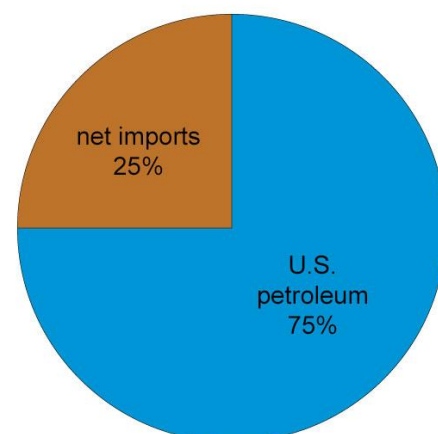
In 2015 and 2016 imports of fuel increased with increased fuel consumption.

Net imports of petroleum averaged 4.9MMb/d or 25% of total petroleum consumption in 2016. IN 2015, Net imports of petroleum was 24% of total petroleum consumption.

While the requirements for imported crude oil to meet fuel demand is lower than 2005 levels, imported crude oil demand remains strong and increasing from 2014 to 2016.

Refinery operations in the United States remains steady with between 134 of 144 refineries operating in 2012 to 137 of 141 refineries operating in 2017.

U.S. domestic petroleum production and net imports of petroleum as shares of petroleum consumption, 2016

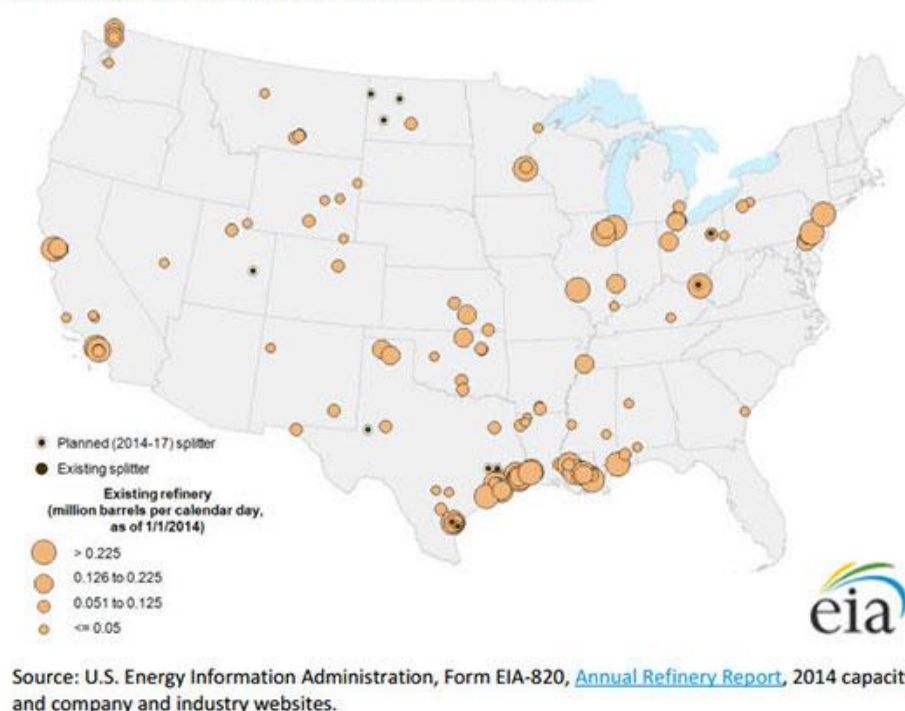


Note: Petroleum includes crude oil, petroleum products, and biofuels.
Source: U.S. Energy Information Administration, *Monthly Energy Review*, Table 3.3a, March 2017, preliminary data

Number and Capacity of Petroleum Refineries in the US						
	2012	2013	2014	2015	2016	2017
Total number of refineries	144	143	142	140	141	141
Operating	134	139	139	137	139	137
Idle	10	4	3	3	2	4
Operable Barrels per Day	17,322,178	17,823,659	17,924,630	17,967,088	18,317,036	18,617,027
Operating	16,744,291	16,775,658	17,730,200	17,767,588	18,165,136	18,314,127
Idle	577,887	1,048,001	194,430	199,500	151,900	302,900

Source: US EIA, Number and Capacity of Petroleum Refineries 2017

Figure 9. Existing and planned U.S. refineries and splitters, 2014



The Board believes this would mitigate decisions by the Organization of the Petroleum Exporting Countries (OPEC) regarding supply or pricing that could put pressure on fuel domestically.

The Board believes that the increasing dependence on imported fuel and crude oil creates opportunities for new entrants generating fuel from domestic sources, including post-consumer plastics.

2.8 Types of fuel & consumption

The fuel industry's product segmentation broadly reflects refinery configuration and demand for various petroleum products. Typically, refineries are configured to maximise the output of petroleum products most in demand, given the physical constraints imposed by crude oil inputs. In practice, this means that refiners concentrate on supplying key transport fuels.

Petrol and Diesel are by far the largest categories consumed by end users. The largest industrial diesel consumers are transport, residential, railroad, farming and commercial.

Petrol	Household vehicle transport heavily relies on petrol as fuel.
Diesel	<p>Diesel is key transport fuel. Diesel is composed of heavier hydrocarbon fractions than petroleum.</p> <p>Users include heavy vehicles used in construction and mining, b-doubles used for long-distance freight, vans and small trucks used for short distance haulage and transportation.</p> <p>Marine diesel is also included in this market. Marine diesel fuels have higher sulphur limits and are generally easier to produce.</p>
Other petroleum products	Solvent and resin precursors used in non-fuel applications by industry

Petrol and diesel make up the majority of fuel consumed, and its demand levels are such that the Board of FOY considers that a lower cost fuel, which meets quality standards, will be attractive to the market.

2.9 COMPETITION

The below table lists plastics to fuel operators currently operating or planning to operate in the US:

Plastics to Fuel Operators in the US			
Technology Supplier	Available Capacity	Design	Petroleum Product/s
Integrated Green Energy Solutions Limited	1,500 TPD		Road Ready Diesel
Agilyx	50 TPD		Light Sweet Synthetic Crude
Golden Renewables	24 TPD		Diesel blendstock Gasoline blendstock
JB I	20-30 TPD		Naphtha Diesel Blendstock Fuel Oil #6
Nexus Fuels	50 TPD		Light Sweet Synthetic Crude and distillate fuel oils depending on configuration
PK Clean	10, 20 TPD		Light Sweet Synthetic Crude
RES Polyflow	60 TPD		Naphtha blendstock, distillate blendstock and heavy oil
Vadxx	60 TPD		Light end/Naphtha, Middle distillate diesel fuel No 2

2.10 FOY'S POST-CONSUMER PLASTIC TO FUEL MARKET ADVANTAGES

There are substantial barriers to entry into the fuel manufacturing industry in the United States, that FOY will circumvent by utilisation of the PTF Technology. That is, the Board considers availability of post-consumer plastics as a feedstock and the high levels of demand for diesel and petrol will allow FOY to compete in the market with its fuel products.

The Board has concluded:

- in the medium to long term, FOY has the potential to gain a foothold in the fuel manufacturing industry in the United States and internationally;
- it is well positioned to capitalise on the potential of the WTPF Technology and create an alternate fuel source in the United States and internationally; and
- this creates a sustainable position over the long term and allows the potential for FOY to produce cash flow in the near term.

This section sets out the Board's expectations of FOY's anticipated position in relation to various external factors. There are various risks associated with FOY's post-consumer plastics to fuel activities, the key ones being set out in section 6.2. You should read that section carefully in conjunction with this section 2.10.

Plastics Suppliers

FOY is able to utilise plastics that are non-recyclable, as well as post-consumer plastics combined with municipal solid waste. Given these parameters, waste management, waste aggregators and plastic re-processors can all be potential suppliers to FOY:

Waste Management / Landfill	Waste Aggregators	Plastics Reprocessors
<p>Major independent companies in the US include:</p> <p>Waste Management Inc.</p> <p>Rumpke Consolidated Companies Inc.</p> <p>Waste Connections Inc.</p> <p>Covanta Energy Corporation</p> <p>Most post-consumer plastics that find their way to landfill are contaminated with food waste, or are multi-layered plastics unsuitable for recycling. These materials could be diverted to a FOY Commercial Plant using PTF Technology. The Board believes the savings to the waste management operators could be substantial.</p>	<p>FOY will outsource the processing, storing and delivery of feedstock to these waste aggregators, meaning all related capital and operational expenditure will be met by these contracted parties (although some or all of this cost may be passed on to FOY in the price charged for the sale and processing of the feedstock).</p> <p>FOY has entered into a contract with Odyssey Waste Control Pty Ltd, a plastics aggregator, for the supply of post-consumer plastics on terms summarised at section 11.11</p>	<p>Plastics reprocessing companies accept post-consumer plastics from waste aggregators and coordinate its reuse, recycling, or disposal to landfill. Instead of disposing of these plastics in Landfill, Aggregators could sell their plastics to FOY. In the US, these companies include:</p> <p>Blackrock Plastics, LLC</p> <p>Groupsale LLC</p> <p>Seaview Plastic Recycling, Inc.</p> <p>Stockbridge Plastics</p> <p>Maine Plastics, Inc.</p> <p>Domino Plastics</p> <p>KW PLASTICS</p> <p>The Board believes these reprocessors represent potential targets for supply</p>

Fuel production

The Board of FOY considers its post-consumer plastic to fuel activities may have some significant advantages in the international fuel market.

Factor	FOY response
Capital: Extremely large amounts of capital are required to construct and maintain refineries.	Comparatively low capital requirement for a FOY Commercial Plant as traditional equipment is not needed.
Low profit margins: The fuel manufacturing industry often earns very slender profit margins – 1.7 cents a litre on average, requiring prospective entrants to have access to large amounts of working capital.	The FOY Board considers its operational expenditure and feedstock costs have the potential to be low when compared to other industry participants.
Economies of scale: Substantial economies of scale ensure that only large refineries are viable. In order to compete with existing producers, any new entrant would need to construct an extremely large refinery. Larger facilities are more efficient, better able to withstand cyclical swings in business activity and they distribute fixed costs, like those from new regulatory requirements, over a larger number of barrels (<i>Source: The Economic of Petroleum Refining, Canadian Fuels Association 2013</i>).	The FOY Board considers its operational expenditure and feedstock costs have the potential to be low when compared to other industry participants and will not need to achieve the same level of output to be profitable. That is, FOY will operate at a much smaller scale than traditional refineries.

Major Demand Determinants

Factor	Commentary	FOY response
Price	Demand for fuel by wholesale and retail end users is determined by price and quality. Price competitiveness on fuel products of a similar quality is the primary determinant of demand. If pricing is considered high, then users will seek cheaper alternatives. This is especially true for bulk buyers where the difference of 1 or 2 cents equates to hundreds of thousands of dollars per year. Competition on fuel quality is limited, as minimum-quality standards are mandated by government regulation.	The Board believes the Commercial Plants can produce at low cost to ensure FOY is consistently price competitive.
Quality	Competition on fuel quality is limited, as minimum-quality standards are mandated by government regulation. Regulations also relate to fuel quality. The Regulatory standards for fuel in the US are governed by the US Code of Federal Regulations, specifically 40 CFR Part 80 ("Regulation of Fuels and Fuel Additives") that provides regulations for Gasoline. Diesel regulation is governed by a combination of regulations and rulings that any producer must adhere to.	The Commercial Plants are designed to produce products meeting US standards.

Competition

The fuel manufacturing industry is highly regulated through the federal EPA and the code of Federal Regulations. The importance of petrol in the transport sector and the wider economy has meant that petrol prices have long been a focus of government regulation.

FOY anticipates that any output it produces would represent a small proportion of total consumption and won't be seen anti-competitive as FOY is an independent operation.

The Board of FOY considers that the Commercial Plants can compete on the above major demand determinants so that its products will remain competitive and stay resistant to any demand changes.

3. BUSINESS OVERVIEW

3.1 FOY

Integrated Green Energy Solutions Limited was incorporated in New South Wales on 16 December 1988 and was admitted to the official list of the ASX on 23 November 1989.

FOY has been engaged in exploring for minerals in Papua New Guinea (**PNG**) since 2008. PNG has been an attractive location for Australian exploration companies, due to its close proximity and the significant number of major resource projects developed over the past thirty years, particularly based on gold and copper, and oil and gas. FOY has held exploration licences in PNG during this period, exploring for gold, copper and iron.

In early 2014, the Company embarked on a process of identifying a cash flow generating project or business. In July 2014, the Board identified the PTF Technology licensed to IGE and on 5 February 2016 entered into a Business Sale Agreement to acquire the IGE Assets as part of the Acquisition.

3.2 IGE

IGE is an unlisted public company incorporated on 15 February 2013. In the second half of the 2014 calendar year a number of investors joined with the original developers of the Technologies using IGE as the investment vehicle for the purpose of raising the capital required to develop and commercialise the following technologies:

- post-consumer plastics to fuel (catalytic thermal depolymerisation) technology;
- biomass to energy (indirectly fired gas turbine) technology; and
- biomass to liquid fuels technology.

IGE currently owns a facility based in Berkeley Vale on the central coast of NSW. IGE has funded the construction of the BKV Commercial Plant (which incorporates part of the post-consumer plastics to fuel technology) to be acquired by FOY under the IGE Transaction. FOY has agreed to reimburse IGE for all reasonable expenses incurred by IGE associated with the costs of commissioning the BKV Commercial Plant, as approved by the FOY Board.

The key strengths of the IGE business are as follows:

- has an existing operations and management team;
- existing contacts within the fuel industry;
- experience in the construction and operation of these types of facilities;
- experience in the management of these types of facilities;
- a management team that has been involved in the fuel and energy industries for the past 15 years;
- has an existing operational facility;
- functional research and development and prototyping facility;
- existing energy crop nursery for IGE's BTE and BTF Technologies; and
- an exclusive licence to able to be exploited worldwide.

3.3 FOY's plans after completion of the Acquisition

On completion of the Acquisition and on re-quotation of its Shares on the ASX, FOY's key business activities will be:

- continue the progress made with GEP Fuel & Energy LLC and begin achieving revenue through the design and construction of the 1,500 tonnes per day plant being proposed for the USA;
- design and construct three 200 tonnes per day plants on selected sites throughout the UK and one 200 tonnes per day plant in the Netherlands via the utilisation of the proposed US\$90 million in debt funding. The company has entered into a conditional agreement for this funding;
- continue to advance the proposed ACT facility;
- exploit the Technologies acquired as part of the IGE transaction by developing new plastics to fuel conversion facilities elsewhere in Australia and to develop further opportunities for commercialisation of the PTF Technology, initially in North America, UK, Europe, Puerto Rico, Indonesia and the People's Republic of China;
- identify further local and international jurisdictions where there is a commercial benefit for the exploitation of the Technologies and to develop those opportunities; and
- continue to undertake research and development with a view to enhancing the FOY technologies and to develop further technologies for commercialisation.

3.3.1 Construction of US Commercial Plant

FOY has entered into a contract with GEP Fuel & Energy Indiana, LLC, a USA based resource recovery company, and has formed a company in which both FOY and GEP each own a 50% stake. This company, Integrated Green Partners, LLC, is planning to construct a 1,500 tpd facility in the Indiana, USA utilising ASR as feedstock. This is planned to be the first of 10 ASR PTF facilities to be built over 5 years. For the initial US Commercial Plant in Indiana, FOY is charged with the design and construction of 30 x CDMs. This construction project will provide FOY with revenue for up to 18 months, where FOY will be paid commercial rates.

The Board intends to use the funds raised by the Offer to fund the construction of a manufacturing facility in the ACT, where it is planned the majority of these CDMs will be built prior to being transported to the US. This purpose-built manufacturing facility is intended to be located on the Hume site in the ACT, adjacent to the proposed ACT commercial plant.

The contract for the ACT property was due for completion on 18 July 2017. FOY is looking to settle the amount as soon as possible either via the capital raising or utilising debt funding and is currently in negotiations with the ACT Land Development Agency to defer settlement date.

FOY anticipates drawing down on its proposed funding from SGC in September 2017. This funding includes sufficient capital for the acquisition of land and to construct a manufacturing facility on that land capable of meeting FOY's international expansion plans as outlined in the prospectus, in addition to utilising the Berkeley Vale commercial site. In addition, FOY has fully detailed drawings of CDMs and additional plant infrastructure which enable it to outsource construction of CDMs in the event FOY is unable to acquire a suitable site in the short term. FOY has identified a suitably qualified Chinese manufacturer to outsource a portion of the construction of CDMs for FOY's international rollout.

As part of its due diligence and risk management, FOY is currently reviewing additional properties in NSW capable of meeting its requirements in the event the ACT land cannot be acquired. It is anticipated that should FOY not settle on the ACT site the funds raised for this purpose would be utilised on an alternative site that meets FOY's requirements.

In the event that that FOY was unable to settle on the ACT property, the company would use a combination of outsourcing a portion of the construction to a third party, utilising the manufacturing facility where IGE's original CDM was constructed in Berkeley Vale and purchasing an additional site to construct CDMs for its US and UK operations.

The current anticipated schedule for construction is:

Stage	Estimated Timeline
-------	--------------------

GEP to begin construction of ASR recycling facility FOY to begin construction of the CDMs	November 2017
IGP to begin civil works for PTF facility on land adjacent to the ASR recycling facility	December 2017
IGP to begin construction on PTF facility	March 2018
Capital equipment to be delivered to the PTF facility and installed	April – June 2018
First delivery of 10 CDMs to be delivered to site, installed and commissioned	July 2018
Second delivery of 10 CDMs to site, installed and commissioned	October 2018
Final delivery of 10 CDMs site, installed and commissioned	January 2019

*The dates above are indicative only and are based on GEP's current timeline for completion of its ASR facility and FOY completing the IGE transaction in a timely manner, GEP successfully securing funding and risks as outlined in section 6.2. It is anticipated production will commence once CDMs are installed and commissioned on site.

3.3.2 Operation of US Commercial Plant

Once constructed, FOY and GEP will jointly operate the US Commercial Plant. For further information, please refer to section 11.4

Licenses and Authorities for Operation of the US Commercial Plant

As outlined in section 11.4, GEP is responsible for regulatory approvals for the US Commercial Plant. GEP has begun this process, and has advised FOY that the following steps, which can be undertaken concurrently, are required for the facility to become fully operational:

- New Source Minor PSD
- New Source FESOP (Federal Enforceable State Operating Permit)
- New Construction MSOP (Minor State Operating Permit)
- Permit Registration
- New Source Review SSOA (Source Specific Operating Agreement)
- Air Quality Impact Study

GEP is in the process of conducting an environmental study of the site, including details on geological, agricultural and water impacts. A US Environmental and Engineering firm has been engaged to guide GEP through the process and engage with state regulatory bodies.

Facilities utilising similar technologies have already been approved in Indiana since August 2016. FOY is able to construct the modules in Australia prior to final approvals being received by GEP, then installed on site.

Fuel Tax Licence

A fuel tax license for manufacturers through the Indiana Department of Revenue, Special tax Division is required before the US Commercial Plant can manufacture diesel and petrol, which are excisable goods.

3.4 Growth Strategy for the post-consumer plastics to fuel conversion activities and other Technologies

The Board considers there are a number of strategic steps in the future growth of FOY's post-consumer plastics to fuel conversion activities.

The Directors will assess each proposed project on a case by case basis before deciding whether and how to proceed. It is intended that FOY's other growth strategies mentioned in this section 3 will be

funded by cash-flow generated by FOY's activities, initially generated from the construction of the CDMs for the US Commercial Plant. The Company may also undertake further capital raising in the future if appropriate based on expansion plans.

Begin FOY's International Rollout through the UK and Netherlands Projects

FOY has executed a conditional agreement for US\$90 million, with the funds to be used to construct and establish three commercial sites in the United Kingdom and one site in the Netherlands. Design and construction is scheduled to commence in 2017. The Netherlands Project will initially operate at the level of the site's existing permit of 100tpd, whilst FOY seeks to increase the authorised inputs to 200tpd.

Each site will process 200 tonnes per day of end-of-life post-consumer plastic per day.

Establish Operations in China

FOY has entered into an agreement with Rebelly Healthcare (Shanghai) Ltd pursuant to which Rebelly has agreed act as the exclusive agent for the purposes of sourcing and introducing potential clients to IGE and advertising and promoting PTF Technology within China.

Through this agency agreement, FOY was introduced to Beautiful China Holdings ("**BCH**"), whom it has now executed a non-binding term sheet with, and subject to due diligence and a formal agreement, the parties have agreed to:

- FOY and BCH shall form a jointly owned company, whose principal business shall be the production of road ready fuel from end of life plastics in Shandong Province, China, with a view to expand its business presence in other provinces in China in future.
- The parties will work in partnership for the production of end of life plastics to road ready fuel via the construction and operation of fuel plant(s) in Shandong.
- Upon the formation of the jointly owned company, BCH (or its nominees) will enter into a feedstock contract with the joint entity.
- FOY will, in compliance with the Fuel Plant Company constitution, enter into a management contract with the Fuel Plant Company that will provide FOY with management and operational control of the Fuel Plant Company.

Progress the ACT Project

FOY intends to continue the progress made towards obtaining environmental approvals for a commercial plant in the ACT. FOY is still working through this process with the ACT Government.

Since identifying the ACT project in March 2016, the Company has:

- had detailed discussions with the LDA and the Environment and Planning Directorate ("EPD") regarding FOY's plans to construct a Plastics to Fuel Facility ("PTF Facility") on the ACT site;
- applied to the EPD on 27 April 2016 for a scoping document to construct a Plastics to Fuel Facility;
- received a final scoping document from the EPD on 8 June 2017;
- tendered for Block 11 Section 21 Division of Hume on 26 July 2017;
- submitted a Draft EIS in response to the EPD scoping document, detailing FOY's proposed PTF Facility for the Site; and
- Submitted a Final EIS in response to the EPD's review of FOY's Draft EIS.

Upon review of the Final EIS the planning and land authority within the Directorate concluding that FOY's final EIS sufficiently addressed the scoping document.

Notwithstanding this, the Minister for Planning then ordered an independent review of FOY's submitted information on 28 February 2017. This review was completed and on 5 May 2017, the independent panel released a report outlining issues it had with FOY's proposal, chiefly being that the technology had not been in operation in Australia.

At this time, the government has been unable to provide FOY with a clear timeline as to the conclusion of the process. There may be delays in FOY receiving approval, or it may not be approved at all.

To assist with the progression of this process, FOY proposed the idea of a pilot study, which was accepted by the EPD. FOY is now in the process of establishing the study, and has begun discussions with the University of Sydney regarding this study with the intent to complete a study of pyrolysis kiln emissions. This study, if actioned, would take up to 12 months to complete, with the aim of providing FOY with detailed empirical emissions data. In the event approvals are received, FOY intends to construct the facility adjacent to the ACT Manufacturing Facility.

Exploration of Further Overseas and Local Opportunities

Any decision to expand production into an international jurisdiction will be based on a business plan, taking into consideration FOY's needs and financial resources, as well as the prevailing market conditions at that point in time.

In addition, FOY will own biomass to fuel and biomass to energy technologies through the Acquisition. FOY is not presently using these technologies in its business activities, but may do so in the future.

FOY has assembled an experienced Board and management team who are multi-disciplinary and experienced in the areas of technology development, fuel manufacturing and marketing, construction, finance and project implementation. Details of the Board and key management are set out in section 5.

In the medium term, FOY plans to utilise the cashflow from the construction of the US Commercial Plant and the operation of the UK Commercial Plants to develop and construct Commercial Plants in other territories.

3.5 Plastic to Fuel

FOY's plastics to fuel conversion activities will involve the construction of the US Commercial Plant to 1,500 tpd and the proposed three facilities in the UK and one in the Netherlands each with a daily capacity of 200 tpd. These facilities will use catalytic thermal depolymerisation technology as described in section 3.5 (PTF Technology) to break down the polymers in the post-consumer plastic feedstock to form lower molecular weight compounds resulting in the production of diesel and petrol. The diesel produced has been shown to meet Australian standards and regulatory requirements. The fuel produced will be saleable directly to commercial transportation companies and fuel wholesalers without the need for further refining.

Business model snapshot of activities (change to FOY's growth plans)

In the short term, FOY will focus its resources on;

- The construction of the US Commercial Plant in Indiana
- Operation of the US Commercial Plant developing the plastic derived fuel business model to derive revenue and profit
- Build and operate nine more 1,500 tpd facilities in North America with FOY's ASR business partners, GEP, utilising ASR as feedstock
- Build other PTF facilities in North America utilising mixed post-consumer plastic as feedstock
- Construction and operation of the three UK facilities and one in the Netherlands
- Continue to work through the approvals process in the ACT
- Exploring opportunities in China through its agency agreement with Rebelly
- Exploration of other international opportunities in USA, Puerto Rico, Indonesia and Australia.

The key components of this proposed business model are:

What	How
US Commercial Plant	The CDMs for the US Commercial Plant are to be constructed by FOY, who will be paid at commercial rates. Once GEP has obtained approvals to construct the facility, the CDMs will be assembled in Indiana and the plant will

process ASR plastic feedstock to produce fuel. FOY intends to construct the majority of these modules at a purpose-built manufacturing facility to be located on the Hume site in the ACT, adjacent to the proposed ACT commercial plant.

Feedstock

It is FOY's intention that its Commercial Plants will process plastic which is not recyclable plastic and which would normally be disposed of as landfill. This provides a number of possible sources for obtaining feedstock. In particular, FOY intends to source plastic from:

- ASR processors
 - waste management enterprises (who generally collect post-consumer from businesses for a fee and deposit the waste with landfill operators, who charge a fee based on weight), diverting this waste to FOY's business to reduce their landfill fees;
- plastic aggregators (who sort waste plastics for use; by plastic reprocessors), with a focus on the plastics that cannot be provided to the reprocessors and which would otherwise be sent to landfill; and
- plastic reprocessors (who value add plastic waste by converting it into other usable plastics), with a focus on sourcing contaminated or otherwise unrecyclable plastics which would otherwise have to be sent to landfill.

In Australia, the contracts for the supply of waste plastic feedstock with Odyssey Waste Control Pty Ltd are summarised at section 11. In the US, GEP is obligated to provide the 1,500 tonnes per day of ASR feedstock required to operate the US Commercial Plant at full capacity.

Technology

The key technology is the PTF Technology (as described in section 3.5), part of which is incorporated in the BKV Commercial Plant.

FOY will own and have exclusive rights to use and commercialise the Technologies worldwide (see section 3.5), and may either construct additional plants incorporating the Technologies or licence these rights.

Anticipated product

Fuel meeting Australian and international diesel and petrol standards. The PTF Technology is designed to produce fuel that does not require further refining before sale to consumers.

Revenue

In the short term, revenue will be generated by the design and construction of the 30 x CDMs required for the US Commercial Plant. Once facilities are completed, revenue will be generated by selling the petrol and diesel produced by commercial plant. FOY's revenue will depend on the output of its commercial plants, the price FOY can receive for that output and the quantity of FOY's output which FOY can sell (market adoption).

Price

FOY will be paid cost plus 50% for each CDM constructed. In the longer term, FOY anticipates generating income through the sale of fuel on take and pay arrangements. FOY's business model assumes that its diesel and petrol will be

priced competitively based on the petroleum industry's wholesale price which is influenced by International Price Parity (IPP) calculations. FOY intends to, at least initially, sell its petrol and diesel products at a small discount to wholesale price (consistent with current industry practice).

Anticipated capital expenditure

Under the Business Sale Agreement, FOY has agreed to pay the costs of commissioning the BKV Commercial Plant. Apart from these costs, it is anticipated that FOY's immediate future capital expenditure under the Maximum Offer will concentrate on constructing the ACT Manufacturing Plant

Margins

Provided that the business model described above and construction of the CDMs proceeds as anticipated, the viability of the business will not be reliant on:

- government subsidies such as tax relief, input tax credits or grants; or
- any "green revenue".

The major factors which will influence the margins received by the business are:

- the contract between FOY and GEP, which stipulates that FOY will be paid cost plus 50% for each CDM constructed;

Description of the PTF Technology

The PTF Technology depolymerises waste plastics to lower molecular weight hydrocarbons by subjecting them to heat in the absence of oxygen. In the correct conditions, these lower molecular weight hydrocarbons will fall into the range of crude oil, from which LPG, petrol and diesel is fractionated. In particular, the Commercial Plants will produce petrol, diesel and LPG. While the general process of depolymerising plastics to fuels has been known for some decades, the PTF Technology, which is incorporated in the BKV Commercial Plant, addresses several issues which have previously hindered the commercial viability of this process. These improvements include:

- dealing with common contaminants by removing ash directly in the process and depolymerising heavy hydrocarbon wax contaminants into fuel range hydrocarbons;
- producing ready-made fuel by cleaning, scrubbing and fractionating it directly off the kiln; and
- utilising a novel impurity extraction system to remove sulphur, colour, polyaromatics and other impurities from the diesel phase.

Other Technologies

The BTE Technology has been trialled at a small commercial scale. The BTE Technology uses high yielding energy crops, such as Bana Grass, as fuel for an Indirectly Fired Gas Turbine ("IFGT").

The BTF Technology has not as yet been trialled at any scale and at this stage is largely lab based and theoretical. This process uses superheated steam to gasify the biomass into syngas, followed by a catalytic process to convert the biomass into liquid fuels.

Intellectual property and Assignment of the Technologies

The Technologies were developed by UTOF and Solid Energy Technologies, who exclusively licensed the Technologies to IGE. On completion of the Acquisition, IGE's licence to the Technologies will be terminated and full ownership and exploitation rights in respect of the Technologies will vest in FOY.

Solid Energy Technologies filed a single Australian provisional patent application in November 2015 (Australian Provisional Patent Number **2015904828**) which related to technology for use in the production of hydrocarbon fuels from plastics, and in particular from waste plastic materials, and which addresses common problems in the production of hydrocarbon fuels from plastics.

Solid Energy Technologies filed two Australian provisional patent applications in May and July 2016 (Australian Provisional Patent Numbers **2016901654** and **2016902869**) which related to impurity extraction technology utilising a solvent to remove impurities and a method of removing the impurities from the solvent so that it can be re-used.

An International Patent Application under the Patent Cooperation Treaty was filed on 23 November 2016 with the Australian Patent Office in respect of the PTF Technology. This application combined the disclosures of, and claimed priority from, the three previous provisional patent applications listed above.

However, the Directors believe that, in addition to the pending international patent application, significant value in the Technologies also resides in the industrial copyright, trade secrets and know-how relating to the Technologies (Soft IP). FOY has had the Soft IP documented to preserve its value for future duplication of the Commercial Plants and to protect against losing key management in the future.

3.6 PNG Tenements

While the PTF Business will become FOY's primary business undertaking following completion of the Acquisition, FOY still retains its interest in Amazon Bay, through an iron sands exploration project located in PNG (**Amazon Bay Project**).

FOY obtained its initial 25% interest in Titan Mines Limited (**TML**), the PNG incorporated company that holds the relevant tenements for the Amazon Bay Project, in 2007, increasing its interest in TML to 50% in 2012.

In March 2015 year, FOY purchased the remaining 50% of the shares in TML to acquire a 100% interest in TML.

TML holds the following interests in tenements contained within the Amazon Bay Project area, located 150kms south east of Port Moresby:

Licence no.	Name	Area	TML % interest
EL 1396	Amazon Bay	96 sq km	90% interest
EL 2149	Amazon Bay North	590 sq km	100% interest
EL 2281	Maruta	652 sq km	100% interest

The remaining 10% interest of EL 1396 was acquired in February 2014 by TVI, a Canadian resource company, following completion of the work program and expenditure of Phase One of the Amazon Bay Joint Venture Agreement to which TVI, TML and FOY are parties (refer to section 11.2 for a summary of the material terms of this agreement). TVI is currently a substantial shareholder of FOY and holds 25.501% of the total issued Shares in FOY, although its shareholding is likely to be significantly diluted on completion of the Acquisition and Offer.

Amazon Bay is a mineral exploration target estimated to contain 3 to 4 billion tonnes (**t**) of vanadium rich magnetite ironsands spanning over 200 kilometres (**km**) of coastline. TML currently holds exploration licences covering 1434 square kilometres (**sq km**).

Work on the Tenements to date has focused on scoping out the potential size of the exploration target and detailed metallurgy. A number of scoping studies and a pre-feasibility study on project development, processing, and capital requirements have been completed.

Due to the current economic conditions (in particular, low commodity prices and the difficulty obtaining financing for exploration activities), FOY has substantially reduced the amount of work and expenditure on the Tenements. The Directors intend that TML will continue to conduct minimal work on the Tenements in the short term.

In light of this, the information contained in this section 3.7 is primarily historical. The information in section 3.7 is based on information compiled by Terry Willsteed, who is the director of Terry Willsteed and Associates and a Member of the Australian Institute of Geoscientists. Mr Willsteed has sufficient experience which is relevant to the style of mineral deposits under consideration to qualify as a Competent Person (as defined in the 2012 edition of the Australasia Code for Reporting

of Mineral Resources and Oil Reserves (**JORC Code**). Mr Willstead consents to the inclusion in this Prospectus of the matters based on his information, in the form and context in which it appears.

Location and access

The Amazon Bay Project is located on the southern coastline of PNG east of Port Moresby for approximately 200 km. Approximately 100 km of this coastline comprises black sand beaches fronting coastal plains up to 8 km wide. In the coastal plain/strandline environment the tenement is prospective for vanadiferous titanomagnetite ironsands.

Access to Amazon Bay is by air from Port Moresby to Alotau, the capital of Milne Bay Province, then approximately 120 km southwest by road to Mullins Harbour and then by boat about 47 km west to Magarida.



Location of Amazon Bay Ironsands Project

Exploration activities carried out to date

TML carried out field studies near Deba Village in 2006 during which bulk samples were taken by hand auger to replicate samples taken by a previous holder of EL 1396. Preliminary test work which included grinding, heavy media and magnetic separation, chemical analyses and petrographic studies was carried out. This work indicated the grade of magnetic concentrates increased from around 30% Fe to 46% Fe when the material was ground from 700 to 50 microns.

This result is consistent with the expectation that grinding to a finer size will yield a higher grade of concentrate. Subsequent to FOY's involvement at Amazon Bay in 2007, the principal work completed includes a 3,072-line km airborne geophysics survey which identified significant magnetic and radiometric anomalies with an exploration target estimated to be between 3 to 4 billion tonnes of magnetite-rich ironsands.

The objective of the airborne magnetics and ironsands sampling was to scope out the extent of the exploration targets within the Amazon Bay EL's beyond the known mineralisation at that stage.

Metallurgical studies

Initial metallurgical investigations indicated that:

1. iron and titanium recoveries from raw sand may be around 50%;
2. major contaminants are likely to be 9% SiO₂, 3% Al₂O₃, 5% CaO and 1% MgO;
3. grind grade studies showed no increase in Fe or Ti grade when grinding finer than P80 of 53 microns through 38 to 20 microns; and
4. after cleaning of the magnetic concentrate by high intensity magnetic and electrostatic separation, quantitative mineralogy indicated it should be possible to produce a final

concentrate grade >46% Fe, 0.9% V₂O₅, 19% TiO₂, 7% SiO₂, 3% Al₂O₃, 5% CaO and 1% MgO.

Given that work had achieved concentrate grades as high as 51% Fe, 1.02% V₂O₅ and 20% TiO₂ with residual silicate gangue mineralisation of 6% to 9% silica and 2% to 2.5% alumina, further work involved the optimisation of the pre-concentrate route with the aim of minimising the content of liberated siliceous gangue and also reviewing an appropriate low-grade refining process that may suit the Amazon Bay concentrate.

Proposed Pyrometallurgical Testwork

FOY has proposed test work to determine if the Amazon Bay heavy mineral concentrate can be upgraded by pyrometallurgical methods to produce a titanium dioxide concentrate and a metallic iron rich concentrate. These could then be sold separately, hence adding value to the project.

Previous low temperature roasting test work concluded that the Amazon Bay iron sand concentrate grade can be upgraded from 37.1% iron up to 49.2% with an iron recovery of 75.5%. The major gangue minerals remaining are included Titania and Silica. Further upgrading is necessary to produce commercially acceptable products from this ore body.

Future intentions for the Amazon Bay Project

More testwork, including the completion of the metallurgical and proposed pyrometallurgical testwork, needs to be completed for the Directors to determine the future direction of the tenements. Until cashflow from FOY's proposed PTF facilities is generated, Directors intend that TML will continue to conduct minimal work on the Tenements.

3.7 Capital structure of FOY following the Acquisition and the Offer

As at the date of this Prospectus, FOY has 68,989,550 ordinary shares (Shares) 16,136,444 of which are currently subject to a holding lock) and 33,062,235 unlisted options (Options) on issue.

The number of Shares and Options on issue on completion of the Acquisition and the Offer will be as set out below:

Maximum Offer

Point in time	Number of Securities in FOY			
	Shares Issued	Total Shares on Issue	Options Issued	Total Options on Issue
As at the date of this Notice	0	68,989,550	0	33,062,235
Offer	75,000,000	143,989,550	0	33,062,235
Issue of Fandola Investments Pty Ltd and Rebelly Healthcare (Shanghai) Ltd securities	4,162,500	148,152,050	4,162,500	37,224,735
Issue of securities to non-related lenders	6,183,699	154,335,749	0	37,224,735
Consideration Securities (assuming the Offer is fully subscribed and all issues described above take place)	209,700,000	364,035,749	148,000,000	185,224,735
Issue of Palmer, Genia, Clark and McIntosh Securities	2,632,787	366,668,536	615,000	185,839,735
Milestone Securities (assuming the Offer is fully subscribed and all issues described above take place)	23,200,000	389,868,536	112,900,000	298,739,735

* This table includes 4,162,500 Shares and 4,162,500 Options that are expected to be issued to Fandola and Rebelly and 1,623,387 Shares and 615,000 Options that are in aggregate expected to be issued to Messrs Palmer (former Director), McIntosh and Genia (current Directors) in accordance with the approvals received by Shareholders at the Extraordinary General Meeting of FOY held on 7 August 2017.

\$10.7 Million Offer

Point in time	Number of Securities in FOY			
	Shares Issued	Total Shares on Issue	Options Issued	Total Options On Issue
As at the date of this Notice	0	68,989,550	0	32,697,673
Offer	53,500,000	122,489,550	0	32,697,673
Issue of Fandola Investments Pty Ltd and Rebelly Healthcare (Shanghai) Ltd securities	4,162,500	126,652,050	4,162,500	36,860,173
Issue of securities to non-related lenders	6,183,699	132,835,749	0	36,860,173
Consideration Securities (assuming the Offer is fully subscribed and all issues described above take place)	209,700,000	342,535,749	148,000,000	184,860,173
Issue of Palmer, Genia, Clark and McIntosh Securities	2,632,787	345,168,536	615,000	185,475,173
Milestone Securities (assuming the Offer is fully subscribed and all issues described above take place)	23,200,000	368,368,536	112,900,000	298,375,173

Minimum Offer

Point in time	Number of Securities in FOY			
	Shares Issued	Total Shares on Issue	Options Issued	Total Options On Issue
As at the date of this Notice	0	68,989,550	0	32,697,673
Offer	32,500,000	101,489,550	0	32,697,673
Issue of Fandola Investments Pty Ltd and Rebelly Healthcare (Shanghai) Ltd securities	4,162,500	105,652,050	4,162,500	36,860,173
Issue of securities to non-related lenders	6,183,699	111,835,749	0	36,860,173
Consideration Securities (assuming the Offer is fully subscribed and all issues described	209,700,000	321,535,749	148,000,000	184,860,173

above take place)				
Issue of Palmer, Genia, Clark and McIntosh Securities	2,632,787	324,168,536	615,000	185,475,173
Milestone Securities (assuming the Offer is fully subscribed and all issues described above take place)	23,200,000	347,368,536	112,900,000	298,375,173

3.8 Concentration of ownership

Despite the disparity among the group of IGE Shareholders, the Corporations Act treats them (together with their respective Associates and IGE) as potentially being Associates. On this basis, the ownership structure of FOY immediately following completion of the Offer and the Acquisition is set out in the table below.

Maximum Offer

Capital Structure						
	Shares		Options		Fully Diluted	
	Million	%	Million	%	Million	%
Existing FOY Security holders	82.0	22.4	37.5	20.2	119.4	21.6
IGE Shareholders	209.7	57.2	148.0	79.8	357.7	64.8
Shareholders from the Offer	75.0	20.5	0.0	0.0	75.0	13.6
Total	366.7	100.0	185.5	100.0	552.1	100.0

Notes:

- Existing FOY Security holders includes IGE Parties who were Shareholders of FOY before completion of the Acquisition, the 2,323,387 Shares issued to Messrs Palmer (former director), McIntosh, Clark and Genia (current directors) and the 4,162,500 to be issued as part of the Loan Agreement. A breakdown of the IGE Parties' total Voting Power is set out below.
- IGE Shareholders includes the Consideration Securities only. It does not take into account Securities held by IGE Parties before completion of the Acquisition or the Milestone Securities, which will be issued at a later date once the Performance Target is met. A breakdown of the IGE Parties' total Voting Power is set out below.
- Assumes investors subscribe for the full A\$15 million under the Offer.
- Directors' interests are set out in section 0.

FOY anticipates its free float being 127,752,650 shares (34.84%) under the maximum offer.

\$10.7 Million Offer

Capital Structure						
	Shares		Options		Fully Diluted	
	Million	%	Million	%	Million	%
Existing FOY Security holders	82.0	23.7	37.5	20.2	119.4	22.5
IGE Shareholders	209.7	60.8	148.0	79.8	357.7	67.4
Shareholders from the Offer	53.5	15.5	0.0	0.0	53.5	10.1
Total	345.2	100.0	185.5	100.0	530.6	100.0

- Existing FOY Security holders includes IGE Parties who were Shareholders of FOY before completion of the Acquisition, the 2,323,387 Shares issued to Messrs Palmer (former director), McIntosh, Clark and Genia (current directors) and the 4,162,500 to be issued as part of the Loan Agreement. A breakdown of the IGE Parties' total Voting Power is set out below.
- IGE Shareholders includes the Consideration Securities only. It does not take into account Securities held by IGE Parties before completion of the Acquisition or the Milestone Securities, which will be issued at a later date once the Performance Target is met. A breakdown of the IGE Parties' total Voting Power is set out below.
- Assumes investors subscribe for the mid offer of A\$10.7 million.
- Directors' interests are set out in section 0.
- FOY anticipates its free float being 106,252,650 shares (30.78%) under the \$10.7 million offer.

Minimum Offer

Capital Structure						
	Shares		Options		Fully Diluted	
	Million	%	Million	%	Million	%
Existing FOY Security holders	82.0	25.3	37.5	20.2	119.4	23.4
IGE Shareholders	209.7	64.7	148.0	79.8	357.7	70.2
Shareholders from the Offer	32.5	10.0	0.0	0.0	32.5	6.4
Total	324.2	100.0	185.5	100.0	509.6	100.0

Notes:

- Existing FOY Security holders includes IGE Parties who were Shareholders of FOY before completion of the Acquisition, the 2,323,387 Shares issued to Messrs Palmer (former director), McIntosh, Clark and Genia (current directors) and the 4,162,500 to be issued as part of the Loan Agreement. A breakdown of the IGE Parties' total Voting Power is set out below.
- IGE Shareholders includes the Consideration Securities only. It does not take into account Securities held by IGE Parties before completion of the Acquisition or the Milestone Securities, which will be issued at a later date once the Performance Target is met. A breakdown of the IGE Parties' total Voting Power is set out below.
- Assumes investors subscribe for the minimum offer of A\$6.5 million.

- Directors' interests are set out in section 0.
- FOY anticipates its free float being 85,252,650 shares (26.30%) under the minimum offer.

3.9 Voting Power of IGE Parties

As previously stated, despite the disparity among the group of IGE Shareholders, the Corporations Act treats them (together with their respective Associates and IGE) as potentially being Associates. To recognise this, in determining each IGE Shareholder's Voting Power, therefore, the relevant interests in Shares of each of IGE, the IGE Shareholders and their respective Associates must be added together.

On this basis, immediately following Completion of the Acquisition and the Offer, the IGE Parties will have Voting Power of between 57.39% (minimum) and 73.00% (maximum). The maximum Voting Power assumes that the Options held by the IGE Parties are exercised at 40 cents (notwithstanding the offer price being 20 cents) and no other party exercises their Options.

Following the issue of the Milestone Securities (if the Performance Target is met – refer to section 13.7(a)) the IGE Parties will have Voting Power of between 59.78% (minimum) and 78.53% (maximum), assuming that no changes to FOY's capital structure (such as additional issues of securities or capital reductions) occur between Completion and the date of issue of the Milestone Securities. The maximum Voting Power also assumes that the Options held by the IGE Parties are exercised at 40 cents (notwithstanding the offer price being 20 cents) and no other party exercises their Options.

The IGE Parties consist of IGE, each of the IGE Shareholders (identified in section 10.7 and their Associates. Each IGE Shareholder will be issued their Respective Proportion of Consideration Securities and (if the Performance Target is met) Milestone Securities as IGE's nominees as set out in section 10.7.

The capital structure of FOY following the Acquisition and the Offer is set out in section 7.6, and the consideration for the Acquisition is described in section 11.1.

All securities issued to the IGE Shareholders as consideration for the IGE Assets will be subject to an ASX imposed restriction agreement restricting the ability to dispose of those securities for a period of 24 months. Please see section 10.9 for details of the restriction agreements over securities in FOY.

3.10 Other substantial Shareholders

At the date of this Prospectus, TVI Pacific Inc (TVI) and Clifford James (an Associate of TVI and director of both TVI and FOY) together hold 26.50% of the issued Shares in FOY. Following completion of the Acquisition and the issue of the Consideration Securities to the IGE Shareholders, TVI and Mr James' shareholding in FOY will likely be diluted to below 10%. Directors' interests

As at the date of this Prospectus, the Directors hold the following Relevant Interest in FOY:

Director	Shares	% of Current FOY Shares	Options
Paul Dickson	6,779,311	9.83%	6,779,311
Bevan Dooley	1,379,311	2.00%	1,379,311
David McIntosh	1,668,288	2.42%	1,379,311
Clifford James	689,656	1.00%	689,656
Stuart Clark	Nil	Nil	Nil
Kilroy Genia	Nil	Nil	Nil

On completion of the Maximum Offer and the Acquisition, the Directors will hold the following Relevant Interest:

Director	Shares	% Shares under Maximum Offer	% Shares under Minimum Offer	Options
Paul Dickson	113,863,835	31.05%	35.12%	83,036,143
Bevan Dooley	14,183,367	3.87%	4.38%	10,416,032
David McIntosh	2,941,675	0.80%	0.91%	1,644,311
Stuart Clark	700,000	0.19%	0.22%	0
Clifford James	689,656	0.19%	0.21%	689,656
Kilroy Genia	100,000	0.03%	0.03%	100,000

The above table assumes that:

- the Acquisition completes and Messrs Dickson and Dooley are issued their Respective Proportion of the Consideration Shares and Consideration Options under the Business Sale Agreement; and
- Messrs Clark, McIntosh and Genia are issued the Shares and Options after being approval by Shareholders at the extraordinary general meeting of FOY held on 7 August 2017.

3.11 BTE Technology synergies with PNG activities

The BTE Technology uses biomass (which may include high yielding energy crops, such as Bana Grass), as fuel for an IFGT which allows for the generation of power efficiently and economically at a small to medium scale. Waste heat from the IFGT is re-injected into the cyclone combustion chamber to ensure that even poor quality fuels can be cleanly and efficiently combusted.

Solid Energy Technologies has developed “Bana Grass” as a Dedicated Biomass Crop. Bana Grass is a Hybrid Grass (*Pennisetum Purpureum* X *Pennisetum Americanum*), which has been used for many years in Australia as a “wind-break” planted around conventional crops. It is a fast growing, non-invasive, high protein grass (when harvested early in its lifecycle) that has many applications. The Bana Grass grows best on well-drained, fertile soil in tropical conditions.

The BTE Technology allows FOY the opportunity to develop and, if successful, introduce a new value-add solution to address the inherent infrastructure issues in PNG, potentially reduce operating costs on the Amazon Bay Project and leverage FOY into new resources and business opportunities.

3.12 Growth plans for BTF Technology

The BTF Technology has not as yet been trialled at any scale and at this stage is largely lab based and theoretical. This process uses superheated steam to gasify the biomass into syngas, followed by a catalytic process to convert the biomass into liquid fuels. FOY will continue to evaluate the business case for conducting further research into developing the BTF Technology.

3.13 Amazon Bay Project

FOY will pursue the Amazon Bay Project and other resource and business opportunities in PNG provided that they represent a reasonable expectation of profitable growth.

It is still not known whether the Amazon Bay Project will move to the production phase, as this will depend on a number of factors such as further exploration activities being carried out, identification of a Mineral Resource, further development of extraction technology, identification of an economically mineable part of that Mineral Resource (an Ore Reserve under the JORC Code), the grant of the relevant production licences and other authorities, and appropriate funding being available to FOY at the relevant time.

3.14 Intentions of the Directors

Following completion of the Offer, the Directors intend to manage the business and assets of FOY with a view to increasing value to Shareholders over the long term, but do not presently seek the

injection of further capital into the business in the short term. Any future decisions in respect of FOY will be made based on all material information available and relevant circumstances at the relevant time. The Board also has no current intention to significantly change the financial policies or strategies of FOY to the extent that, at this stage, FOY intends to retain all surplus cash flow for future expansion and development of its business activities (as described above). The intention is to pay dividends to Shareholders when the board considers that this will not hamper future expansion opportunities.

4 FINANCIAL INFORMATION

4.1 Introduction

This section contains a summary of the Consolidated Historical and Pro forma Financial Information for FOY.

The Financial Information presented comprises the following:

- Consolidated Historical Statements of Financial Performance for the years ended 30 June 2014 ("FY2014"), 30 June 2015 ("FY2015"), 30 June 2016 ("FY2016") and for the half year ended 31 December 2016 ("HY2017");
- Consolidated Historical Statements of Cash Flows for FY2014, FY2015, FY2016 and HY2017;
- Consolidated Historical Statement of Financial Position as at 31 December 2016;
- A Pro forma Consolidated Statement of Financial Position after the proposed raising, IGE acquisition and other material events occurring after 31 December 2016; and
- Significant Accounting Policies and Material Accounting Matters.

The audited financial information of IGE has not been included as FOY is acquiring certain assets of IGE and not the company itself. IGE is not carrying on a business through the utilisation of the assets being acquired but rather has been operating as an R&D company with the express purpose of selling technologies it develops. This is evidenced by IGE having no approvals to operate the Technologies commercially and no customers for the utilisation of the Technologies.

4.2 Basis and Method of Preparation

The Financial Information has been prepared and presented in accordance with the recognition and measurement principles of Australian equivalents of International Financial Reporting Standards and the adopted accounting policies of the Company.

The Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

4.3 Audit of Historical Financial Information

The General Purpose Financial Reports for FOY have been subject to an annual audit for FY2014 and FY2015 by BDO East Coast Partnership and for FY2016 and HY2017 (half year review) by Hall Chadwick. The audit reports contained an emphasis of matter regarding the going concern of the Company due to its net losses and deficit in net assets.

The Consolidated Historical and Pro forma Financial Information should be read in conjunction with the Investigating Accountants Report set out in Section 8.

4.4 Statements of Financial Performance

Set out in the table below are the summarised Consolidated Historical Statements of Financial Performance for FOY. This information should be read in conjunction with the information provided elsewhere in this Prospectus.

	FY2014 \$000	FY2015 \$000	FY2016 \$000	HY2017 \$000
Revenue				
Revenue	-	-	-	-
Financial income	3	5	-	-
Other income	2,310	148	50	-
Expenses				
Cost of sales	-	-	-	-
Administrative expenses	(476)	(209)	(186)	(104)
Consultants expenses	(473)	(334)	(445)	(414)
Depreciation and amortisation	(11)	(10)	(8)	(1)
Due diligence and transaction costs	-	(972)	(385)	(149)
Employment expenses	(174)	(80)	(111)	(55)
Finance costs	(54)	(105)	(9)	-
Foreign currency movements	(59)	(5)	-	-
Insurance expenses	(54)	(34)	(38)	(23)
Occupancy expenses	(45)	(50)	(91)	(47)
Other expenses	(75)	(92)	(118)	-
Doubtful debt provision	(50)	-	-	-
Impairment expense	(8,178)	(410)	-	-
Share based payment expense	(31)	(12)	-	-
Loss before income tax expense	(7,367)	(2,160)	(1,341)	(793)
Income tax benefit	1,259	-	-	-
Net Loss for the period	(6,108)	(2,160)	(1,341)	(793)
Other comprehensive income				
Items that may be subsequently classified to profit and loss				
Exchange differences arising in translation of foreign operations	(687)	140	(400)	175
Total comprehensive income for the period, net of tax	(6,795)	(2,020)	(1,741)	(618)

Notes:

1. Other income in FY2014 mainly comprises the gain on the disposal of a 10% direct interest in Amazon Bay.
2. Other income in FY2015 predominantly reflects a research and development claim.
3. During FY2014, the Golden Peak and New Britain North tenements (held by Titan Metals) were relinquished in order to focus on more prospective assets, resulting in an impairment of \$3.3 million. The remaining impairment expense for FY2014 reflects the reassessment of the carrying value of the remaining capitalised exploration and evaluation expenditure.
4. The impairment expense in FY2015 relates to the relinquishment of two further tenements at South New Britain (held by Titan Metals) and Sandbank Bay (held by Titan Mines) to focus on more prospective assets.

IGE has had limited operations to date, as most of the development and operating activities have been undertaken by the Licensors. IGE generated \$99,542 in revenue in HY2017 and incurred a net loss before income tax of \$434,364 due to administration and R&D expenses incurred in advancing its operations and commercialising its technologies.

4.5 Statements of Cash Flows

Set out in the table below are the summarised Consolidated Historical Statements of Cash Flows. This information should be read in conjunction with the information provided elsewhere in this Prospectus.

	FY2014	FY2015	FY2016	HY2017
	\$000	\$000	\$000	\$000
Cash Flows from Operating Activities				
Payments to suppliers and employees	(1,268)	(968)	(984)	(395)
Interest Received	3	4	-	-
Government Grants Received	-	317	108	-
Finance Costs Paid	(6)	(50)	(9)	-
Net cash provided by operating activities	(1,271)	(697)	(886)	(395)
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	(2)	(1)	-	(154)
Sale of property, plant and equipment	-	3	-	-
Exploration expenditure	(670)	(216)	(55)	(15)
Payments for Patents		-	(16)	(16)
Farm-in project contribution received	935	-	-	-
Amazon Bay acquisition payment	(300)	(150)	-	-
Net cash used in investing activities	(37)	(364)	(71)	(185)
Cash Flows from Financing Activities				
Proceeds from issue of shares (net of costs)	879	333	402	488
Proceeds of borrowings	100	1,000	292	89
Repayment of Borrowings (excluding interest)	(300)	-	-	-
Net cash provided by financing activities	679	1,333	694	577
Net increase in cash held	(629)	272	(263)	(3)
Cash at the beginning of the period	662	33	305	43
Cash at the end of the period	33	305	43	40

4.6 Statement of Financial Position as at 31 December 2016

Set out in the table below is the Consolidated Statement of Financial Position for FOY as at 31 December 2016 and the Pro Forma Statement of Financial Position for FOY assuming completion of the Offer and IGE transaction as disclosed in the Prospectus and other material events that have occurred or are expected to occur subsequent to 31 December 2016. This information should be read in conjunction with the information provided elsewhere in this Prospectus.

\$000's	Actual	Pro-Forma	Pro-Forma
	Statement of Financial Position 31 December 2016	Statement of Financial Position after Maximum Offer	Statement of Financial Position after Minimum Offer
	(1)	(2), (4)	(3), (4)
Current Assets			
Cash and cash equivalents ⁽⁴⁾	40	8,086	3,183
Receivables	25	25	25
Other current assets	36	36	36
Total Current Assets	101	8,148	3,244
Non-Current assets			
Property, plant & equipment ⁽ⁱ⁾	156	3,512	156
Intangible Assets	32	32	32
IGE Assets ^(4 a)	-	1,097	1,097
Mineral Rights ⁽⁷⁾	12,924	-	-
Exploration and evaluation assets ⁽⁷⁾	2,542	-	-
Total Non-Current Assets	15,654	4,641	1,286
TOTAL ASSETS	15,755	12,789	4,530
Current Liabilities			
Trade and other payables	1,741	1,387	1,387
Loans	382	110	110
Interest payable	56	48	48
Total Current Liabilities	2,179	1,544	1,544
TOTAL LIABILITIES	2,179	1,544	1,554

\$000's	Actual	Pro-Forma	Pro-Forma
	Statement of Financial Position 31 December 2016 (1)	Statement of Financial Position after Maximum Offer (2), (4)	Statement of Financial Position after Minimum Offer (3), (4)
NET ASSETS	13,576	11,244	2,986
Equity			
Issued Capital & Share Option Reserve ⁽⁶⁾	112,398	172,129	163,846
Foreign Currency Reserve	468	468	468
Accumulated Losses	(99,290)	(161,353)	(161,328)
TOTAL EQUITY	13,576	11,244	2,986

Notes:

- Column 1 represents the actual audited Consolidated Statement of Financial Position of FOY as at 31 December 2016.
- Column 2 represents the Pro forma Statement of Financial Position of FOY assuming the raise from the Maximum Offer of \$15,000,000 less estimated costs of the offer and IGE transaction to be satisfied in cash of \$749,954. Of these costs, \$336,334 has been recorded against issued capital as being directly related to the issue of new shares. The balance of \$413,620 in transaction costs has been recorded against accumulated losses and includes costs associated with completion of the IGE transaction, legal fees, independent expert reports fees, prospectus preparation and distribution, stamp duty and relisting fees.
- Column 3 represents the Pro forma Statement of Financial Position of FOY assuming the raise from the Minimum Offer of \$6,500,000 less estimated costs of the offer and IGE transaction to be satisfied in cash of \$499,413. Of these costs, \$126,403 has been recorded against issued capital as being directly related to the issue of new shares. The balance of \$373,010 in transaction costs has been recorded against accumulated losses and includes costs associated with completion of the IGE transaction, legal fees, independent expert reports fees, prospectus preparation and distribution, stamp duty and relisting fees.
- Other pro forma adjustments included in Column 2 to account for material events occurring subsequent to 31 December 2016 include:

a) IGE Acquisition

As outlined in Resolution 4 and section 8 of FOY's Notice of Meeting dated 7 August 2017, as part of the IGE Transaction, FOY proposes to issue Consideration Securities and Milestone Securities to the IGE Shareholders for the acquisition of the IGE Assets and Technologies and their subsequent performance, outlined in the Business Sale Agreement. The IGE Assets include:

- any authorisations and consents;
- the business records;
- the Technologies;
- feedstock contracts;
- the BKV Commercial Plant

- any stock;
- IGE's Intellectual Property Rights; and
- the property lease where the BKV Commercial Plant is located,

The number of shares issued to the IGE Shareholders will change based on FOY's capital structure immediately before the issue of those Shares. Therefore, the issue of the Consideration Shares will give the IGE Shareholders (as a group and excluding existing Shares held by any of them) 57.191% of FOY's issued Shares and the issue of the Milestone Shares will give the IGE Shareholders (again, as a group and excluding existing Shares held by any of them) 59.738% of FOY's issued Shares.

In accordance with the Australian Accounting Standards "AASB 2: Share Based Payments", for equity-settled share-based payment transactions, the entity shall measure the fair value of the goods or services received. As outlined in the Independent Expert's Report, the value of the IGE Assets and Technologies being acquired could not be determined. The Company has recorded the fair value of the 209,700,000 consideration shares to be issued to the IGE Shareholders at the \$0.20 Offer Price under this Prospectus, totalling \$41,940,000. The value of the IGE Assets being acquired by FOY has subsequently been written down to their fair value based on the dutiable value of \$800,218. The difference of \$41,139,782 has been recorded against accumulated losses.

Given the terms of the Consideration Options and the conditions associated with the issue of the Milestone Securities, the Company has not attributed a value to these securities for the purpose of the Pro forma Statement of Financial Position.

In addition to the issue of Shares and Options, FOY has agreed to pay the reasonable costs incurred by IGE in:

- commissioning the BKV Commercial Plant;
- improving the presentation of the site on which the BKV Commercial Plant is situated to FOY's satisfaction;
- engineering and consultancy costs associated with government submissions for the ACT Commercial Plant;
- documentation and full manuals and detailed technical drawings of IGE processes and machinery;
- ongoing research and development costs conducted at the request of FOY;
- acquiring land proximate to the BKV Commercial Plant; and
- negotiating, documenting and registering the new leases put in place in respect of the land on which the BKV Commercial Plant is situated.

FOY anticipates contributing \$2,000,300 in cash payments to the above of which \$1,703,103 has been recorded against accumulated losses and the balance of \$297,197 has been recorded against property, plant and equipment. Of that, \$115,560 relates to the Property Purchase Agreement and \$181,673 relates to the reimbursement of costs associated with improvements made to the BKV Commercial plant since May 2015.

b) Repayment of Loans

The issue of up to 4,162,500 shares and up to 4,162,500 options to Fandola (3,052,500) and Rebelly (1,110,000), parties associated with IGE, in satisfaction for the repayment of funds provided FOY totalling \$381,500 as at 31 December 2016. The deemed value of the securities is \$832,500. The balance of \$451,000 has been recorded against accumulated losses as a borrowing cost.

c) Payment of Interest payable to lenders

Payment of accrued interest totalling \$548,000, of which \$56,000 is recorded against the amount included in payables as at 31 December 2016.

d) Issue of Shares and Options to Mike Palmer

The issue of 250,000 shares and 250,000 options to Mike Palmer in satisfaction for services provided to the Company as Managing Director totalling \$50,000, recorded against the amount included in payables as at 31 December 2016.

e) Issue of Shares and Options to David McIntosh and Kilroy Genia

The issue of 100,000 shares and 100,000 options each to David McIntosh and Kilroy Genia in satisfaction for services provided to the Company totalling \$40,000, recorded against the amount included in payables as at 31 December 2016.

f) Issue of securities to David McIntosh - In Lieu of Director Fees

The issue of 708,387 shares to David McIntosh in satisfaction for services provided to the Company as Managing Director totalling \$141,677, which is recorded against the amount included in payables as at 31 December 2016.

g) Approval of issue of securities to David McIntosh – Repayment of Expenses Incurred

The issue of 165,000 shares and 165,000 options each to David McIntosh in satisfaction for expenses incurred on behalf of the Company totalling \$33,000, recorded against the amount included in payables as at 31 December 2016.

h) Approval of issue of securities to Stuart Clark – In Lieu of Director Fees

The issue of 700,000 shares each to Stuart Clark in satisfaction for services to the Company as Managing Director totalling \$140,000, which is recorded against the amount included in payables as at 31 December 2016.

i) Repayment of Loans

The issue of up to 6,779,948 shares to unrelated parties in part satisfaction for certain loans advanced to FOY between January and May 2017 totalling \$550,000. The deemed value of the securities is \$1,355,990. The balance of \$805,990 has been recorded against accumulated losses as a borrowing cost.

j) Acquisition of Property

Property acquisition costs of \$3,355,575 will be payable if FOY raises the Maximum Offer of \$15,000,000. Of these costs, \$2,953,075 relate to the site in Hume, ACT, and \$402,500 relate to the property in Berkeley Vale. FOY is currently in discussions with the ACT Land Development Agency ("ACT LDA") regarding the terms of this agreement. Should the ACT LDA enforce the terms of the contract for sale for the Hume site, and should FOY fail to complete the agreement, FOY may be subject to expenses in relation to the agreement that have not yet been recognised.

k) Stamp duty on Property Purchase Agreement

Stamp duty of \$18,111 will be payable as part of FOY being assigned the obligations of the Property Purchase Agreement.

l) Operational Costs

Operational costs incurred from 1 January 2016 to close of the Offer have been estimated at \$950,000 and has been recorded against cash and accumulated losses.

m) Value of Options

The Directors have valued the options being issued in connection with the repayment of loans and services provided to the Company detailed above at \$541,054, based on the terms of the Options and the application of the Black Scholes formula. This amount has been recorded against accumulated losses as a share based payment.

5. Total Cash Assets in column 2 comprises the following:

	AUD'000	Maximum Offer	Minimum Offer
Offer Proceeds		15,000	6,500
Costs of the Offer		(334)	(126)
Net Proceeds from Offer		14,657	6,374
Cash assets as at 31 December 2016		40	40
Funds raised from loans since 1 January 2017		1,424	1,424
Payment of interest payable		(548)	(548)
Transaction costs		(398)	(373)
Repayment of Loans in cash		(765)	(765)
Property Acquisitions		(3,356)	-
Stamp Duty on Property Purchase Agreement		(18)	(18)
IGE Commissioning Payments		(2,000)	(2,000)
Operational costs		(950)	(950)
Total Cash assets		8,086	3,183

6. Total Issued Capital in column 2 comprises the following:

	AUD'000	Maximum Offer	Minimum Offer
Offer Proceeds		15,000	6,500
Costs of the Offer		(343)	(126)
Net Proceeds from Offer		14,657	6,374
Issued capital as at 31 December 2016		112,398	112,398
Issue of shares for IGE acquisition		41,940	41,940
Options Reserve		541	541
Issue of shares for repayment of loans		2,188	2,188
Issue of shares to management		405	405
Total Issued Capital		172,129	163,846

7. In order to conservatively value the assets of FOY and to match the trend in listed entities in the market, the exploration asset has been written off to zero. The asset was most recently valued on the 11th May 2017 between \$10,000,000 and \$22,000,000, with a likely value \$16,000,000. Notwithstanding this valuation, the directors intend to exploit this and all assets owned by FOY. The effect on the profit of the Company at 30 June 2017 will be to increase the loss by the carrying value of the asset of \$12,924,000.

4.7 Significant Accounting Policies and Material Accounting Matters

Set out below are a number of significant accounting policies and other material accounting matters that have been used in the preparation of the Financial Information presented above.

The following is a summary of significant accounting policies adopted by the consolidated entity in the preparation and presentation of the financial information. The accounting policies have been consistently applied, unless otherwise stated.

Basis of preparation

The financial statements of FOY have been prepared in accordance with Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Integrated Green Energy Solutions Limited is a for profit entity for the purpose of preparing the financial statements.

The consolidated financial statements of Integrated Green Energy Solutions Limited comply with the International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

The financial statements cover Integrated Green Energy Solutions Limited and controlled entities as a consolidated entity. Integrated Green Energy Solutions Limited is a listed public company on the Australian Securities Exchange (trading under the symbol "IGE"), incorporated in Australia.

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

The consolidated financial statements of Integrated Green Energy Solutions Limited for the year ended 31 December 2016 were authorised for issue in accordance with a resolution of the Directors on 15 March 2017.

Going concern basis of accounting

During the half year ended 31 December 2016, the Group incurred an operating loss before tax of \$792,695 and net cash outflows from operating activities of \$394,899, as disclosed in the statement of profit or loss and the statement of cash flows, respectively. The continuing viability of the Group and its ability to continue as a going concern and meet its debts and commitments as they fall due are dependent upon the Group being successful with fundraising and other options outlined below:

- a) The ability of the Group to raise additional funds from shareholders and new investors. The Group has successfully raised \$509,500 through an interim placement during the period. The purpose of the placement was to fund the Company's immediate needs for its Amazon Bay Project in Papua New Guinea, general working capital requirements and to fund expenses associated with advancing the proposed transaction with Integrated Green Energy Limited.
- b) Completion of the proposed transaction with Integrated Green Energy Limited, fundraising on the basis of a further placement and rights issue to develop the project and re-comply with Chapters 1 and 2 of the ASX Listing Rules.
- c) Continuation of the close and effective monitoring of the Group's operating expenditure;
- d) Consideration of options that might include the sale of part of the business.

As a result, there is material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial statements.

However, the Directors believe that the Group will be successful in achieving favourable outcomes on the above matters and that it will have sufficient funds to pay its debts and meet its commitments for at least the next 12 months from the date of this financial report, and accordingly, have prepared the financial report on a going concern basis. At this time, the directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report at 31 December 2016. As such, no adjustments have been made to the financial statements relating to the recoverability and classification of the asset carrying amounts or classification of liabilities that might be necessary should the Group not continue as a going concern.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Integrated Green Energy Solutions Limited ('Company or parent entity') as at 31 December 2016 and the results of all subsidiaries for the year then ended. FOY Group Limited and its subsidiaries together are referred to as the 'consolidated entity' or the 'Group'.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the group.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity.

Foreign currency translation

The functional and presentation currency of the Group is Australian dollars. Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Sales of goods are recognised when goods are delivered and title has passed. Service revenue is recognised by reference to the stage of completion of the transaction at balance date. Interest income is accrued on a time basis by reference to the principal outstanding and at the effective rate applicable.

Other revenue is recognised when it is received or when the right to receive payment is established.

Financial Assets

Financial Instruments

Financial Instruments are recognised when the consolidated entity becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified at fair value through the profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

Effective interest rate method

The effective interest rate method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or a shorter period where appropriate.

Impairment of financial assets

Financial assets, other than those at fair value through profit and loss, are assessed for indicators of impairment at each balance date. Financial assets are impaired when there is no objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the assets carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate.

Reversal of impairment

If in a subsequent accounting period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Financial liabilities

Financial liabilities are recognised initially at fair value at the trade date at which the Group becomes party to the contractual provisions of the instrument. The Groups financial liabilities include trade and other payables.

Derecognition of financial liabilities

A financial liability is derecognised when the associated obligation is discharged, cancelled or expires.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Impairment of assets

Assets with an indefinite useful life are not amortised but are tested annually for impairment in accordance with AASB 136. Assets subject to annual depreciation or amortisation are reviewed for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may be impaired.

An impairment loss is recognised where the carrying amount of the asset is defined as the higher of its fair value less costs to sell and value in use.

Exploration and evaluation assets and mineral rights

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- the rights to tenure of the area of interest are current;
- at least one of the following conditions is also met:
 - the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
 - exploration and evaluation activities in the area have not, at reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment where facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. The amounts are unsecured.

Borrowings

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and is recorded as part of current payables.

Finance costs

Finance costs are recognised as expenses in the period in which they are incurred, except those that are incurred as part of the construction of a qualifying asset, which are capitalised. Finance costs include interest on short and long term borrowings.

Provisions

Provisions are recognised when the consolidated entity has a present obligation (legal or constructive) as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

Employee benefits

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables and provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised in provisions and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Share-based payments

Share-based compensation benefits are provided to Directors and employees. The fair value of options granted is recognised as an expense with a corresponding increase in the options reserve.

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Property, plant and equipment

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over its expected useful life. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items.

Plant and equipment is depreciated at rates of between 11.25% and 40.00%.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Cash and cash equivalents

For the statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

All trade and other receivables are recognised at the amounts receivable as they are generally due for settlement by no more than 30 days. Terms of settlement vary depending on seasonality and the type of product sold.

Collectability of trade and other debtors is reviewed on an ongoing basis. Receivables which are known to be uncollectible are written off. A provision for impairment of receivables is raised when some doubt as to collection exists.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included in trade and other receivables or trade and other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flows.

Foreign currencies translations and balances

Transactions and balances

Transactions in foreign currencies of entities within the consolidated Group are translated into functional currency at the rate of exchange ruling at the date of the transaction.

Foreign currency monetary items that are outstanding at the reporting date (other than monetary items arising under foreign currency contracts where the exchange rate for that monetary item is fixed in the contract) are translated using the spot rate at the end of the financial year.

Resulting exchange differences arising on settlement or re-statement are recognised as revenues or expenses for the financial year.

Issued capital

Ordinary share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction net of tax, from the proceeds.

Preference share capital

Preference share capital is classified as equity if it is non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary. Dividends thereon would be recognised as distributions within equity.

Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognised as interest expense in the statement of comprehensive income as accrued.

5 BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

5.1 Board of Directors

At the date of this Prospectus, the Directors of FOY are:

- Mr Paul Dickson Executive Chairman
- Mr Stuart Clark Managing Director
- Mr Bevan Dooley Executive Director / Chief Technical Officer
- Mr David McIntosh Non-Executive Director
- Mr Kilroy Genia Non-Executive Director
- Mr Clifford M James Non-Executive Director

The independence of each Director has been considered in taking into account the relevant factors suggested in the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* (3rd Edition) (**Independence Factors**). The status of each Director with respect to independence is discussed in the table below.

Paul Dickson Executive Chairman

Mr Dickson has more than 25 years of experience in business management. He has held multifunctional senior roles across a range of disciplines both in Australia and internationally, including finance, logistics, operations, sales, marketing, systems and general management. Mr Dickson's role since 2008 was as business co-founder and owner of Dickson & Dickson Healthcare Limited, a public company competing in the healthcare (high grade medical products and next generation medical systems) sectors in Australia, New Zealand and South Africa.

Mr Dickson was a Director of Dickson & Dickson Healthcare Limited and its associated entities (D&D Group) up to 18 April 2016. Mr Dickson sold his shares in the entity to a foreign purchaser in October of 2015, at which point two Directors were appointed from the foreign purchaser, giving them control of the board. Prior to the purchase, the D&D Group had 3 years of unqualified audits from 2 unrelated registered company auditors for the 2013, 2014 and 2015 financial years. No emphasis of matter comments were made by the auditors in those audits. These entities were put into external administration on 19 September 2016. The liquidator of the D&D Group has not made any comments so far or stated any concerns about the behaviour of Mr Dickson or made any allegations regarding insolvency in the group during the tenure of Mr Dickson's Directorship in the group. Any investigations underway by the liquidator remain unresolved at the date of this Prospectus. Subsequent to the 2015 unqualified audit, the independent external auditor has written to the liquidator, confirming the solvency of the D&D Group during the periods covered by the unqualified audit to June 2015. The independent external auditor consents to the inclusion in this Prospectus of the matters based on their information, in the form and context in which it appears.

Mr Dickson has a proven track record of developing a start-up business into a thriving, profitable going concern, in a market dominated by strong global competitors. Further, taking that entity to the market and realising its maximum realisable value through a sale. Mr Dickson holds a Bachelor of Commerce from the University of NSW and a Master of Transport Management at Sydney University.

Applying the Independence Factors, Mr Dickson is considered not independent because he is a Director and a substantial shareholder of IGE (which has a material contractual relationship with FOY under the Business Sale Agreement), as well as a substantial Shareholder of FOY. However, the Company has determined that any risks to the Company and its shareholders associated with Mr Dickson's lack of independence in the areas identified can be mitigated with appropriate management in accordance with the Company's conflicts of interest procedure.

Stuart Clark Managing Director

In a career spanning more than 30 years, Mr Clark has gained extensive commercial, finance and management experience. As well as significant capabilities in human resources, project management and change management, he has strong operational and strategic skills. He also has extensive experience selling professional services to SMEs.

	<p>Currently, he holds a Bachelor of Commerce from the University of New South Wales, is a member of the Institute of Chartered Accountants and holds Graduate status with the Australian Institute of Company Directors.</p> <p>Mr Clark earned a traineeship with PricewaterhouseCoopers in Scotland whilst still an undergraduate at University of New South Wales and ultimately graduated and gained his qualification as a Chartered Accountant whilst working with PricewaterhouseCoopers in Australia.</p> <p>He has held senior roles with publicly listed companies such as Global Television and Hoyts as well as major international conglomerates including Carlson Companies and the Walt Disney Company. Mr Clark also held senior finance roles with the start-up enterprises Nudie Foods and McElroy All Media during their inception phases. He played a key role in establishing these businesses, both of which went on to trade successfully. He was recently Finance Director and Company Secretary for ComOps Limited and was most recently an employee for Dickson & Dickson Healthcare Limited.</p> <p>Applying the Independence Factors, Mr Clark considered not independent because he is a director and employed in an executive capacity. However, the Company has determined that any risks to the Company and its shareholders associated with Mr Clark's lack of independence in the areas identified can be mitigated with appropriate management in accordance with the Company's conflicts of interest procedure.</p>
Bevan Dooley Executive Director/Chief Technical Officer	<p>Mr Dooley brings to FOY 20 years of experience in the energy, fuel and chemical processing industries. Mr Dooley has a solid engineering and management background that leads to a deep understanding of processing techniques for energy conversion, as well as the energy and fuels market in Australia and Asia. In 2001 Mr Dooley co-founded Australian Biodiesel Group Ltd, an entity that listed on ASX in 2005. Mr Dooley held various roles with Australian Biodiesel Group Ltd, including technical director, Chief Executive Officer and Director. Since 2009 Mr Dooley has held board positions on proprietary companies commercialising fuel and energy technologies.</p> <p>Mr Dooley has been integral in the design, construction, commissioning and ongoing management of many energy, fuel and chemical processing facilities in Australia and around the world. Mr Dooley and his team have developed the core technologies within the IGE group, the entity with which FOY has signed its term sheet.</p> <p>Mr Dooley holds a Bachelor of Mechanical Engineering (Hons) from the Queensland University of Technology.</p> <p>Applying the Independence Factors, Mr Dooley is considered not independent because he is a Director and substantial shareholder of IGE (which has a material contractual relationship with FOY under the Business Sale Agreement), as well as a substantial Shareholder of FOY. However, the Company has determined that any risks to the Company and its shareholders associated with Mr Dooley's lack of independence in the areas identified can be mitigated with appropriate management in accordance with the Company's conflicts of interest procedure.</p>
David McIntosh Non- Executive Director	<p>Mr McIntosh is the Principal of McIntosh & Associates, a boutique accounting firm that was founded by himself and now consisting of three qualified accountants plus support staff. McIntosh & Associates provides accounting, audit, business structure, planning and taxation services and advice to large corporations, resident and non-resident individuals and a diverse array of companies and entities.</p> <p>David is a Chartered Accountant and the holder of a Certificate of Public Practice and the holder the following degrees: Master of Commerce (Accounting), Bachelor of Engineering (Chemical), Graduate Diploma (Chartered Accountant). His qualifications include being a Chartered Accountant, Registered Auditor (Superfunds), Tax Agent, and an ASIC Agent.</p> <p>Prior to moving into finance David gained exposure in the area of chemical engineering through his work with Shell Oil Company and Environment Australia.</p> <p>Applying the Independence Factors, the Company considers that Mr McIntosh is an Independent Director.</p>
Kilroy Genia	<p>Mr. Genia has broad experience in both private and government enterprises having</p>

Non- Executive Director	<p>spent nine year holding various Ministerial positions within the PNG cabinet, including Minister of Justice, Defence, Foreign Affairs and Trade.</p> <p>Applying the Independence Factors, the Company considers Mr Genia is an Independent Director.</p>
Cliff James Non- Executive Director	<p>Mr. James is a geologist and business executive with over 45 years of technical and financial experience in the natural resource sector. His work has taken him throughout North America, Africa and Asia where he has held senior positions in both oil and gas and mining companies. Mr. James spearheaded TVI Pacific's activities in the Philippines and is responsible for bringing on stream the Canatuan project, the first foreign funded, modern, full-scale producing mine in the Philippines since the passage of the Mining Act in 1995. At Canatuan, Mr. James developed two highly successful mining operations, one that produced 105,200 ounces of gold and 1.8 million ounces of silver 2004 to 2008; and another that produced 199,778 tonnes of copper concentrate and 30,558 tonnes of zinc concentrate from 2009 to 2014. From 2012 to present, Mr. James successfully developed a third mine into production in the Philippines, the Agata project, which has now produced close to 5 million tonnes of nickel laterite (a combination and nickel and iron ore) since commercial operations began in 2014.</p> <p>Mr. James holds a Bachelor of Science (Hons.) and Master of Science in Geology.</p> <p>Applying the Independence Factors, Mr James is not considered to be an Independent Director. Mr James is a Director and substantial shareholder of TVI Pacific Inc, a substantial Shareholder of the Company and is also the Chairman of TVI Pacific Inc. TVI Pacific Inc also hold a 10% interest in the Company's Amazon Bay Project. However, the Company has determined that any risks to the Company and its shareholders associated with Mr James in the areas identified can be mitigated with appropriate management in accordance with the Company's conflicts of interest procedure.</p>

Summary:

The current Board has a proven track record in establishing and growing businesses into large thriving entities. These credentials, coupled with a wealth of corporate experience, gives a credible recipe for success for FOY.

5.2 Senior Management

In addition to Mr Dickson as FOY's Executive Chairman, Mr Clark (as FOY's Managing Director) and Mr Dooley (as FOY's Chief Technical Officer), the senior management of FOY at completion of the Acquisition will be:

Joshua Herbertson Chief Financial Officer and Company Secretary	<p>Mr Herbertson has 10 years' experience in financial management, chiefly in the professional service industry. Working in a range of finance and operations roles for both publicly listed and private companies, he has been involved in ASX listings, mergers and acquisitions, corporate restructuring and financial due diligence, in addition to responsibilities as Chief Financial Officer.</p> <p>He holds a Bachelor of Commerce, and is a Member of CPA Australia.</p>
John Sneddon Director of Operations and Quality	<p>An Electrical / Electronics Engineer with over 40 years' experience, John has developed his engineering and management skills working in Scotland, South Africa and Saudi Arabia before settling in Australia. He has had a diverse work experience, ranging from naval weapons and navigation systems with the UK ministry of defense, to nuclear power generation and more recently the management of major healthcare projects within Australia.</p> <p>John is a well-respected Project Director having managed infrastructure projects during successful tenures with Stryker Australia, Baxter and Dickson and Dickson Healthcare.</p> <p>John is a member of the Australian Institute of Project Managers and spent the last 10 years as Operations and Quality Director with Dickson and Dickson Healthcare where he was responsible for all operations, logistics and quality standards.</p> <p>With the benefit of his sound engineering background, extensive operational</p>

experience, focus on quality and strong communication skills, John represents a formidable contribution to the team. He currently holds the role of Director of Operations and Quality with FOY Group Ltd.

5.3 Corporate Governance

- **Scope and responsibility of the Board**

The Board of Directors of the Company is responsible for the corporate governance of the Company and its controlled entities, monitors the operational and financial performance of the Company, oversees its business strategy and approves its strategic direction.

The Board is accountable to the Shareholders for the performance of the Company and has overall responsibility for its operations. Day to day management of the Company's affairs, and the implementation of the corporate strategy and policy initiatives, will be formally delegated by the Board to the Managing Director.

The key responsibilities of the Board include:

- a) appointment of the Managing Director and other senior executives and the determination of their terms and conditions including remuneration and termination;
- b) driving the strategic direction of the Company, ensuring appropriate resources are available to meet objectives and monitoring management's performance;
- c) reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance;
- d) approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- e) approving and monitoring the budget and the adequacy and integrity of financial and other reporting;
- f) approving the annual, half yearly and quarterly accounts;
- g) approving significant changes to the organisational structure;
- h) approving the issue of any shares, options, equity instruments or other securities in the Company (subject to compliance with ASX Listing Rules);
- i) ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making;
- j) adhering to the continuous disclosure requirements, making timely and relevant disclosures to shareholders and the market in compliance with ASX listing rules;
- k) recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them (in accordance with the ASX Listing Rules); and
- l) meeting with the external auditor, at their request, with or without management being present.

For the purposes of the proper performance of their duties, the Directors are entitled to seek independent professional advice at the Company's expense, unless the Board determines otherwise. The Board schedules meetings on a regular basis and other meetings as and when required.

Information provided to the Board includes all material information on the Company's operations, budgets, cash flows, funding requirements, shareholder movements, assets and liabilities, disposals, financial accounts, external audits, internal controls, risk assessments and new venture proposals.

- **Composition of Board**

The Directors consider the size and composition of the existing Board is appropriate given the current size and status of the Company. The Board has the appropriate level of experience and skills to meet the operational, financial, risk and governance requirements of the Company in order to meet its strategic directives. Mr Dickson brings vision, strategy and

commercial acumen. Of particular note is the proven track record of Paul Dickson in growing a business from start up status through to a thriving going concern. These skills will be utilised as Mr. Dickson steers the course of FOY through to relisting and the creation of a profitable and sustainable business. Mr Clark brings to the Company his commercial, administrative, financial, operational and human resources skills, which have been developed while working for numerous listed and non-listed entities ranging from start-ups through to publicly listed companies and major international conglomerates. Mr Dooley has been engaged to address the technical requirements of the Company. Mr Genia has PNG political and governance experience. Mr James provide the mining and project development skills required to develop the PNG Amazon Bay project. Mr McIntosh has specific financial and strategic expertise across a range of industries.

The composition of the Board will be subject to ongoing review in a number of ways:

- (i) the Constitution provides that at every annual general meeting, the longest standing of the Directors shall retire from office but may stand for re-election;
- (ii) Board composition will also be reviewed periodically either when a vacancy arises or if it is considered that the Board would benefit from the services of a new Director, given the existing mix of skills and experience of the Board, which should match the strategic demands of the Company. Once it has been agreed that a new Director is to be appointed, a search will be undertaken, sometimes using the services of external consultants. Nominations would then be received and reviewed by the Board; and
- (iii) remuneration of the Non-Executive Directors is reviewed and approved by the Remuneration Committee. Under the Constitution, the maximum aggregate annual remuneration which may be paid to Non-Executive Directors is set by, and cannot be increased without, approval of the Company's Shareholders.

- **Board charter**

In carrying out the responsibilities and powers, the Board of Directors of the Company:

- recognises its overriding responsibility to act honestly, fairly, diligently and in accordance with the law in serving the interests of its shareholders; and
- recognises its duties and responsibilities to its employees, stakeholders and the community.

- **Audit and Risk Committee**

The committee presently comprises of Mr McIntosh, Mr Genia and Mr Dickson.

The primary responsibilities of the committee are to:

- assess whether the Company's external reporting is legally compliant, consistent with committee members' information and knowledge and suitable for Shareholder needs
- assess the management processes supporting external reporting;
- liaise with the external auditors and ensure that the audit review is conducted in an effective manner;
- make recommendations for the appointment or removal of auditors;
- on an annual basis, assess the performance and independence of the external auditors;
- monitor the coordination of the internal and external audits in so far as they relate to the responsibilities of the committee;

- recommend to the Board and then promote clear standards of ethical behaviour required of Directors and key executives and encourage observance of those standards;
 - recommend to the Board and then promote and maintain a sound system of risk oversight and management and internal control which:
 - identifies, assesses, manages and monitors risk; and
 - informs investors of material changes to the Company's risk profile; and
 - recommend to the Board and then promulgate and maintain a system to ensure compliance with all environmental and occupational health and safety regulations and legislation.
- **Remuneration and Nominations Committee**
 - The committee presently comprises of Mr McIntosh, Mr Genia and Mr Dickson.
The primary responsibilities of the committee are to:
 - review when required, the engagement, performance and remuneration of senior executives of the Company; and
 - recommend to the Board appropriate terms and conditions of engagement.
 - **Best practice commitment**
 - **Continuous Disclosure**
The Company has a policy that all Shareholders and investors have equal access to the Company's information, to the extent practicable. The Board has the responsibility to ensure that all price sensitive information is disclosed to the ASX in accordance with the continuous disclosure requirements of the Corporations Act and ASX Listing Rules.
 - **Shareholder Communication**
The Board strives to ensure that Shareholders are provided with sufficient information to assess the performance of the Company and its Directors and to make well-informed investment decisions.
Information is communicated to Shareholders through:
 - annual and half-yearly financial reports and quarterly reports;
 - annual and other general meetings convened for Shareholder review and approval of Board proposals; and
 - continuous disclosure of material changes to the ASX for open access to the public.
 The auditor is invited to attend the annual general meeting of Shareholders. The Chairman will permit Shareholders to ask questions about the conduct of the audit and the preparation and content of the audit report.
 - **Independent Professional Advice**
The Company has established policies to allow Directors, in the execution of their duties, to seek independent professional advice at the Company's expense.
 - **Code of Conduct**
The Company has established a formal code of conduct to guide compliance with legal and other obligations to stakeholders.
The Code includes:
 - responsibilities to shareholders;
 - responsibilities to clients, customers and consumers;

- employment practices;
- obligations relating to fair trading and dealing;
- responsibilities to the community;
- responsibilities to the individual; and
- how the company monitors and ensures compliance with the Code.

- **Securities Trading Policy**

The Company has adopted a formal policy for dealing in the Company's securities by Directors, senior management and other employees ("designated persons"). This sets out their obligations regarding dealings in the Company's Securities.

The Constitution permits Directors to acquire securities in the Company, however Company policy prohibits designated persons from dealing in the Company's Securities at any time whilst in possession of price sensitive information.

In addition, designated persons proposing to deal in the Company's securities must notify the Company of their intention and receive confirmation from the Company to allow them to deal in the Company's securities.

In accordance with the provisions of the Corporations Act and the Listing Rules, the Company will advise the ASX of any transaction conducted by Directors in the securities of the Company.

- **Compliance with ASX Corporate Governance Guidelines and Recommendations**

No.	PRINCIPLES AND RECOMMENDATIONS (Summary)	COMPLIES	COMMENT
1.	LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT		
1.1	A listed entity should disclose the respective roles and responsibilities of its board and management; and those matters expressly reserved to the board and those delegated to management.	Yes	<p>The Company has established a Board Charter, which discloses the specific responsibilities of the Board and those of senior executives.</p> <p>The Board delegates responsibility for the day to day operations and administration of the Company to the Managing Director.</p> <p>The Company's Board Charter is published on the Company's website.</p>
1.2	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-</p>	Yes	<p>The Company is responsible for ensuring that appropriate checks are undertaken before a director candidate is appointed or put forward to security holders for election.</p> <p>All material information in the Company's possession relevant to a decision on whether or not to elect or re- elect a director is provided to security holders in the notice of the meeting at which the director is to be</p>

	elect a Director.		put forward for election or re-election.
1.3	A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.	Yes	Each Director and senior executive has a written agreement setting out the terms of their appointment.
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the Board.	Yes	The Company Secretary reports directly to the Chairman and Managing Director. The decision to appoint or remove the Company Secretary is made by the Board.
1.5	A listed entity should have a diversity policy and should disclose at the end of each reporting period the measurable objectives for achieving gender diversity and the progress towards achieving those objectives.	No	The Board believes that the Company benefits from diversity. Due to the size of the Company and small number of persons employed by the Company and its controlled entities, the Board has not established a formal diversity policy, but the Board actively encourages management keep diversity in mind when considering applicants for positions.
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual Directors;</p> <p>(b) and disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Yes	<p>As the majority of the Board has been appointed within the last 30 months in order to meet the new strategic objectives of the Company, the Company considers that a formal review is not yet warranted. The anticipated process moving forward will involve the Chair reviewing the composition of the Board and the performance of each Director from time to time to ensure that the Board has at all times a mix of skills and experience necessary for the conduct of the Company's activities and to meet the Company's strategic objectives. The Board will consider in the future, once the business operations of the Company mature, whether a more formal approach to undertaking performance evaluations is required.</p> <p>In future, the Company will also continue to disclose in its annual report (or where appropriate) whether a performance evaluation has taken place in the relevant reporting period, and whether it was in accordance with the process disclosed.</p>
1.7	A listed entity should have and disclose a process for periodically evaluating the performance of its senior executives and disclose, in relation to each reporting period,	Yes	The Chair reviewed the performance of the Managing Director and the Board undertaking the Remuneration Committee function annually evaluates the performance of the Company's

	whether a performance evaluation was undertaken in the reporting period in accordance with that process.		Senior Executives. A performance evaluation was made during the reporting period on key management personnel.
LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
2.1	<p>The Company should have a Nomination Committee which has at least 3 members a majority of whom are independent and is chaired by an independent Director.</p> <p>If it does not have a nomination committee, the Board should disclose that fact and the processes it employs to address board succession issues and to ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	Yes	<p>The Board has established a separate Nomination Committee. The Remuneration Committee Charter establishes the Board's accountability for periodically reviewing the performance of the Company's senior executives. Similar to the Company's approach to the review of the Board as per the response to recommendation 1.6 above, the Company will also disclose with respect to senior executives whether a performance evaluation was undertaken in the reporting period.</p> <p>The Board has a Nomination Committee Charter, which can be located on the Company's website.</p> <p>The members of the committee are Kilroy Genia, David McIntosh and Paul Dickson. The committee met periodically during the year, the attendance of the members at meetings are disclosed in the Directors' Report of the Annual Report.</p>
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Yes	<p>The skills of each Board member are disclosed on the Company's website and in the Company's Annual Report for each year.</p> <p>The Board Charter and the Nomination Committee Charter states the mix of skills and diversity the Board of directors is looking to achieve.</p> <p>The Board Charter and the Nomination Committee Charter can be found on the Company's website.</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the Directors considered by the board to be independent Directors;</p> <p>(b) if a Director has an interest, position, association or relationship which may otherwise be seen as a conflict to the Director's obligation to the company but the board is of the opinion that it does not compromise the independence of</p>	Yes	<p>For the period ending 30 June 2017, the Board was comprised of two independent non-executive directors Mr. David McIntosh, and Mr. Kilroy Genia.</p> <p>Mr. Paul Dickson and Mr. Bevan Dooley are not considered independent due to their relationship with Integrated Green Energy Limited, Clifford James due to his relationship with TVI. Mr. Stuart Clark was Managing Director during the period.</p>

	<p>the Director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service for each Director</p>		<p>In terms of managing conflicts, those Directors who have interests in specific transactions or potential transactions do not participate in any part of a Directors' meeting which considers those transactions or potential transactions, are not involved in the decision-making process in respect of those transactions or potential transactions, and are asked not to discuss those transactions or potential transactions with other Directors.</p> <p>As at 30 June 2017, the Directors are:</p> <p>Mr. Paul Dickson - 32 months' service</p> <p>Mr. Bevan Dooley - 32 months' service</p> <p>Mr. David McIntosh - 32 months' service</p> <p>Mr. Cliff James - 30 months' service</p> <p>Mr. Kilroy Genia - 29 months' service</p> <p>Mr. Stuart Clark – appointed August 2016</p>
2.4	A majority of the board of a listed entity should be independent Directors	No	<p>The Company has two independent non-executive directors, Mr Kilroy Genia and Mr David McIntosh. While the majority of the Board is not currently independent, the Company is confident that the current composition of the Board is optimal for the interests of the shareholders.</p> <p>The Board has four Non-Independent Directors (Mr Dickson, Mr Dooley, Mr Clark and Mr James). While the majority of the Board is not currently independent, the Company is confident that current composition of the Board is optimal for transitioning the Company into its next phase of operations, and is therefore in the best interests of the Company and its shareholders. The Board will review the balance of independence on the Board on an on-going basis, and will implement changes at its discretion having regard to the Company's growth and changing management and operational circumstances.</p>

2.5	The chair of the board of a listed entity should be an independent Director and, in particular, should not be the same person as the MD of the entity	No	The Chair and the MD of the Company are separate individuals. The Company's Chairman, Mr. Paul Dickson is not considered an independent Director due to his relationship with IGE. However, the Company believes the Chairman is uniquely suited to carrying out the functions of the Chair as he has been intimately involved in all of the business, operations and management of the IGE business acquisition since its inception.
2.6	A listed entity should have a program for inducting new Directors and provide appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to perform their role as Directors effectively.	Yes	All new Directors receive an induction that includes being issued with all corporate records and documents material to their role. Fully funded professional development opportunities are being made available to Directors as required on a case-by-case basis to ensure they maintain the skills and knowledge they need to perform their role effectively
PROMOTE ETHICAL AND RESPONSIBLE DECISION MAKING			
3.1	A listed entity should have a code of conduct for its Directors, senior executives and employees and disclose that code or a summary of it.	Yes	The Company has adopted a 'Corporate Code of Conduct', which provides a framework for decisions and actions in relation to ethical conduct in business. All of the Company's Directors and employees are required to comply with the standards of behaviour and business ethics in accordance with the law and the Code of Conduct. The Code of Conduct is published on the Company's website.
SAFEGUARD INTEGRITY IN FINANCIAL REPORTING			
4.1	<p>The Board of a listed entity should have an audit committee which consists of at least 3 members all of whom are non-executive Directors and a majority of whom are independent Directors and the committee should be chaired by an independent Director who is not the chair of the board.</p> <p>If it does not have an audit committee, the Board should disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the</p>	Yes	<p>The Board has established an Audit Committee to safeguard the integrity of the Company's financial reporting.</p> <p>The Audit Committee for the year ending 30 June 2017 consisted of three members as follows:</p> <ul style="list-style-type: none"> • Mr. David McIntosh – Chairman of the Audit Committee, independent Non-Executive Director; • Mr. Paul Dickson – Company Chairman • Mr Kilroy Genia <p>Mr. Paul Dickson was appointed to the Committee; however he is not considered independent due to relationship with IGE.</p>

	audit engagement partner.		<p>The Audit Committee regularly reports and discusses all Committee issues and outcomes with the Board.</p> <p>The Audit Committee Charter is posted on the Company's website.</p> <p>The qualifications and experience of each member of the Committee is disclosed in the Annual Report.</p> <p>The Committee met twice during the financial year to discuss the outcomes of the half-yearly and annual reports with the Auditors.</p>
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Yes	The Board receives this assurance from the Chief Executive Officer and the Chief Financial Officer for each of the Full Year and Half Year reporting periods.
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Yes	Each year the Company's external auditor attends the Annual General Meeting.
MAKE TIMELY AND BALANCED DISCLOSURES			
5.1	A listed entity should have a written policy for complying with its continuous disclosure obligations under the Listing Rules and disclose that policy or a summary of it.	Yes	<p>The Board has adopted a Continuous Disclosure Policy to ensure that the Company complies with its continuous disclosure obligations under the Corporations Act and the ASX Listing Rules and to ensure accountability for compliance. The Continuous Disclosure Policy is posted on the Company's website.</p> <p>The Chief Executive Officer and the Company Secretary have primary responsibility for ensuring that the Company complies with its continuous disclosure obligations.</p>
RESPECTS THE RIGHTS OF SHAREHOLDERS			

6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes	The Company has established a website and the Board regularly updates and provide information sufficient to enable shareholders to be kept informed of major developments. The website also has a corporate governance section in which shareholders can find the Company's Constitution and corporate governance policies.
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	The Company has adopted a Shareholder Communications Policy, which establishes principles to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs. The Shareholder Communications Policy is published on the Company's website..
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes	The Company encourages shareholders to participate in general meetings of the Company as a means by which feedback can be given to the Company. All shareholders are notified in writing of general meetings and are strongly encouraged to attend and participate in both Annual and Extraordinary General Meetings of the Company, to lodge any relevant questions which would be answered by the Board and / or Chief Executive Officer, and are able to appoint proxies
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	Through the Company's registry services provider, shareholders are able to communicate with the Company electronically with respect to matters affecting their shareholding.
RECOGNISE AND MANAGE RISK			
7.1	The Board should establish a risk management committee made up of at least 3 members, a majority of whom are independent Directors, and chaired by an independent Director. If it does not have a risk committee, the Board should disclose that fact and the processes it employs for overseeing the entity's risk management framework.	Yes	The Board has established a separate Audit & Risk Committee. The functions of the Risk Committee are undertaken by the Board due to the nature, size and scope of the Company. The Audit & Risk Committee for the year ending 30 June 2017 consisted of three members as follows: • Mr. David McIntosh – Chairman of the Audit Committee, independent Non-Executive Director; • Mr. Paul Dickson – Company Chairman

			<p>• Mr Kilroy Genia</p> <p>The 3-member committee is considered by the Board to be appropriate to the needs of the Company at present. The Chairman of the committee is an independent director.</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	Yes	<p>The risk profile of the Company is currently undergoing a substantial change, with the strategic emphasis of the Company shifting from mining to fuel production. As part of the strategic transition, the identification and management of risk has been continually at the forefront of the Company's recent activities. Moving forward, in accordance with the Audit and Risk Committee Charter, the Board will review the Company's risk management framework on an annual basis and will disclose in its annual report or elsewhere as appropriate whether such review has taken place.</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	Yes	<p>The risk profile of the Company is currently undergoing a substantial change, with the strategic emphasis of the Company shifting from mining to fuel production. As part of the strategic transition, the identification and management of risk has been continually at the forefront of the Company's recent activities. Moving forward, in accordance with the Audit and Risk Committee Charter, the Board will review the Company's risk management framework on an annual basis and will disclose in its annual report or elsewhere as appropriate whether such review has taken place.</p>
7.3	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	Yes	<p>The Company does not have an internal audit function in respect of risk assessment.</p> <p>The Board is responsible for reviewing and assessing the effectiveness of the Company's system of risk management and the Audit Committee is also responsible for reviewing at least annually the effectiveness of the Company's implementation of the risk management system and providing advice and recommendations to the Board regarding the ongoing development of risk oversight and management policies.</p>
REMUNERATE FAIRLY AND RESPONSIBLY			

8.1	<p>The board should establish a remuneration committee which has at least three members, a majority of whom are independent and which is chaired by an independent Director.</p> <p>If it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive</p>	Yes	<p>The Board has established a separate Remuneration Committee. The functions of the Remuneration Committee are undertaken by the Board due to the nature, size and scope of the Company.</p> <p>The Remuneration Committee for the year ending 30 June 2017 consisted of three members as follows:</p> <ul style="list-style-type: none"> • Mr. David McIntosh – Chairman of the Audit Committee, independent Non-Executive Director; • Mr. Paul Dickson – Company Chairman • Mr Kilroy Genia <p>The 3-member committee is considered by the Board to be appropriate to the needs of the Company at present. The Chairman of the committee is an independent director. The Remuneration Committee Charter is posted on the Company's website.</p> <p>The Board met on a regular basis during the year, the attendance of the members at meetings of the Directors are disclosed in the Directors' Report of the Annual Report.</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive Directors and the remuneration of executive Directors and other senior executives.</p>	Yes	<p>Each Director and senior executive has entered a separate employment or consultancy agreement with the Company.</p> <p>Where a Director provides consultancy services through a personal services company, that Director has also entered a separate agreement with the Company in respect of his services as a Director.</p> <p>The remuneration of Directors and senior executives is reviewed annually. No Director participates in the decision of the remainder of the Board in agreeing final terms of his remuneration, whether as an employee or consultant or as a Director.</p> <p>The Board has adopted a Remuneration Committee Charter that details the policies and practices regarding the remuneration of non-executive and executive directors and other key management personnel. The Board reviews the remuneration packages of executives annually by reference to the Company performance, executive performance, comparable</p>

			<p>information from industry sectors, other listed companies and seeks independent advice where required.</p> <p>The remuneration of all key management personnel for the Company, including monetary and non-monetary components are detailed in the Directors' Report under the heading Key Management Personnel Compensation.</p> <p>The Board considers that the remuneration policies of the Company are designed to attract and retain the best executives and provide the necessary incentives to work to grow long – term shareholder value.</p> <p>The payment of bonuses, options and other incentive payments are reviewed and approved by the Board and are linked to predetermined performance criteria. The Board can exercise its discretion in relation to approving incentives, bonuses and options, however must be justified by reference to measurable performance.</p>
8.3	<p>A listed entity which has an equity- based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	N/A	<p>The Company does not have an equity-based remuneration scheme.</p>

6 RISK FACTORS

6.1 Overview

An investment in FOY is not risk free and investors should consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for New Shares. Potential investors should consider that the investment in FOY is speculative and should consult their professional advisers before deciding whether to apply for New Shares.

The following list is not intended to be an exhaustive list of the risk factors relating to an investment in FOY and other risk factors may apply.

6.2 Company specific risks – waste plastic to fuel activities, and other Technologies

In addition to the general, economic and industry risks set out below, investors should be aware of the specific risks in respect of an investment in FOY.

- **Crude oil prices**

Oil and fuel prices are volatile and low prices could have a material adverse impact on cash flow and on FOY's business. This volatility has been evident in the last decade. For example, crude oil prices began to climb in 2004 and reached an all-time high in mid-2008. The price of crude oil dropped from just over US\$145/barrel in July 2008 to US\$45/barrel at the end of December 2008 and to under US\$35/barrel in mid-February 2009. By July 2011, the price of crude oil climbed to more than US\$100/ barrel and until August 2014 the Europe Brent ("Brent") crude price, the global benchmark, was in excess of US\$100/barrel. Since August 2014 the price has continued to fluctuate and as at 31 July 2017 Brent crude was trading at around US\$52.60/barrel. The risk exists that if the Brent price falls significantly and remains at a low price for a period of time, FOY may not be able to compete on price and this could have a material and adverse impact on the financial performance of FOY.

This risk may be mitigated by the decline in the Australian Dollar against the US Dollar, which have ranged from \$0.62 in October 2008, up to a high of \$1.10 in July 2011, since when it has trended downwards and was approximately \$0.80 as at 31 July 2017.

Future profitable sales will be dependent on the price of oil being adequate to make the output economic. Future significant declines in the market value of oil could cause the sale of the product to be rendered uneconomic. There is no guarantee that, if commercial quantities of fuel are consistently produced, a profitable market will exist for it.

- **Interruption to feedstock supply or quality**

The operation of the Business will require substantial quantities of plastic waste feedstock to be sourced from external suppliers. The characteristics of the supplied feedstock affects the yield and the density of fuel produced by the Business, and the price at which the feedstock is sourced affects the economic viability of the Business. Any interruption to the supply of feedstock to FOY may result in interruptions to production. This could occur as a result of, for example, a breach of contract by FOY's feedstock supplier or a force majeure event under that contract, or increased demand for non-recyclable waste plastics from other sources.

Any issues with the quality of the feedstock supplied or any increase to the price at which it is sourced could also materially and adversely affect the financial performance of FOY.

For example, in Australia FOY currently sources all of its waste plastic feedstock from one aggregator, Odyssey Waste Control Pty Ltd (**Odyssey**). Odyssey is an aggregator of waste plastics and sources its waste plastic from various suppliers. There is always a risk that, notwithstanding appropriate safeguards, Odyssey may experience financial, supply or other difficulties which may affect Odyssey's ability to perform its obligations to FOY. There is also a risk that, at the end of the contract term, Odyssey may stop supplying waste plastic feedstock to FOY, or Odyssey could breach the agreement by failing to deliver the required feedstock, and that FOY will not be able to find alternative suppliers, at all, on as favourable terms or in the quantities required. Such termination or failure to renew could result from

things such as an inability to source feedstock for aggregation, delivery difficulties, or an ability to obtain higher prices from other customers.

- **Failure of Technology**

The PTF Technology has been trialled in the demonstration plant, but has not yet been conclusively proven to consistently produce fuel on a commercial scale.

The BTE Technology has been commercially deployed but has limited operational hours. The BTF Technology is still laboratory based and has not been tested in a pilot plant on any scale.

As with all technology, there is a risk that the particular application of the Technology will not work at all or may stop working in the future. There is no guarantee that the issue that causes the failure will be economically viable or possible to fix. If such a failure of the Technology occurs, that failure would have a material and adverse effect on the financial position of FOY.

- **Failure to protect intellectual property rights**

Solid Energy Technologies previously filed three provisional patent applications which applied to the PTF Technology being Patent Application Numbers Patent Numbers AU2015904828, AU2016901654 and AU2016902869.

On 23 November 2016, an International Patent Application under the Patent Cooperation Treaty was filed for the PTF Technology. This application combined the disclosures of, and claimed priority from, the three provisional patent applications referred to above. If a patent is granted over the PTF Technology, the granting of the patent does not guarantee that FOY's intellectual property is, or will be, protected that others will not develop similar technologies that circumvents the patent, or that FOY is protected from infringing the intellectual property rights of third parties.

There can be no assurance that any patents FOY ultimately owns or develops, whether now or in the future, will give FOY commercially significant protection of its intellectual property.

It is a condition precedent to Completion that the trade secrets and know-how, as well as all industrial copyright, relating to the Technology be professionally recorded and transferred to FOY at Completion. FOY has engaged a professional patent attorney to compile the necessary documents. It is also a condition precedent to Completion that Bevan Dooley (through Solid Energy Technologies) enter into a consultancy agreement with FOY for a 3-year term, and on such other terms (including as to termination rights) as are acceptable to FOY. This condition has been satisfied.

FOY's success depends, in part, on its ability to obtain, maintain and protect its intellectual property. Actions taken by FOY to protect its intellectual property (including those described in this Notice) may not be adequate, complete or enforceable and may not prevent the misappropriation of its intellectual property and proprietary information or deter independent development of similar technologies by others. FOY may also suffer damage if former employees infringe its intellectual property rights or assert their moral rights.

Monitoring unauthorised use of FOY's intellectual property rights is difficult and can be costly. FOY may not be able to detect unauthorised use of its intellectual property rights. Changes in laws in Australia and other jurisdictions in which FOY operates may adversely affect FOY's intellectual property rights.

- **Infringement of third party intellectual property rights**

Other parties may develop, or have already developed, processes or technologies substantially similar to those used by FOY, and other parties may allege that FOY's technologies and processes in corporate intellectual property rights derived from third parties without their permission. Whilst FOY is not the subject of any claim that its technologies infringe the intellectual property rights of a third party, allegations of this kind may be received in the future and, if successful, injunctions may be granted against FOY which could materially affect the operation of FOY and FOY's ability to earn revenue, and cause disruption to FOY's services. The defence and prosecution of intellectual property

rights lawsuits, proceedings and related legal and administrative proceedings are costly and time-consuming, and their outcome is uncertain.

- **Low liquidity and release from escrow risk**

IGE shareholders may be subject to ASX imposed mandatory escrow requirements which are designed to protect the integrity of the market. IGE shareholders will be subject to ASX imposed mandatory escrow and as a result IGE shareholders will not be able to deal their Shares or Options for a period of 24 months from the date of re-quotation of FOY's Shares on ASX following compliance with Chapters 1 and 2 of the Listing Rules. In addition, Shares held by directors of FOY and any Shares issued in FOY in the 12 months prior to listing may be subject to mandatory escrow for a period up to 12 months (from the date of issue of those Shares) for unrelated investors and for a period of 24 months (from the date of re-quotation of FOY's Shares) for Directors and other related parties. Any other Shareholders who ASX decides are promoters of FOY may not be able to deal with some or all of their Shares which are restricted securities for a period of 24 months from re-quotation of FOY's shares.

At the end of these escrow periods, a significant sale of the Shares released from escrow, or the perception that such sales have occurred or might occur, may impact the Share price of FOY. See section 10.9 for further information regarding the restricted securities.

The number of restricted securities during the restriction periods may cause or contribute to a limited liquidity in the market for Shares, which could affect the market price at which other Shareholders are able to sell their Shares.

Illiquid securities tend to be of lesser value than equivalent securities which are more liquid in character.

- **Failure to meet relevant standards in each jurisdiction**

Failure to meet the Australian standards for FOY's finished products would adversely impact the price at which the diesel, petrol and fuel products produced could be profitably sold. Inconsistencies, errors or contamination of the products could result in cancellation of any off-take agreements then in place, and leaving FOY exposed to compensation payments or penalties.

- **Management risk**

The responsibility of undertaking the PTF business is currently concentrated amongst a small number of key management personnel. Further, if FOY's development programme is successful, FOY could experience a rapid growth in its operations which could place significant demand on managerial, operational and financial resources due to the need to manage relationships with business partners, difficulties in hiring, managing and retaining appropriate personnel and pressures for the development of information systems.

The bandwidth or loss of key employees or the inability to retain additional key employees as FOY's operations develop may materially impact the financial performance and the value and price of FOY's shares.

FOY has had the Soft IP documented to preserve its value for future duplication of its commercial operations and to protect against losing key management in the future. In addition to this, FOY has engaged key management personnel on commercial employment and contractual arrangements with cross training in skills undertaken to ensure minimal disruption to FOY if it suffers the loss of key management personnel.

- **Change in fuel standards**

New fuel standards may be introduced and existing fuel standards may be amended or repealed from time to time. It is possible that lobby groups (such as traditional fuel wholesalers) could pressure the government to introduce such changes. Any change to the standards in any market in which FOY sells its products may result in FOY needing to modify its production process or procure alternate or additional feedstock, which may impact the revenue and expenditure of FOY and materially and adversely affect FOY's financial performance. In an extreme case, such new or amended standards could significantly limit

or prevent altogether the use of non-petroleum derived fuels, having a material and adverse effect on the future viability of FOY.

- **Technology upgrades required to remain competitive**

To remain competitive and better optimise production from the Commercial Plants as well as complying with emerging industry standards and increasingly stringent environment regulations, additional capital will be required to install technology upgrades. There is a risk that FOY may not be able to develop the necessary technology or secure the capital necessary to implement advanced technologies into the Commercial Plants at all or in a timely manner.

- **Property Acquisition risks**

- **ACT property**

The contract for the ACT property subject of the ACT Land Purchase Agreement was due for completion on 18 July 2017. FOY received a legal notice to complete the contract for sale of the ACT land at 2.30pm on 7 September 2017. The Seller has advised that if completion of the contract is not effected in accordance with the notice the Seller may terminate the contract for sale and have recourse to such other rights as are available to it pursuant to the contract. FOY did not complete the contract by 7 September 2017 which now gives the Seller the right to terminate the contract for sale and have recourse to such other rights as are available to it pursuant to the contract. FOY is looking to settle the amount as soon as possible either via the capital raising or utilising debt funding and is currently in negotiations with the ACT Land Development Agency to extend the settlement date. Under the terms of the ACT Land Purchase Agreement, there are a number of remedies available to the seller in these circumstances including, terminating the agreement and retaining the 5% already paid and either suing FOY for breach or re-selling the land and any deficiency arising on the resale and all expenses of and incidental to the resale or attempted resale and FOY's default are recoverable by the seller from FOY as liquidated damages, provided the seller has entered into a contract for the resale of the land within 12 months of termination.

The agreement also provides that if completion does not occur by the date for Completion due to the default of FOY, then FOY must pay the seller as liquidated damages on Completion.

- **BKV property**

The contract for the Berkeley Vale property located at 11 Apprentice Drive is due for completion on 11 September 2017. IGE is due to settle the amount by that date.

Should IGE fail to complete, the company would be in breach and the property would fail to transfer to FOY as part of the Acquisition.

- **Funding risk**

FOY has the intention of utilising funding for its immediate growth plans, including a debt facility to be organised by GEP, that will be utilised for the design and construction of the previously announced 1,500 tonnes per day ASR facility to be located in Camden, Indiana. Also, a conditional US\$90 million in debt funding has been organised by FOY for the design and construction of three facilities in the UK and one in the Netherlands with a capacity of 200 TPD per site. The ability to maintain this funding will depend on various factors, including the results of its operations and the status of various capital and industry markets at the time it seeks such capital. Accordingly, additional financing may not be available on acceptable terms, if at all. In the event additional financial resources are unavailable, FOY may be required to curtail its planned growth. After completing the construction of the CDMs for the US Commercial Plant and constructing and operating the UK Commercial Plants, FOY's growth plans involve (amongst other things):

- Build and operate nine more 1,500 TPD facilities in North America with FOY's US partners GEP, utilising ASR as feedstock.
 - Continue the regulatory process for the Commercial Plant in the ACT.

- Build other PTF facilities in North America utilising mixed plastic waste as feedstock.
- Advancing PTF projects in the U.K, North America, Puerto Rico, Europe, Indonesia, China and other Australian jurisdictions.
- proving the BTE Technology and, if successful, commercialising that technology in PNG (see section 3.11).

Whilst FOY currently foresees self-funding some of this growth, FOY may require additional financing to fund its strategy. This additional financing may be in the form of equity, debt or a combination of the two. FOY's ability to raise additional capital will depend on various factors, including the results of its operations and the status of various capital and industry markets at the time it seeks such capital. Accordingly, additional financing may not be available on acceptable terms, if at all. In the event additional capital resources are unavailable, FOY may be required to curtail its planned growth.

The amount of funding FOY may need in the future depends on various factors such as:

- Market conditions;
- The level investment required for further growth; and
- FOY's financial performance.

Further, the availability of such funding may depend on:

- the liquidity and price of FOY's shares at the time FOY seeks to raise funds;
- the prevailing and forecast market price of diesel, petrol and fuel products;
- the applicable economic conditions at the time FOY seeks to raise funds; and
- The level of debt funding available.

- **Counterparty risk**

FOY is party to a number of material contracts as set out in section 11 of this Prospectus some of which are conditional. The Directors have assumed that the counterparties to these contracts will comply with their obligations under these agreements however there is a risk that a counterparty will not live up to its contractual obligations under those agreements. If a counterparty defaults, it could have a material and adverse impact on the financial performance of FOY.

- **Regulatory risks**

- **General regulatory risk**

FOY's operations are subject to regulation at the Federal, State and local Government level and some of the laws, rules and regulations that govern operations carry substantial penalties for non-compliance. Rules and regulations include those relating to taxation, environmental protection, management and occupational health and safety standards.

Changes to regulatory requirements could result in increased operating, financial and capital costs that could make continued operations unsustainable.

In addition to possible increased costs, the imposition of increased regulatory based procedures may result in delays to completing the Expansion or in being able to initiate or complete new production facilities.

- **Construction permits**

Construction permits will be required to be lodged for each facility FOY proposes to build. If delays are experienced with obtaining the necessary development

application or if the construction permits are refused, this could have a material and adverse impact on the financial performance of FOY.

- **Health and safety laws and regulations**

Fuel production operations may expose FOY's personnel and the staff of service providers to potentially dangerous working environments.

If any of FOY's personnel or the staff of a service provider suffer injury or death in the course of those operations, FOY may be exposed to liability for fines and / or compensation payments. These liabilities have a potential to adversely impact upon the financial performance and reputation of FOY.

- **Environmental Risk**

The production of diesel, petrol and other fuel products generate greenhouse gas emissions. There is increasing recognition that energy consumption is a contributor to global warming, greenhouse effects and potentially climate change. While there is no specific change contemplated that poses a currently known risk to FOY, the world's governments have introduced or are contemplating regulatory change in response to the potential impacts of climate change and greenhouse gas emissions. If these regulatory changes affected FOY's business, they could have a material adverse effect on FOY's current and future operations.

Further, FOY may be exposed to liabilities for damages, clean-up costs, or penalties in the event of any unintended discharge in the environment from its commercial plants or any of its products. Such a discharge recently occurred during the commissioning process and, following this incident, FOY has implemented procedures with regards to minimising the chances of any unintended discharge into the environment (in addition to those already in place), however despite these precautions there is no guarantee that a similar discharge will not occur in the future. Regulatory authorities are increasing the penalties being applied to Companies that breach regulations and any such liability imposed may impact adversely on FOY's financial performance and value of FOY's shares.

FOY may also become liable for the cost of remediating any contamination of operating sites (regardless of whether it caused or contributed to that contamination).

- **Plant Construction risks**

- **New design**

FOY's business model is based on the design and construction of 30 x CDMs for the US Commercial Plant to process 1,500 tpd.

Each Module is designed to work independently so that scaling-up production from 50 tpd to 100 tpd (and again from 100 tpd to 150 tpd and on to 1,500 tpd) should be an identical process to installing the first 50 tpd and the usual obstacles to increasing the capacity of a commercial facility should not be present. There is no guarantee that the Modular system will work as predicted and without complication. If the Modular system does not work as predicted or there are unforeseen design complications, this may prevent or delay the construction of each CDM or increase costs which may materially and adversely affect FOY's financial position.

- **Construction delay and cost overruns**

Delays in the construction of the modules required for the Commercial Plants could arise if the equipment is damaged or faulty and requires replacement. Other factors that could impact the completion of the construction or expansion of a commercial facility include the availability and delays in delivery of key equipment.

6.3 Company specific risks – Amazon Bay Project and mineral sands exploration in Papua New Guinea

- **Exploration and Development Risk**

Exploration is a high-risk activity that requires large amounts of expenditure over extended periods of time. There is no guarantee of success. Currently FOY has no defined mineral reserves and there can be no guarantee that the planned exploration programs will lead to positive exploration results and the discovery of a commercial deposit or further, a commercial mining operation.

There is no assurance that exploration and development of the Tenements by FOY, or any other Tenements that may be acquired by FOY in the future can be profitably exploited.

- **Operational Risk**

Mineral exploration activities are subject to numerous risks, many of which are beyond FOY's control, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, extended interruptions due to inclement or hazardous adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. The operational risk is likely to be higher in developing countries such as Papua New Guinea due to limited access to services, skilled staff and infrastructure relative to developed countries.

While FOY intends to maintain insurance within ranges of coverage consistent with exploration industry practice, no assurance can be given that FOY will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

The occurrence of operating risks leading to the curtailment, delay or cancellation of FOY's operations may result in FOY incurring significant financial costs. This may have a material adverse effect on the profitability of FOY and ultimately the value of FOY and its securities.

- **Title Risk**

The Tenements which FOY, through its foreign subsidiaries, has acquired in Papua New Guinea are subject to various local laws and regulations. Failure to comply with these conditions may render the Tenements liable to forfeiture. There is no guarantee that any Tenements in which FOY has a current or potential interest will be granted or that the Tenement conditions, obligations and terms can be economically complied with. All of the Tenements will be subject to application for renewal from time to time. Renewal of the term of each Tenement is subject to applicable legislation. If Tenement approval or renewal is delayed or denied for any reason, FOY may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that Tenement.

- **Commodity Price Risk**

The value of FOY's tenements in Papua New Guinea is highly dependent on the expected value of potential iron resources on its Tenements. The price of iron fluctuates and is affected by many factors beyond the control of FOY. Such factors include international supply and demand fluctuations, technological advancements, forward selling activities, inflation, interest rates and other macroeconomic factors. In the event that the price of iron falls significantly, the value of FOY is also likely to fall significantly.

- **Exchange Rate Risk**

A substantial portion of exploration expenditures and future income will be paid in foreign currency which exposes FOY to exchange rate risks. Exchange rates fluctuate and are affected by many factors beyond the control of FOY including macroeconomic and global market conditions.

FOY will appropriately monitor and assess such risks and may from time to time implement measures, such as foreign exchange currency hedging, to manage these risks. However, the implementation of such measures cannot assure the elimination of all such risks and the measures themselves may expose FOY to related risks.

- **Environmental Risk**

As with most exploration projects and mining operations, FOY's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is FOY's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. However, the legal framework governing environmental laws is constantly changing and compliance may be difficult, costly and result in delays to project activities.

- **Tenements in Papua New Guinea**

FOY, through its foreign subsidiaries, has acquired in Papua New Guinea control of the Tenements.

In order for future or existing Tenements to be granted or renewed, FOY must satisfy the mining legislation in Papua New Guinea and comply with Tenement conditions such as minimum expenditure requirements and environmental standards. There is no assurance that the government will not make material changes to the mining legislation or the terms of the Tenement or that Tenement approvals or renewals will be given as a matter of course or on similar economic terms.

There is the additional risk that there could be changes to government policy and mining legislation in Papua New Guinea that could materially and adversely affect FOY's rights and costs associated with holding those Tenements.

- **Sovereign Risk**

Papua New Guinea is a developing country that has some of the lowest GDP per capita figures in the world. FOY's operations in Papua New Guinea are subject to the risks associated in operating in foreign emerging countries. These risks may include economic, social or political instability or change, hyperinflation, or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents. No assurances can be given that the co-operation of such authorities, if sought by FOY, will be obtained, and if obtained, maintained.

Other risks and uncertainties to which FOY is exposed to by reason of operating in Papua New Guinea include, but are not limited to, terrorism, hostage taking, military repression and operations, wars, coups, civil conflict, illegal mining and loss due to diseases and other potential endemic health issues.

- **Current policy in Papua New Guinea on foreign investment**

It cannot be ruled out that the governments of Papua New Guinea may adopt substantially different laws, policies and conditions relating to foreign investment and taxation. FOY may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity.

Any future material adverse changes in government policies or legislation in Papua New Guinea that affect foreign investment and ownership, mineral exploration, development or mining activities, may affect the viability and profitability of FOY and its projects.

- **Community Relations and Landowners**

FOY's ability to undertake exploration on the Tenements will depend in part on its ability to maintain good relations with the relevant local communities. Any failure to adequately manage community and social expectations with respect to compensation for land access, employment opportunities, impact on local business and other expectations may lead to local dissatisfaction with the Tenements, which in turn may lead to disruptions in the exploration program and potential losses.

- **Legal systems in Papua New Guinea**

The legal systems in Papua New Guinea are different from Australia, which may result in risks such as:

- political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation, or in an ownership dispute;
- a higher degree of discretion on the part of governmental agencies;
- the lack of political or administrative guidance on implementing applicable rules and regulations including, in particular, as regards local taxation and property rights;
- inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or
- relative inexperience of the judiciary and court in such matters.

The commitment to local business people, government officials and agencies, and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licences and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of the government authorities or others, and the effectiveness of and enforcement of such arrangements cannot be assured.

- **Directors Involvement in Other Mining Interests**

Certain directors of FOY are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnership or joint ventures which are potential competitors of FOY. Situations may arise in connection with potential acquisitions in investments where the other interest of these directors and officers may conflict with the interests of FOY. Directors and officers of FOY with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies.

- **Third Party Risks**

The operations of FOY will require the involvement of a number of third parties, including suppliers, contractors and customers. Financial failure, default or contractual non-compliance on the part of such third parties may have a material adverse impact on FOY's operations and performance. It is not possible for FOY to predict or protect itself against all such risks.

- **Repatriation of Earnings**

FOY conducts its PNG operations through foreign subsidiaries and holds substantially all of its PNG assets in such subsidiaries. Accordingly, any limitation on the transfer of cash or other assets between FOY and its subsidiaries could restrict FOY's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on FOY's valuation and stock price. Moreover, there is no assurance that Papua New Guinea will not impose restrictions on the repatriation of earnings to foreign entities.

6.4 General investment risks

- **General economic or market conditions**

FOY's operating and financial performance may be influenced by a variety of general economic and business conditions including the level of interest rates, international fiscal, monetary and regulatory policies and the level of inflation and economic growth. Prolonged deterioration in general economic conditions, including increases in interest rates, or reduced consumer and business demand could have a material adverse effect on FOY's financial performance. In particular, such changes may have a greater impact on FOY because, as a small company, it lacks the financial resources of larger companies.

- **Taxation**

Changes to tax legislation and regulation, or their interpretation, may adversely affect the value of an investment in Shares and may affect Shareholders differently.

- **Interest Rates**

A rise in interest rates may adversely affect FOY's financial performance.

- **Accounting Standards**

Changes in accounting standards or the interpretation of those accounting standards that occur after the date of this Prospectus may impact adversely the financial performance and position reported in FOY's financial statements.

- **Counterparty risk**

There is a risk that FOY, or a third-party FOY has contracted with, will be unable or unwilling to perform its obligations under FOY's material contracts. If this occurs, FOY's fuel production or sale of product may be delayed and further costs in making alternative arrangements are likely to be incurred by FOY. FOY may or may not be able to recover damages or amounts from third parties if they do not uphold the terms of their contract with FOY or be sufficient to cover FOY's actual loss or damage. There is also a risk that a material contract may not be renewed or recontracted upon expiry or may be terminated early. Any of the above may materially impact the financial performance and the value and price of FOY's shares.

The material contracts of FOY are described in Section 11.

- **Insurance risk**

In accordance with industry practice FOY maintains insurance against some, but not all, of the operating risks to which its business is exposed. For example, FOY does not expect to acquire business interruption risk insurance as it considers the cost to be prohibitive. In addition, as a result of the number of environmental and climate events such as earthquakes, cyclones and tsunamis insurance underwriters have increased premiums for many of the coverages that would have been maintained by Company and made significant changes for the level and variety of cover. Future insurance coverage for the industry could increase in cost and may include higher deductibles, in addition, some forms of insurance may become unavailable in the future or unavailable on terms that are economically acceptable.

- **Commercial risk**

FOY is subject to the same commercial risks faced by all businesses, including the risk of litigation and other business disruptions. This litigation may include, but is not limited to, intellectual property claims (including in relation to the Technology rights), contractual claims, personal injury claims, employee claims and environmental claims. If a successful claim is pursued against FOY, the litigation may adversely impact the production, sales, profits or financial performance of FOY. Any claim, whether successful or not, may adversely impact on FOY's share price.

- **Force Majeure**

Force Majeure is a term used to refer to an event beyond the control of a party claiming that the event has occurred. These include acts of God, fire, flood, earthquakes, war and strikes. To the extent that Force Majeure events may occur, they may adversely affect FOY's financial performance, the value and the price of Shares and FOY's ability to operate.

- **Acts of Terrorism and breakout of International Hostilities**

Acts of terrorism or the breakout of international hostilities may adversely affect the demand for FOY's products and FOY's financial performance. This, or an

associated adverse sentiment change with respect to the share market, could have a negative impact on the value of an investment in FOY.

- **Prospective Information**

No assurance as to future profitability or dividends can be given as they are dependent on future earnings and the capital requirements of FOY.

There can be no guarantee that the assumptions on which any prospective development strategies of the Board, or those upon which FOY bases its decisions to proceed, will ultimately prove to be valid or accurate. The prospective development strategies depend upon various factors which are outside the control of FOY.

6.5 Other risks

The above list of risk factors should not to be taken as exhaustive of the risks faced by FOY or by investors in FOY.

7 ABOUT THE OFFER AND HOW TO APPLY

7.1 Important Dates

Lodgement of this Prospectus with ASIC	Tuesday, 12 September 2017
Offer opens	Tuesday, 12 September 2017
Offer closes	Monday, 25 September 2017
Issue Date	Tuesday, 3 October 2017
Completion of the Offer	Tuesday, 3 October 2017
Completion of Acquisition	Wednesday, 4 October 2017
Shareholding Confirmation Statements expected to be dispatched	Wednesday, 4 October 2017
Trading on normal settlement basis commences on ASX	Tuesday, 10 October 2017

1. This timetable is indicative only.
2. FOY reserves the right to vary the times and dates of the Offer without prior notice, including to close the Offer early or extend the Offer to accept late Applications.
3. Investors are therefore encouraged to submit their Application Forms as early as possible after the Opening Date.
4. All times are to time in Sydney, Australia.
5. Subject to ASX granting conditional approval for the re-admission of FOY to the official list of ASX. These dates are likely to change depending on the date on which such approval is actually received.
6. Subject to ASX approval for the re-admission of FOY to the official list of ASX becoming unconditional. These dates are likely to change depending on the date on which such approval is actually received.

7.2 The Offer

Under this Prospectus, FOY invites all residents of Australia (including existing Shareholders) to subscribe for a minimum of 53,500,000 New Shares at \$0.20 per New Share to raise a minimum of \$6,500,000 and up to 75,000,000 New Shares to raise up to \$15,000,000.

7.3 Conditional Offer

The Offer is conditional on:

- the ASX confirming that FOY has re-complied with Chapters 1 and 2 of the Listing Rules (**ASX Confirmation**); and
- all conditions to the Business Sale Agreement being satisfied or waived, other than the requirement for ASX Confirmation,

(**Conditions**).

All Subscription Amounts received by FOY pending satisfaction of the Conditions will be held on trust by FOY for the Applicants. If the Conditions are not satisfied within 3 months from the date of this

Prospectus, no New Shares will be issued and FOY will repay all Subscription Amounts received in respect of the Offer. If the Conditions are satisfied, in accordance with FOY's current timetable, New Shares will be issued to the Applicants under each of the Offer on Tuesday, 3 October 2017.

7.4 Re-compliance with Chapters 1 and 2 of the Listing Rules and ASX Listing

ASX has advised that the Acquisition of the IGE Assets constitutes a change in the nature and scale of FOY's activities for the purpose of Listing Rule 11.1, requiring shareholder approval and re-compliance with Chapters 1 and 2 of the Listing Rules and Listing Rules 11.1.2 and 11.1.3 respectively.

Shareholders approved the Acquisition on 7 August 2017.

Amongst other things, re-compliance with Chapters 1 and 2 of the Listing Rules requires:

- FOY to satisfy the "assets test" by having (amongst other things) tangible assets of at least \$4 million after deducting the costs of the fundraising, or a market capitalisation of at least \$15 million;
- FOY to have at least \$1.5 million in working capital;
- FOY to have a minimum free float of 20% at the time of admission;
- FOY to have sufficient spread, being a minimum of 300 shareholders holding a parcel of shares of \$2,000 value, 25% of whom are not related parties of IGE and FOY;
- the sale or issue price of the securities for which FOY is seeking quotation to be at least \$0.20; and
- the exercise price of options and performance rights on issue to be at least \$0.40 (although ASX considers the right for IGE to be issued the Milestone Securities on meeting the Performance Target under the Business Sale Agreement to be effectively a performance right with a nil exercise price, ASX has said that it would be likely to grant FOY a waiver from the relevant listing rule in respect of that performance right).

If FOY does not comply with the requirements of Chapters 1 and 2, or ASX does not confirm that FOY has complied with the requirements of Chapters 1 and 2 of the Listing Rules within 3 months of the date of this Prospectus, then FOY will repay all Subscription Amounts received in respect of the Offer (see section 7.3).

The ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that the ASX may admit FOY to the Official List is not to be taken as an indication of the merits of FOY or the New Shares offered for subscription or purchase.

Subject to certain conditions (including any waivers obtained by FOY from time to time), FOY will be required to comply with the ASX Listing Rules.

7.5 Purpose of the Offer and Use of Proceeds

The purpose of the Offer is to:

- meet the requirement that FOY re-complies with the ASX's admission requirements in accordance with Chapters 1 and 2 of the ASX Listing Rules;
- bring the IGE Assets to the listed environment;
- exploit FOY's growth opportunities; and
- use the proceeds for the following purposes: *

Use	\$15m raised under the Offer	\$10.7m is raised under the Offer	\$6.5m is raised under the Offer****
IGE Transaction and Fundraising costs	\$741,000	\$512,000	\$512,000
Capital expenditure for	\$1,500,000	\$1,500,000	-

Use	\$15m raised under the Offer	\$10.7m is raised under the Offer	\$6.5m is raised under the Offer****
the design and construction of the IGP modules and commercial facilities			
Acquisition of land in Hume, ACT	\$2,953,075	\$2,953,075	-
Acquisition of land in Berkeley Vale, NSW	\$402,500	\$402,500	-
Loan Repayments (including interest)	\$1,256,706	\$1,256,706	\$1,256,706
Examination and progression of opportunities in other territories	\$700,000	\$250,000	-
Establish subsidiary and office China	\$2,000,000	-	-
Interest on CPNs and Loan from TVI	\$56,155	\$56,155	\$56,155
Payment of commissioning expenses to IGE	\$2,000,300	2,000,300	\$2,000,300
Working capital	\$3,390,264	\$1,769,264	\$2,674,839
Total amount of funds to be raised	\$15,000,000	\$10,700,000	\$6,500,000

* The above table is a statement of the Board's current intentions as at the date of this Prospectus. As with any work plan and budget, intervening events and new circumstances have the potential to affect the ultimate way in which funds will be applied. Accordingly, that actual expenditure may vary from the above estimates and the Board reserves the right to vary the expenditures dependent on circumstances and other opportunities.

**Any potential broker fees have been incorporated into the Offer costs (see section 10.10). To the extent these fees are not payable, the funds will go towards working capital.

*** FOY proposes to establish operations in China and has formulated a 2-year plan. Costs associated with this include the monthly retainer for Rebelly (US\$24,000), administration and travel costs, and the cost of establishing a demonstration facility in China including commissioning. Under the minimum raise, FOY intends to use collected through the construction of the 30 x CDMs to meet the monthly retainer expense.

**** Acquisition of the property in Hume including applicable stamp duty payable. In the event that FOY does not settle on this property, FOY will utilise these funds on an alternative site that meet the needs of the Company. See section 3.3.1 for further information.

***** Working capital includes operating expenses during the project construction phase, carrying costs of initial feedstock supplies and other operating expenses

**** under the minimum raise, FOY intends to use debt funding or fees collected through the construction of the 30 x CDMs to fund the acquisition of the properties.

The Directors consider that by the close of the Offer, FOY will have sufficient funds and working capital to carry out its business objectives as described in this Prospectus.

7.6 Capital Structure

The ownership structure of FOY immediately following completion of the Offer and the Acquisition is set out in the table below.

Capital Structure			
	Shares	Options	Fully Diluted

	Million	%	Million	%	Million	%
Existing FOY Security holders	82.0	22.4	37.8	20.4	119.8	21.7
IGE Shareholders	209.7	57.2	148.0	79.6	357.7	64.7
Shareholders from the Offer	75.0	20.5	0.0	0.0	75.0	13.6
Total	366.7	100.0	185.8	100.0	552.5	100.0

Notes:

- Assumes investors subscribe for the full A\$15 million under the Offer.
- The New Shares to be issued pursuant to the Offer are of the same class and rank equally with Existing Shares. The rights attaching to New Shares are set out in Section 0.
- Directors' interests are set out in section 10.6.

7.7 How to apply for New Shares under the Offer

General Offer

The General Offer is open to Australian retail investors. Applications for Applications for New Shares under the General Offer must be for a minimum of 10,000 Shares, or a minimum investment of \$2,000 and then increasing in multiples of 2,500 Shares or \$500.

The Corporations Act prohibits any person from passing on Application Form attached to, or accompanying this Prospectus or a printed copy of the Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or a complete and unaltered electronic version of this Prospectus.

Applications for New Shares under the General Offer must be made by completing and lodging a copy of the General Offer Application Form which is attached to or accompanied by this Prospectus. The General Offer Application Form attached to or accompanied by this Prospectus contains a declaration that the investor has personally received the complete and unaltered Prospectus before completing the General Offer Application Form.

Before making an investment, Applicants should read this Prospectus in its entirety. If you are uncertain as to whether FOY is a suitable investment for you, you should seek professional advice from your stockbroker, lawyer, accountant or other professional adviser.

An Application to invest is an irrevocable offer by the Applicant to FOY to purchase the New Shares specified in the Application Form, on the terms and conditions set out in the Application Form.

The Application Form must be completed in accordance with the instructions on the Application Form. Once complete, your Application Form, together with the Subscription Amount must be received by FOY by the close of the Offer, at 5.00pm (Sydney time) on , . **Do not** send your General Offer Application to the share registry, send it directly to FOY at the address below:

BY MAIL TO:

FOY Group Limited
Suite 3a, 18 Smith St
CHATSWOOD NSW 2067

BY HAND TO:

FOY Group Limited
Suite 3a, 18 Smith St
CHATSWOOD NSW 2067

PAYMENT BY CHEQUE, BANK DRAFT, ELECTRONIC TRANSFER OR MONEY ORDER

For payment by cheque, bank draft or money order, you should complete the Application Form attached to or accompanied by this Prospectus in accordance with the instructions on the form and return it accompanied by a cheque, bank draft or money order to FOY before the Closing Date.

Your cheque, bank draft or money order must be:

- payable to "FOY Group Limited";
- crossed "Not Negotiable";
- for an amount equal to the Offer Price multiplied by the number of New Shares that you are applying for; and
- in Australian currency drawn on an Australian branch of a financial institution.

Payment by electronic transfer should be completed using the following details:

- Bank: Westpac;
- Branch Address: Corner of Pitt and Hunter Sts, Sydney NSW 2000;
- Account Name: FOY Group Limited;
- BSB (Branch Number): 032044;
- Account Number: 743937; and
- Swift Code: WPACAU2S.

You should ensure that sufficient funds are held in the relevant account(s) to cover the Subscription Amount as your cheques will be processed on the day of receipt. If the amount of your cheque for Subscription Amount (or the amount for which the cheque clears in time for allocation) is insufficient to pay for the number of New Shares you have applied for in your Application Form in full, you will be taken to have applied for such lower number of New Shares as your cleared Subscription Amount will pay for. Alternatively, your application will not be accepted and you will not receive any New Shares.

Cash payments will not be accepted. Receipts for payment will not be issued.

You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.

Broker Firm Offer

The Broker Firm Offer is open to persons who have received a firm allocation from their Broker and who have registered address in Australia. Applications for New Shares under the Broker Firm Offer must be for a minimum of 10,000 Shares, or a minimum investment of \$2,000 and then increasing in multiples of 2,500 Shares or \$500.

Applications for New Shares under the Broker Firm Offer must be made by completing and lodging a copy of the Broker Firm Offer Application Form which is attached to or accompanied by this Prospectus. The Broker Firm Offer Application Form attached to or accompanied by this Prospectus contains a declaration that the investor has personally received the complete and unaltered Prospectus before completing the Broker Firm Offer Application Form.

Before making an investment, Applicants should read this Prospectus in its entirety. If you are uncertain as to whether FOY is a suitable investment for you, you should seek professional advice from your stockbroker, lawyer, accountant or other professional adviser.

An Application to invest is an irrevocable offer by the Applicant to FOY to purchase the New Shares specified in the Application Form, on the terms and conditions set out in the Application Form.

The Application Form must be completed in accordance with the instructions on the Application Form. Once complete, your Application Form, together with the Subscription Amount must be received by your Broker before the close of the Offer, at 5.00pm (Sydney time) on Monday, 25 September 2017. **Do not** send your Broker Firm Application to the share registry, send it to your Broker or directly to FOY at the address below:

BY MAIL TO:

FOY Group Limited
Suite 3a, 18 Smith St
CHATSWOOD NSW 2067

BY HAND TO:

FOY Group Limited
Suite 3a, 18 Smith St
CHATSWOOD NSW 2067

7.8 Company Discretion

FOY reserves the right to not proceed with the Offer at any time before the allotment of New Shares to successful Applicants under the Offer. If the Offer does not proceed, subscription amounts will be refunded in full (without interest).

7.9 Cooling-Off

Applicants should note there will not be a cooling off period in relation to Applications, because an application will be made to the ASX for the re-listing of FOY and quotation of the Shares.

Once an Application has been lodged, it cannot be withdrawn. Should quotation of the Shares be granted by ASX, Shareholders will have the opportunity to sell their Shares at the prevailing market price, which may be different from the Offer Price.

7.10 Allocation Policy under the Offer

An Application Form represents an offer by the Applicant to acquire any or all of the Securities specified in the Application Form, on the terms and conditions described in this Prospectus (including any supplementary or replacement document). The New Shares under the Broker Firm Offer will be allocated at the discretion of FOY. FOY may allocate all, or a lesser number, of New Shares for which an Application has been made, accept a late Application or decline an Application. Where Applications are scaled back, there may be a different Application of the scale-back policy to each Applicant. FOY does not intend to scale back any individual applications of \$2,000.

All Subscription Amounts from Applicants will be held in trust for those Applicants until the relevant New Shares are issued to them. Where no allocation is made to a particular Applicant or the number of New Shares allocated is less than the number applied for by an Applicant, surplus Subscription Amounts will be returned to that Applicant. No interest will be paid on refunded Subscription Amounts. Any interest earned on Subscription Amounts is the property of FOY. It is the responsibility of Applicants to confirm the number of New Shares allocated to them prior to trading in Shares.

Applicants who sell Shares before they receive notice of the New Shares allocated to them do so at their own risk.

If FOY's application for re-admission to the official list of the ASX is denied, or for any reason the Offer does not proceed, all Subscription Amounts will be refunded in full without interest.

Successful Applicants will be notified in writing of the number of New Shares allocated to them as soon as possible after the Closing Date

7.11 Registry

The Share Register of FOY will be maintained by Boardroom Pty Limited.

7.12 CHESS

FOY participates in the Clearing House Electronic Sub-register System (**CHESS**). ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, applicants will not receive a certificate but will receive a statement of their holding of New Shares.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will set out the number of New Shares issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by FOY's share registrar and will contain the number of New Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

7.13 Taxation considerations

The taxation consequences of an investment in FOY will depend upon your particular circumstances. You should make your own enquiries about the taxation consequences of an investment in FOY. If you are in doubt you should consult your accountant, stockbroker, lawyer or other professional adviser.

For general information in relation to the taxation consequences of the Offer please refer to Section 10.13.

7.14 Foreign selling restrictions

This Prospectus does not constitute an offer of New Shares in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer. No action has been taken to register or qualify the New Shares or the Offer or otherwise to permit an offering of New Shares in any jurisdiction outside Australia.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Shares Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

7.15 Brokerage, commission and stamp duty

No brokerage, commission or stamp duty is payable by applicants upon acquisition of New Shares under the Offer.

7.16 Lead Broker

As at the date of this Prospectus, FOY has not appointed a lead broker. However, FOY may engage a broker between the date of this Prospectus and Closing Date. If a broker is appointed to the Offer, it is anticipated that fees under the terms of appointment will be approximately 6% of the total gross proceeds of the Offer (excluding the disbursements).

7.17 Enquiries

If you require assistance to complete an Application Form or require additional copies of this Prospectus, you should contact FOY on +61 2 8920 2300 on business days from 8.30am to 5.00pm Sydney time, until the Closing Date. If you require advice as to whether to invest in FOY, you should seek professional advice from your stockbroker, accountant or financial advisor.

18 August 2017

The Directors
FOY Group Limited
Suite 102, Level 1
1 Spring Street
Chatswood NSW 2067

Dear Sirs,

Re: Investigating Accountant's Report on Historical and Pro forma Consolidated Historical Financial Information

We have been engaged by FOY Group Limited ("FOY") to report on the historical and pro forma consolidated historical financial information for inclusion in the Prospectus relating to the proposed issue by the Company of up to 75,000,000 ordinary shares at an issue price of \$0.20 per share, to raise up to \$15,000,000 before the costs of the issue (the "Offer").

Expressions and capitalised terms defined in the Prospectus have the same meaning in this report.

The nature of this report is such that it can only be issued by an entity which holds an Australian Financial Services License (No. 227902) under the *Corporations Act 2001*. Hall Chadwick Corporate (NSW) Limited holds the appropriate Australian Financial Services License under the *Corporations Act 2001*.

Background

The Company is listed on the Australian Securities Exchange ("ASX") and is in the process of completing the acquisition of the business of Integrated Green Energy Limited ("IGE") and the recapitalisation of the Company.

On 9 February 2016, FOY and IGE entered into a Business Sale Agreement ("BSA") for FOY to acquire certain business assets of IGE ("IGE Assets") in exchange for the issue of FOY Consideration Securities and Milestone Securities ("IGE Transaction"). Deed of Variations to the Business Sale Agreement were executed on 8 September 2016 and 23 January 2017, amending the BSA to include providing FOY ownership of the IGE technologies rather than the previous licencing arrangement.

The IGE Assets comprise the follow, as detailed further in the Prospectus:

- three technologies with full ownership and exploitation rights, being:
 - plastic fuel technology (PTF Technology)
 - biomass to energy technology (BTE Technology)
 - biomass to liquid fuels technology (BTF Technology)
- a completed commercial facility located at Berkeley Vale, NSW ("BKV Commercial Plant");
- the transfer to FOY of an experienced management team capable of operating PTF commercial.

HALL CHADWICK CORPORATE
(NSW) LIMITED
ACN 080 462 488
SYDNEY

Level 40, 2 Park Street Sydney
NSW 2000 Australia

GPO Box 3555 Sydney NSW
2001

Ph: (612) 9263 2600

Fx: (612) 9263 2800

E:
hcsyinfo@hallchadwick.com.au

com.au

www.hallchadwick.com.au



Scope

Historical Financial Information

You have requested Hall Chadwick Corporate (NSW) Limited to review the following historical financial information of FOY:

- a) the historical consolidated statements of financial performance of FOY for the financial years ended 30 June 2014 ("FY2014"), 30 June 2015 ("FY2015") and 30 June 2016 ("FY2016") and for the half year ended 31 December 2016 (HY2017");
- b) the historical consolidated statements of cash flows of FOY for FY2014, FY2015, FY2016 and HY2017;
- c) the historical consolidated statement of financial position of FOY as at 31 December 2016.

Pro forma Consolidated Historical Financial Information

You have requested Hall Chadwick Corporate (NSW) Limited to review the pro forma consolidated statement of financial position of FOY as at 31 December 2016, assuming completion of the IGE Transaction, the Offer and other material subsequent events.

The financial information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles detailed in Australian Accounting Standards and the adopted accounting policies of FOY.

The historical financial information of FOY has been subject to an annual audit for FY2014 and FY2015 by BDO East Coast Partnership and for FY2016 and HY2017 (half year review) by Hall Chadwick. The audit reports contained an emphasis of matter regarding the going concern of the Company due to its net losses and deficit in net assets.

The financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

The stated basis of preparation is the recognition and measurement accounting principles applied to the financial information and the transactions to which the pro forma adjustments relate, as described in the Prospectus, as if those transactions had occurred as at the date, or prior to the date, of the financial information. Due to its nature, the pro forma consolidated historical financial information does not represent the company's actual or prospective financial position.

Directors' responsibility

The directors of FOY are responsible for the preparation of the historical and pro forma consolidated historical financial information, including the selection and determination of pro forma adjustments made to the historical financial information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of pro forma consolidated

historical financial information that is free from material misstatement whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the financial information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we have become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions*Historical financial information*

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the historical financial information is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in the Prospectus.

Pro forma consolidated historical financial information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the pro forma consolidated historical financial information is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in the Prospectus.

Restriction on Use

Without modifying our conclusions, we draw attention to the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose. We disclaim any assumption of responsibility for any reliance on this report or on the financial information to which it relates, for any purpose other than that for which it was prepared.

Consent

Hall Chadwick Corporate (NSW) Limited has consented to the inclusion of this assurance report in the Prospectus in the form and context in which it is included.

Disclosure of Interest

Hall Chadwick Corporate (NSW) Limited does not have any interest in the outcome of the Prospectus other than the issue of this report for which normal professional fees will be received. Hall Chadwick Corporate (NSW) Limited does not hold nor have any interest in the ordinary shares of the Company. Hall Chadwick Corporate (NSW) Limited was not involved in the preparation of any part of the Prospectus and accordingly, makes no representations or warranties as to the completeness and accuracy of any information contained in the Prospectus.

Yours faithfully
HALL CHADWICK CORPORATE (NSW) LIMITED



Drew Townsend

FINANCIAL SERVICES GUIDE

Dated 18 August 2017

What is a Financial Services Guide (FSG)?

This FSG is designed to help you to decide whether to use any of the general financial product advice provided by Hall Chadwick Corporate (NSW) Limited ABN 28 080 462 488, Australian Financial Services Licence Number 227902 ("HCC").

This FSG includes information about:

- HCC and how they can be contacted;
- the services HCC is authorised to provide;
- how HCC are paid;
- any relevant associations or relationships of HCC;
- how complaints are dealt with as well as information about internal and external dispute resolution systems and how you can access them; and
- the compensation arrangements that HCC has in place.

This FSG forms part of an Investigating Accountant's Report ("Report") which has been prepared for inclusion in a disclosure document. The purpose of the disclosure document is to help you make an informed decision in relation to a financial product. The contents of the disclosure document, as relevant, will include details such as the risks, benefits and costs of acquiring the particular financial product.

Financial services that HCC is authorised to provide

HCC holds an Australian Financial Services Licence, which authorises it to provide, amongst other services, financial product advice for securities and interests in managed investment schemes, including investor directed portfolio services, to retail clients. We provide financial product advice when engaged to prepare a report in relation to a transaction relating to one of these types of finance products.

HCC's responsibility to you

HCC has been engaged by the Directors of FOY Group Limited to prepare this Report for inclusion in a Prospectus in relation to the initial public offering of shares in FOY Group Limited on the ASX ("Offer").

You have not engaged HCC directly but have received a copy of the Report because you have been provided with a copy of the Prospectus. HCC nor the employees of HCC are acting for any person other than FOY Group Limited. HCC is responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

General advice

As HCC has been engaged by FOY Group Limited, the Report only contains general advice as it has been prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.

You should also consider the other parts of the Prospectus before making any decision in relation to the Offer.

Fees HCC may receive

HCC charges fees for preparing reports. These fees will usually be agreed with, and paid by, FOY Group Limited. Fees are agreed on either a fixed fee or a time cost basis. In this instance, FOY Group Limited has agreed to pay HCC \$15,000 (excluding GST and out of pocket expenses) for preparing this Report to be included in the Prospectus. HCC and its officers, representatives, related entities and associates will not receive any other fee or benefit in connection with the provision of this Report.

HCC officers and representatives receive a salary, partnership distribution or dividends from Hall Chadwick Sydney professional advisory and accounting practice (the Hall Chadwick Sydney Partnership) or related entities. Remuneration and benefits are not provided directly in connection with any engagement for the provision of general financial product advice in the Report.

Referrals

HCC does not pay commissions or provide any other benefits to any person for referring customers to them in connection with a Report.

Associations and relationships

Through a variety of corporate and trust structures HCC is controlled by and operates as part of the Hall Chadwick Sydney Partnership. HCC's directors may be partners in the Hall Chadwick Sydney Partnership. Mr Drew Townsend, a director of HCC and partner in the Hall Chadwick Sydney Partnership, has prepared this Report. The financial product advice in the Report is provided by HCC and not by the Hall Chadwick Sydney Partnership.

From time to time HCC, the Hall Chadwick Sydney Partnership and related entities ("HC Entities") may provide professional services, including audit, tax and financial advisory services, to companies and issuers of financial products in the ordinary course of their businesses. HC Entities have previously provided audit services to the Client for which professional fees have been received.

No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of FOY Group Limited or has other material financial interests in the Offer.

Complaints resolution

If you have a complaint, please let HCC know. Formal complaints should be sent in writing to:

The Complaints Officer
Hall Chadwick Corporate (NSW) Limited
GPO Box 3555
Sydney NSW 2001

If you have difficulty in putting your complaint in writing, please telephone the Complaints Officer, Drew Townsend, on (02) 9263 2600 and he will assist you in documenting your complaint.

Written complaints are recorded, acknowledged within 5 days and investigated. As soon as practical, and not more than 45 days after receiving the written complaint, the response to your complaint will be advised in writing.

External complaints resolution process

If HCC cannot resolve the complaint to your satisfaction within 45 days, you can refer the matter to the Financial Ombudsman Service (FOS). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website www.fos.org.au or by contacting them directly at:

Financial Ombudsman Service Limited
GPO Box 3, Melbourne Victoria 3001
Telephone: 1300 78 08 06
Facsimile (03) 9613 6399
Email: info@fos.org.au

The Australian Securities and Investments Commission also has a free call infoline on 1300 300 630 which you may use to obtain information about your rights.

Compensation arrangements

HCC has professional indemnity insurance cover as required by the Corporations Act 2001(Cth).

Contact details

You may contact HCC at:

Hall Chadwick Corporate (NSW) Limited

GPO Box 3555

Sydney NSW 2001

Telephone: (02) 9263 2600

Facsimile: (02) 9263 2800

FB RICE



17 August 2017

The Directors
Foy Group Limited
Suite 3A, Level 1, 18 Smith St
Chatswood NSW 2067

Intellectual Property Report for Foy Group Limited
Our Ref: 175070

Dear Directors

We are instructed by Foy Group Limited (**FOY**) to provide this report (**Report**) on the patent portfolio of FOY.

The Report is for inclusion in a prospectus to be issued by FOY for an offer of up to 75,000,000 new FOY shares to raise up to \$15,000,000 (**Prospectus**), in connection with the acquisition by FOY of certain business assets of Solid Energy Technologies Pty Ltd (**Solid Energy**), formerly BTOLA Pty Ltd (**BTOLA**), and Integrated Green Energy Limited (**IGE**), including a transfer of intellectual property assets of Solid Energy and IGE (**Acquisition**). We understand that the Prospectus will be lodged with the Australian Securities & Investments Commission by FOY, on or about the date of this Report.

This Report sets out the particulars of intellectual property residing in patent properties in the name of FOY. This Report is based on data provided online by the Australian Patent Office and World Intellectual Property Organization (**WIPO**) and copies of the relevant provisional and PCT patent applications, as well as on information contained in our files.

The Report is correct to the best of our knowledge as at the date of the Report, subject to the limits and qualifications set out further below.

Background

FB Rice

FB Rice is a firm of patent and trade mark attorneys specialising in the law and practices relating to intellectual property and, more particularly, patents, trademarks, industrial designs and plant breeders rights. All principals of FB Rice are Fellows of the Institute of Patent and Trade Mark Attorneys of Australia. In addition, all principals of FB Rice are registered New Zealand patent attorneys. The patent attorneys of FB Rice are specialists in the technology areas of electrical and mechanical engineering, electronics, chemistry, biotechnology, medical devices, computers, information technology and communication technology. Each of the professional staff members in the patent department of FB Rice hold tertiary qualifications in the technology area in which that

person practises. Many professional staff members of FB Rice in the patent department also hold postgraduate qualifications.

Patents

Patents are an important component of an intellectual property portfolio. To obtain protection in any jurisdiction, it is necessary to file an application for registration of the relevant right in that jurisdiction. Patents are a form of intellectual property that cover inventions and provide a monopoly in exchange for an inventor's full disclosure of his or her invention to the public. Patents are granted for inventions that are new or improved useful products or methods. A patent has a finite term and provides the owner with a period in which others may be excluded from commercially exploiting an invention that is covered by the claims of the granted patent. However, the granting of patent rights does not confer a right on the patentee to exploit an invention and this is subject to the existence of any intervening third party rights, such as an earlier patent in the same field which is in force.

The granting of a patent does not mean the patent is valid. A granted patent can be revoked through re-examination proceedings before the Patent Office in those jurisdictions that provide for re-examination, or through revocation proceedings before the Courts. Grounds for invalidity include the invention not being proper subject matter, not novel, not inventive (obvious), and the patent specification being deficient.

Maintenance of a patent is subject to payment of renewals, which if not paid within the allowed time will result in the patent ceasing.

Patent Applications

FOY is listed as the applicant for one international PCT patent application, PCT/AU2016/051144 (**International Application**), which was filed on 23 November 2016 and entitled "Production of hydrocarbon fuels from plastics".

The International Application claims priority from the following three Australian provisional patent applications (**Priority Applications**), each of which lists FOY as the applicant:

- AU2015904828, entitled: "Kiln for use in the production of hydrocarbon fuels from plastics", filing date: 23 November 2015 (**Priority Application 1**);
- AU2016901654, entitled: "Plastics-Derived Fuels and Methods of Making Same", filing date: 5 May 2016 (**Priority Application 2**); and
- AU2016902869, entitled: "Plastics-Derived Fuels and Methods of Making Same II", filing date: 21 July 2016 (**Priority Application 3**).

As such, the International Application claims an earliest priority date of 23 November 2015. The priority date is the date at which patentability of the invention is assessed.

An international PCT patent application effectively is an application in each of the contracting states, as of the filing date of the PCT application, of the Patent Co-operation Treaty (PCT). A list of PCT contracting states is available at: http://www.wipo.int/pct/en/pct_contracting_states.html.

In order for the patent application process to continue in a particular contracting state, FOY must "nationalise" the International Application in that contracting state by the relevant deadline, which is typically thirty (30) or thirty-one (31) months from the earliest priority date, being 23 May 2018 or 23 June 2018 in the case of FOY's International Application. The patent application process will

effectively be terminated in any contracting state in which the International Application is not “nationalised” by the relevant deadline.

International PCT Patent Application PCT/AU2016/051144

Title: Production of hydrocarbon fuels from plastics

Filing date: 23 November 2016

Publication date: 1 June 2017 (Publication No: WO 2017/088015)

This International Application combines the disclosures of all three Priority Applications. The disclosures of the three Priority Applications are summarised below:

Priority Application 1: Kiln for use in the production of hydrocarbon fuels from plastics
Priority Application 1 (and the International Application) discloses technology, including a kiln, for use in the production of hydrocarbon fuels from plastics, and in particular from waste plastic materials. The technology is directed to addressing common problems in the production of hydrocarbon fuels from plastics, such as the production of wax and tar type products that can foul equipment and piping used in the process, and the processing difficulties provided by the presence of particulate materials introduced into the kiln with the waste plastic materials.

Various features of the kiln are disclosed, including various physical features and preferred operating conditions. Also disclosed is a system including the kiln for separating the product produced by the kiln into different fractions, for example into diesel, petrol and LPG range hydrocarbons.

The International Application provides a basis, claiming priority from the 23 November 2015 filing date of Priority Document 1, for pursuing patents directed to various aspects of the technology, including the kiln, a system for the production of hydrocarbon fuels from plastics using the kiln, and an assembly comprising the kiln and additional fixtures.

Priority Application 2: Plastics derived fuels and methods of making same

Priority Application 2 (and the International Application) discloses a method of obtaining fuel from plastics by subjecting the plastics to a pyrolytic process, followed by extraction processes to obtain the fuel and extract impurities from the fuel.

Examples of the method are disclosed, including reaction parameters, equipment, and solvents for use in the extraction processes. One embodiment disclosed produces a fuel that meets the Australian Diesel Fuel Quality Standard and is directly transferrable to commercial at-the-pump sale.

The International Application provides a basis, claiming priority from the 5 May 2016 filing date of Priority Document 2, for pursuing patents directed to the disclosed method for deriving fuel from plastics, and to a diesel blend fuel obtained by this method.

Priority Application 3: Additional features of plastics derived fuels and methods of making same

Priority Application 3 (and the International Application) discloses information relating to the additional feature of recycling solvents contaminated through performing the above described method for deriving fuel from plastics.

The International Application provides a basis, claiming priority from the 21 July 2016 filing date of Priority Document 3, for pursuing patents directed to the disclosed method for deriving fuel from plastics, including embodiments having additional features relating to recycling solvents used in the extractions steps, and to a diesel blend fuel obtained by this method.

Ownership and Assignments

Typically, a patent for an invention may only be applied for by and granted to the inventor(s), or to a person (including a company) who has entitlement to the invention by way of assignment or other means.

Bevan Dooley (Managing Director of BTOLA) is the inventor of the inventions the subject of each of the above mentioned Priority Applications and International Application and has assigned all of his right, title and interest therein to BTOLA (now Solid Energy).

FB Rice prepared a Deed of Assignment (Assignment) assigning all of the right, title and interest in the Priority Applications and the International Application from BTOLA (as assignor) to FOY (as assignee). The Assignment was signed for and on behalf of BTOLA by Bevan Dooley, and for and on behalf of FOY by Joshua Herbertson and Stuart Clark on 20 January 2017.

The Assignment was filed at WIPO in relation to the International Application on 25 January 2017 and at the Australian Patent Office in relation to the Priority Applications on the same date. Both WIPO and the Australian Patent Office have recorded the Assignment, such that the records of WIPO and of the Australian Patent Office now both record FOY as the owner of the Priority Applications and the International Application.

We understand that BTOLA changed its name to Solid Energy Technologies Pty Ltd on 18 May 2017.

IP Agreements/Licences

We have reviewed the following agreements:

1. Agreement to Commercialisation of Waste Plastics to Fuel Technology between UTOF Pty Ltd (UTOF) and BTOLA Pty Ltd (BTOLA) (as licensors) and Integrated Green Energy Ltd (IGE) (as licensee) dated 26 September 2014;
2. Agreement to Commercialisation of Biomass to Energy between UTOF and BTOLA (as licensors) and IGE (as licensee) dated 26 September 2014; and
3. Agreement to Commercialisation of Biomass to Fuel between UTOF and BTOLA (as licensors) and IGE (as licensee) dated 26 September 2014.

(Licences)

The terms of the Licences are adequate to fully vest in IGE full rights to exploit the technologies the subject of each of the Priority Applications and International Application, including exclusively in Australia, New Zealand, China, India, North America, South East Asia, Papua New Guinea and Fiji. There are no restrictions or provisions in the Licences themselves which would prevent the Licences from being transferred to FOY.

Subject to any other agreements having been executed requiring otherwise, none of which we are aware, the Licences, insofar as they relate to the Priority Applications and the International Application, are unaffected by the Assignment of 20 Jan 2017. That is, effective from 20 Jan 2017, FOY replaces BTOLA as licensor in respect of the Licences insofar as they relate to the Priority Applications and the International Application.

FB Rice is advised that a Business Sale Agreement (BSA) between FOY and IGE includes provisions to transfer certain IGE assets, including the exploitation rights granted by the Licences, to FOY, such that FOY would then own, unencumbered, all right, title and interest in and to the technology the subject of the Priority Applications and the International Application.

General Statements about the Status of Patent Applications

We believe the information provided in this Report in relation to patent application status to be accurate but caution that the accuracy of such information is, of necessity, subject to the accuracy of the databases accessed.

Validity of FOY PCT Patent Application

An international search report (ISR) has been issued on the International Application. We have not performed a comprehensive prior art search and have not conducted any analysis of the prior art documents cited in the ISR or their relevance to the validity of the invention the subject of the International Application.

Infringement of Third Party Rights

Enforcement of patent rights varies from country-to-country. The remedies for unauthorised use (patent infringement) available to the patent owner often include an injunction, which effectively stops further infringement of the patent, damages or account of profits, and costs. In some countries the patent owner can also file criminal complaints against the infringer.

This Report is not a 'Freedom to Operate' opinion and FB Rice makes no assertion that any patents based on the Priority Applications and the International Application will be valid or enforceable or that FOY, or its licensees or sub-licensees, will have the freedom in any country to exploit the technology referred to in the relevant patent specifications without infringing intellectual property rights of third parties. FB Rice also cannot guarantee that any such patents, even if valid, will adequately cover any commercial products commercialised by FOY, its licensees or sub-licensees, or that commercial products embodying the principles disclosed in the abovementioned patent applications will achieve any results or advantages ascribed to these principles.

Further, it is important to note that there are legal mechanisms by which third parties can bring evidence that they have sole or joint entitlement to an invention and any patent application or patent obtained for that invention.

Independence

This is an independent report. When considering this Report, it should be noted that:

- a) FB Rice has represented FOY/BTOLA as patent attorneys, drafting and filing a Priority Application 1 and the International Application, preparing a Deed of Assignment between BTOLA and FOY in relation to the Priority Applications and the International Application, and providing associated advice and services, including searching services. These services were charged on FB Rice's standard terms and conditions of engagement, being hourly rates for

FB RICE

The Directors
Our Ref: 175070
17 August 2017

time spent. FB Rice has received approximately AUD\$31,075 (exclusive of GST) in revenue for the services provided.

- b) Neither FB Rice, nor any of its principals or employees that have been involved in the work mentioned in paragraph a) above, has any entitlement to any shares in FOY or Solid Energy, has any interest in the promotion of FOY or Solid Energy, and has no financial interest in the outcome of the offer under the Prospectus.
- c) FB Rice has prepared this Report and will be paid a total of approximately AUD\$3,000 (exclusive of GST) for services relating to the preparation of this Report. Payment of this amount is not contingent on the outcome of the offer under the Prospectus. FB Rice confirms that this Report has been prepared by Sarah Glasson, Associate, and John Hogan, Senior Associate, neither of who is associated with FOY or Solid Energy or has a financial interest in the outcome of the offer under the Prospectus.

Yours sincerely
FB Rice



John Hogan
Senior Associate
jhogan@fbrice.com.au

Yours sincerely
FB Rice



Sarah Glasson
Associate
sglasson@fbrice.com.au

10 ADDITIONAL INFORMATION

10.1 Corporate history

FOY was incorporated in New South Wales as a public no liability company on 16 December 1988 as Wounded Bull Resources N.L. Since incorporation, FOY has undergone the following changes of name and company type:

- change of company name to PIMA Mining N.L – 5 June 1991;
- change of company type to a public company limited by shares and change of company name to Magnesium International Limited – 13 September 2002;
- change of company name to MIL Resources Limited – 7 November 2007;
- change of company name to Foyson Resources Limited – 28 May 2012;
- change of company name to FOY Group Limited – on or around 14 August 2015; and
- change of company name to Integrated Green Energy Solutions Limited – on or around 24 August 2017.

10.2 Company tax status

FOY will be taxed as an Australian resident at the prevailing corporate tax rate.

Impact on carried forward tax losses of the Acquisition

FOY has not yet generated a profit as its business activities are currently mineral exploration only. Therefore, FOY's tax group has substantial unused tax losses (\$89.6m revenue losses and \$23.4m capital losses) as reported in the 2015 income tax return lodged with the Australian Taxation Office. FOY can continue to carry forward tax losses after the Acquisition for future recoupment if it can pass the Continuity of Ownership Test (**COT**) or failing that, the Same Business Test (**SBT**). The Board has historically considered that FOY would not be able to use the majority of these tax losses and, as such, has not recognised the full amount of its deferred tax assets in its accounts. This is primarily because, in order to generate a profit, it is likely that FOY would need to change its principal business activity from exploration to a cash flow positive business, and therefore would be unlikely to satisfy the SBT at the time that FOY generates taxable profits.

FOY has received advice that FOY is unlikely to satisfy the statutory loss recoupment tests after the proposed Acquisition due to the following:

- is unlikely to satisfy the COT as a direct result of the IGE shareholders' proposed aggregate stake of 55% to 78% in FOY. That is, FOY will not maintain a continuity of ownership of more than 50% over the test period for the pre-2015 tax losses after the Acquisition.
- Due to the significance of the Acquisition, it appears that FOY's principal business activity will no longer be the exploration of mining tenements. That is, FOY's overall business has transitioned from the mineral resources sector to be primarily the development and commercialisation of PTF Technology. Based on this, FOY may not be able to satisfy the SBT for the tax losses incurred prior to the Acquisition until and unless FOY makes taxable income from the mineral resources sector.

Based on the above, FOY will not be able to shelter any future taxable profits against the tax losses incurred in the prior years. As such, FOY will be required to pay income tax on any post-Acquisition taxable profits.

Other tax implications of the Acquisition

The tax cost base of the IGE Assets in the hands of FOY will be the purchase price plus the incidental costs of acquisition (such as legal fees, stamp duty etc). The total purchase price will then be required to be allocated to the various assets. This can be done via adopting an appropriate allocation methodology or alternatively by obtaining a valuation report to ascertain the fair value of assets. The tax issues associated with an asset acquisition is dependent on the type of asset acquired. To the

extent that any tax depreciable assets are acquired, FOY will be able to obtain a tax deduction over the effective lives of the depreciable assets.

Stamp duty

The Acquisition is subject to stamp duty in New South Wales. The Business Sale Agreement has been assessed for stamping by the Office of State Revenue (**OSR**) and the amount of stamp duty has been paid by FOY. The acquisition of ACT Land is subject to stamp duty in the Australian Capital Territory. FOY has made provision for this expense in the acquisitions costs of the ACT Land. Similarly, FOY has made provision for the stamp duty payable on the Property Purchase Agreement that will transfer under the Business Sale Agreement.

10.3 Options

FOY currently has the following Options on issue. These Options are all unlisted and have the exercise price and expiry dates as set out below.

Number	Exercise Price	Expiry
182,281	\$1.25	30 June 2018
182,281	\$1.75	30 June 2018
32,333,111	\$0.20	31 December 2019

10.4 Dividend reinvestment plan

If the Board determines that a dividend is payable, it will be paid on all Shares proportionate to the total amount for total amount of Shares at that time. Such dividend payment is subject to the rights and restrictions on the holders of shares created or raised under any special dividend arrangements.

The Board may establish and maintain one or more dividend plans, to which Shareholders may elect to take up with some or all their Shares subject to the rules of the plan.

Subject to the Listing Rules, the Board has the power to capitalise and distribute the whole or part of the undivided profits of FOY or standing to the credit of any reserve or other account and which is available for distribution. Such capitalisation and distribution must be in the same proportions which the Shareholders would be entitled to receive if distributed by way of dividend or in accordance with the terms of issue of any Shares or terms of any plan for the issue of securities for the benefit of officers or employees.

The Board has the power to decide whether to pay Shareholders an interim dividend on account of the next forthcoming dividend. Any distribution may be paid otherwise than in cash as specified in the Constitution.

No dividend is payable except out of Company profits and no dividend or other monies paid in relation to a share will carry interest as against FOY

10.5 Employee incentive plans

FOY does not have an equity- based remuneration scheme or employee incentive plans.

10.6 Directors' Interests and Benefits

Directors' interests in securities

The number, description and amount of securities held by or on behalf of each Director as at the date of this Prospectus are set out in section 0.

Directors' remuneration

Currently the Directors (other than the Managing Director, Stuart Clark) are not receiving directors' fees. Under the Constitution, the Directors (other than any Managing Director or Director who is a salaried officer) may be paid such total remuneration determined from time to time by FOY in general meeting. The current maximum aggregate that may be paid to non-executive Directors is \$750,000.

Post re-quotation of FOY, the Board has considered remuneration of non-executive directors and determined the following fees be payable:

Role	Directors' fees per annum
Non-Executive Director	\$10,000*
Audit and Risk Committee member	\$20,000*
Finance Committee member	\$10,000*
Remuneration and Nomination committee member	\$20,000*

*is payable on and from FOY being relisted.

Below is a table detailing the compensation each executive director of FOY is entitled to receive in relation to their duties as a director and their annual remuneration in relation to employment with FOY. Refer to section 11.7:

	Directors' fees per annum	Remuneration per annum
Paul Dickson	\$60,000*	\$420,000**
Stuart Clark	\$50,000*	\$300,000***
Bevan Dooley		\$300,000****

*is payable on and from FOY being relisted.

**payable through the engagement of Fandola (a company associated with Paul Dickson) and will become payable on FOY being relisted.

***payable through the engagement of Klick (a company associate with Stuart Clark).

****payable through the engagement of Solid Energy Technologies (a company controlled by Bevan Dooley) and is payable on and from completion of the Acquisition.

Deeds of Access and Indemnity

FOY has entered into a deed of indemnity, insurance and access with each of its Directors and FOY Secretary. Under these deeds, FOY agrees to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of FOY. FOY is also required to maintain insurance policies for the benefit of the relevant officer and must also allow the officers to inspect board papers in certain circumstances.

10.7 About IGE

IGE is an unlisted public company established on 15 February 2013 in New South Wales as a shelf company. In the second half of the 2014 calendar year, a number of investors joined with the original developers of the Technologies using IGE as the investment vehicle for the purpose of raising the capital required to develop and commercialise the Technologies.

IGE Directors and Shareholders

IGE's directors are Paul Dickson, Bevan Dooley, Adrian Lake and Stuart Clark. Paul Dickson and Bevan Dooley were also appointed as Directors of FOY on 23 October 2014. Stuart Clark was appointed a Director of FOY on 25 August 2016.

The IGE shareholders broadly fall in to three categories: the developers of the Technology, early supporters of the Technology and seed capitalists.

The developers of the Technologies (through Bevan Dooley, Solid Energy Technologies and each of the shareholders of UTOF) collectively hold 17.01% of the shares in IGE.

The largest single shareholder of IGE is Fandola Investments Pty Ltd, with 49.46% of IGE's issued share capital. Fandola is an Associate of Mr Dickson, the current Chairman of FOY, and has contributed significant cash investment to IGE.

In addition to the Technology developers and Fandola, there are several other IGE Shareholders, identified in the table in this section 10.7.

Despite the disparity among the group of IGE Shareholders, the Corporations Act treats them (together with their respective Associates and IGE) as potentially being Associates.

The identity of the IGE Shareholders and their Associates is set out in the table below. This table also sets out the Respective Proportion of the Consideration Securities and (if the Performance Target is met) Milestone Securities which each IGE Shareholder will be issued as part of the Acquisition.

IGE Shareholder	Respective Proportion ⁵	Associates (other than IGE Shareholders)	Current FOY Securities
Fandola Investments Pty Ltd	49.462%	Paul Dickson ****	6,779,311 Shares and 6,779,311 Options
Bevan Dooley and Solid Energy Technologies Pty Ltd ⁶	6.106%	UTOF**	1,379,311 Shares and 1,379,311 Options
Rebelly Healthcare (Shanghai) Ltd*****	26.390%		1,379,311 Shares and 1,379,311 Options
Adrian Phillip Lake*	3.664%	UTOF**	
CVO Family Investments Pty Ltd	3.664%	Andrew Kelly*** and UTOF**	
Healey Enterprises Australia Pty Ltd	3.664 %	Rodney Healey*** and UTOF**	
Alpha Darling Pty Ltd	2.620%	Benjamin Robertson***	
Svenska Seamans	1.650%		
E2E Consulting Pty Ltd ATF The Influence Investment Trust	1.227%	Andrew Kenyon***	233,333 Shares and 233,333 Options
Garry Ohlson	0.776%		
The Kylin Unit Trust	0.369%		
Martin Ohlson	0.194%		
Adrian Bunter	0.194%		
Powell-Trestrail	0.019%		

⁵ The Respective Proportion is the percentage shareholding in IGE which the relevant IGE Shareholder has (rounded to two decimal places) and also represents the proportion of the Consideration Securities and (if the Performance Target is met) Milestone Securities that IGE Shareholder will be issued.

⁶ As Bevan Dooley controls and is a major shareholder of Solid Energy Technologies, their voting power will be aggregated for the purpose of this section 8. Mr Dooley holds 3.664% of the shares in IGE directly and Solid Energy Technologies holds 2.442% of the shares in IGE.

Family Trust			
Total % interest in IGE	100%		

* Adrian Lake is a co-founder of the PTF Technology, together with Bevan Dooley.

** Each of Adrian Lake (through Biodiesel Network Pty Ltd, a company he controls), CVO Family Investments Pty Ltd, Healey Enterprises Australia Pty Ltd and Solid Energy Technologies are 25% shareholders of UTOF. UTOF is an Assignor of the Technologies to IGE. Accordingly, UTOF may be considered to be an Associate.

*** Each of Andrew Kelly, Rodney Healey, Benjamin Robertson and Andrew Kenyon are sole directors of the IGE Shareholder company next to their name. None of Kelly, Healey, Robertson or Kenyon hold or will hold Shares directly, but they will have a relevant interest in the Shares held by their respective IGE Shareholder companies. As such, their Voting Power will increase in the same proportion as their respective IGE Shareholder companies' Voting Power.

****Paul Dickson is Chairman of FOY. He has made substantial cash contributions to IGE since October 2014 as a seed capitalist.

***** Rebelly has made cash contributions to IGE as a recent seed capitalist.

10.8 Interests and Consents of Experts and Advisers

The following parties have given (and not before the date of this document withdrawn) their consent to be named in this document in the form and context in which they are named:

- Thomson Geer, in its capacity as Australian solicitors to FOY. Thomson Geer has advised in relation to Australian legal matters concerning the company's Australian operations only;
- Hall Chadwick, in the capacity as Investigating Accountant to the Offer;
- The independent external auditor for Dickson & Dickson Healthcare Limited for the financial year ended 30 June 2015 (**Auditor for D&D**);
- Terry Willstead, in his capacity as Competent Person for the purposes of JORC Code compliance; and
- FB Rice, in its capacity as patent attorneys to FOY.

Each of Thomson Geer, Hall Chadwick, Auditor for D&D, Terry Willstead and FB Rice has not:

- authorised or caused the issue of this Prospectus;
- made, or purported to have made, any statement in this Prospectus or on which a statement in this Prospectus is based except as set out in this section; or
- assumed the responsibility for any part of this Prospectus except as set out in this section and to the maximum extent permitted by law, expressly disclaims responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Thomson Geer is entitled to be paid \$80,000 for advice and assistance in relation to certain aspects of this Prospectus, and in relation to application for quotation of the New Shares on ASX. In addition, Thomson Geer has been paid \$91,350.86 (exclusive of GST) for the provision of professional services to FOY in the two years prior to the date of this Prospectus.

Hall Chadwick has prepared the Investigating Accountant's Report included in Section 8 of this Prospectus. In respect of this work Hall Chadwick will be paid approximately \$27,500. Hall Chadwick has been paid \$10,985 (exclusive of GST) for the provision of professional services to FOY in the two years prior to the date of this Prospectus.

Terry Willstead has prepared the information on which Section 5 of this Prospectus is based. In respect of this work FOY has paid approximately \$24,850 for these services. Terry Willstead has not been paid any additional amount for the provision of professional services to FOY in the two years prior to the date of this Prospectus.

FB Rice has prepared the Patent Attorney Report included in Section 9 of this Prospectus. In respect of this work FB Rice will be paid approximately \$3,000. In addition, FB Rice has been paid \$35,000 (exclusive of GST) for the provision of professional services to FOY in the two years prior to the date of this Prospectus.

Except as set out below or anywhere else in this Prospectus, no advisor in this section 10.8 holds, or during the last 2 years has held, any interests in:

- a) the formation of the Company;
- b) any property acquired or proposed to be acquired by the Company in connection with the Company's formation or the promotion, or the Offer: or
- c) the Offer.

In addition, except as set out above or elsewhere in this Prospectus, no benefit of any kind, (whether in cash, Shares or otherwise) have been paid or agreed to be paid to an advisor in connection with the preparation or distribution of the Prospectus for services rendered by that person in connection with the formation or promotion of the Company, or the Offer."

10.9 Restriction Agreements

ASX may classify certain Shares on issue in FOY as being subject to the restricted securities provisions of the Listing Rules. If so classified, such Shares would be required to be held in escrow for a period determined by ASX and would not be able to be sold, mortgaged, pledged, assigned or transferred for that period without the prior approval of ASX.

IGE shareholders will be subject to ASX imposed mandatory escrow and as a result IGE shareholders will not be able to deal their Shares or Options for a period of 24 months from the date of re-quotations of FOY's Shares on ASX following compliance with Chapters 1 and 2 of the Listing Rules. In addition, Shares held by directors of FOY and any Shares issued in FOY in the 12 months prior to listing may be subject to mandatory escrow for a period up to 12 months (from the date of issue of those Shares) for unrelated investors and for a period of 24 months (from the date of re-quotations of FOY's Shares) for Directors and other related parties. Any other Shareholders who ASX decides are promoters of FOY may not be able to deal with some or all of their Shares which are restricted securities for a period of 24 months from re-quotations of FOY's shares.

Shares to be restricted, together with the identity of the holders of those Securities and the period of restriction, will be announced to the ASX at the time of FOY's relisting. The New Shares will not be subject to any restriction under the Listing Rules.

FOY anticipates its free float being 127,752,650 shares (34.84%) under the maximum offer, 106,252,650 shares (30.78%) under the \$10.7 million offer, and 85,252,650 shares (26.30%) under the minimum offer.

This assumes that the ASX considers TVI a venture capitalist and its shares in FOY are unrestricted. In the event that TVI's shares are restricted, FOY's free float will be 88,659,742 shares (25.69%) under the maximum offer, 106,252,650 shares (30.78%) under the \$10.7 million offer, and 67,659,742 shares (20.87%) under the minimum offer.

10.10 Expenses of the Offer

The total estimated expenses for the Offer and for achieving a listing on the ASX payable by FOY including, advisory fees, legal fees, printing costs, public relations costs and other miscellaneous expenses based on a maximum raise are estimated to be \$750,000 as per the table below.

EXPENSES OF THE OFFER	\$15M Offer	\$10.7M Offer	\$6.5M Offer
Independent Experts Reports	\$40,000	\$40,000	\$40,000
Investigating accountants	\$15,000	\$15,000	\$15,000
Legal*	\$283,000	\$283,000	\$283,000

Other — including ASX, ASIC printing and share registry etc.	\$193,000	\$162,000	\$162,000
Broker Fees	\$210,000	\$0	\$0
Total	\$741,000	\$500,000	\$500,000

As at the date of this Prospectus, FOY has not appointed a lead broker. However, FOY may engage lead broker or brokers to the Offer.

*This represents legal fees since FOY began the re-listing progress in August 2016.

10.11 Related Party Transactions

FOY is (or will be following completion of the transactions under the Business Sale Agreement) a party to the following agreements with related parties of FOY:

- Business Sale Agreement relating to the acquisition with IGE and Bevan Dooley;
- assignment of the Technologies between Solid Energy Technologies and UTOF (as Assignors) and FOY (as Assignee) with respect to the PTF Technology, the BTE Technology and the BTF Technology;
- a Deed of Termination terminating the exclusive licence from FOY (as Licensor) to IGE (as Licensee) with respect to the PTF Technology;
- a Deed of Termination terminating the exclusive licence from Solid Energy Technologies and UTOF (as Licensor) to IGE (as Licensee) with respect to any other aspects of the Technologies;
- consultancy agreement between Solid Energy Technologies and FOY for the provision of services (including Bevan Dooley acting as Chief Technical Officer);
- consultancy agreement between Fandola and FOY for the provision of services relating to business leadership, strategy and management, investment and financing, risk management and controls and effective implementation of Board decisions;
- consultancy agreement between Klick Pty Ltd as the trustee for Clark Family Trust trading as Klick Consultancy relating to business leadership, strategy and management, investment and financing, risk management and controls and effective implementation of Board decisions;
- employment agreement between FOY with Paul Dickson;
- employment agreement between FOY and Stuart Clark;
- a loan agreement between Fandola Pty Ltd and IGE;
- a loan agreement between Rebelly Healthcare (Shanghai) Ltd and IGE;
- a loan agreement between Fandola Investments Pty Ltd and FOY; and
- a loan agreement between McIntosh and Associates and FOY.

Shareholder approval was obtained for the transactions referred to in relation to the Business Sale Agreement and the Technologies under section 208 of the Corporations Act and Listing Rule 10.1. Shareholder approval is not required for the remaining agreements as the Directors have determined it falls within the arms' length terms and remuneration exceptions in sections 210 and 211 of the Corporations Act.

The directors consider the consultancy agreement with Fandola and Klick Pty Ltd to be on arms' length terms for the following reasons:

- Difficulties in obtaining ongoing funding meant that there was a limited field of candidates available with the right experience and qualifications to act as a director for a company in FOY's position. Many candidates who were approached by the board were unwilling to accept the role because FOY was yet to generate material

revenue. Accordingly, the remuneration structure under the consultancy agreements provide that the consultants will not be paid remuneration until the Company's shares are quoted on the ASX.

- FOY considered that relocation to an international jurisdiction was probable for an executive officer, and that this requirement should be reflected in the terms of the consultancy agreements. In the opinion of the remuneration committee, to have the parties relocate to the US or UK to oversee FOY's planned operations in those countries (currently the company's intention) would be more difficult in the event that their services, and ongoing remuneration, would be terminated should they not be re-elected at a general meeting. Hence, the consultancy agreements will remain on foot even if Messrs Dickson and Clark are removed as directors of FOY. It was also considered that such circumstances required either a higher base salary or a longer term of contract. Considering FOY's current position, a longer term was considered more appropriate and indeed, more favourable to the company and its shareholders than a higher salary.

10.12 Litigation

As at the date of this Prospectus, FOY is not involved in any material legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against FOY.

10.13 Taxation considerations

The following comments provide a general summary of Australian tax issues for Australian tax resident shareholders who acquire Shares under this Prospectus.

The categories of Shareholders considered in this summary are limited to Australian individuals, companies (other than life insurance companies), trusts, partnerships and complying superannuation funds that hold their shares on capital account.

This summary does not consider the consequences for non-Australian tax resident Shareholders, insurance companies, banks, Shareholders that hold their Shares on revenue account or carry on a business of trading in shares or Shareholders who are exempt from Australian tax. This summary also does not cover the consequences for Shareholders who are subject to Division 230 of the Income Tax Assessment Act 1997 (the Taxation of Financial Arrangements or "TOFA" regime). Shareholders who are subject to TOFA should obtain their own tax advice as to the implications under TOFA (if any).

This summary is based on the law in Australia in force at the time of issue of this Prospectus. Australian tax laws are complex. It also does not take into account the tax law of countries other than Australia. This summary is general in nature and is not intended to be an authoritative or complete statement of the applicable law. The taxation laws of Australia or their interpretation may change. The precise implications of ownership or disposal will depend upon each Shareholder's specific circumstances.

Shareholders should seek professional advice on the taxation implications of holding or disposing of the Shares, taking into account their specific circumstances.

Dividends on a Share

- **Australian Resident Individuals and Complying Superannuation Entities**

Where dividends on a Share are distributed by FOY, those dividends will constitute assessable income of an Australian tax resident Shareholder. Australian tax resident Shareholders who are individuals or complying superannuation entities should include the dividend in their assessable income in the year the dividend is paid, together with any franking credit attached to that dividend. Such Shareholders should be entitled to a tax offset equal to the franking credit attached to the dividend subject to being a 'qualified person' (refer further comments below). The tax offset can be applied to reduce the tax payable on the Shareholder's taxable income. Where the tax offset exceeds the tax payable on the Shareholder's taxable income, such Shareholders should be entitled to a tax refund.

Where a dividend paid by FOY is unfranked, the Shareholder will generally be taxed at his or her prevailing marginal rate on the dividend received with no tax offset.

- **Corporate Shareholders**

Corporate Shareholders are also required to include both the dividend and associated franking credit in their assessable income. A tax offset is then allowed up to the amount of the franking credit on the dividend.

An Australian resident corporate Shareholder should be entitled to a credit in its own franking account to the extent of the franking credit on the dividend received. Such corporate Shareholders can then pass on the benefit of the franking credits to its own shareholder(s) on the payment of dividends, subject to the Shareholder being a 'qualified person' (refer to further comments below).

Excess franking credits received cannot give rise to a refund, but may be able to be converted into carry forward tax losses.

- **Trusts and Partnerships**

Shareholders who are trustees (other than trustees of complying superannuation entities) or partnerships should include the franking credit in determining the net income of the trust or partnership. The relevant beneficiary or partner may be entitled to a tax offset equal to the beneficiary's or partner's share of the net income of the trust or partnership as the case may be, subject to the beneficiary or partner being a 'qualified person' (refer to further comments below).

- **Shares held at risk**

The benefit of franking credits can be denied where a Shareholder is not a 'qualified person' in which case the Shareholder will not be able to include an amount for the franking credits in their assessable income and will not be entitled to a tax offset.

Broadly, to be a qualified person, a Shareholder must satisfy the holding period rule and, if necessary, the related payment rule. The holding period rule requires a Shareholder to hold the Shares 'at risk' for more than 45 days continuously, measured as the period commencing the day after the Shareholder acquires the Shares and ending on the 45th day after the Shares become ex-dividend. The date the Shares are acquired and disposed of are ignored for the purposes of determining the 45-day period. Any day on which a Shareholder has a materially diminished risk or loss of opportunity for gain (through transactions such as granting options or warrants over Shares or entering into a contract to sell the Shares) will not be counted as a day on which the Shareholder held the Shares "at risk".

This holding period rule is subject to certain exceptions, including where the total franking offsets of an individual in a year of income do not exceed A\$5,000. Special rules apply to trusts and beneficiaries. On 14 May 2013, the Commonwealth Government announced changes that will apply "dividend washing" arrangements and the amendments are proposed to be made through the 45 day 'holding period rules'. No legislation has yet been released in respect of this change. Shareholders should consider the impact of this proposed change given their own personal circumstances.

Under the related payment rule, a different testing period applies where the Shareholder has made, or is under an obligation to make, a related payment in relation to a dividend. The related payment rule requires the Shareholder to have held the Shares at risk for a period commencing on the 45th day before, and ending on the 45th day after the day the Shares become ex-dividend. Practically, this should not impact Shareholders who continue to hold Shares and also do not pass the benefit of the dividend to another person. Shareholders should obtain their own tax advice to determine if these requirements have been satisfied.

Disposal of Shares

The disposal of a Share by a Shareholder will be a capital gains tax (CGT) event. A capital gain will arise where the capital proceeds on disposal exceed the cost base of the Share (broadly, the amount paid to acquire the Share plus any transaction costs). In the case of an arm's length on-market sale, the capital proceeds will generally be the cash proceeds from the sale.

A CGT discount may be applied against the net capital gain where the Shareholder is an individual, complying superannuation entity or trustee, the Shares have been held for more than 12 months and certain other requirements have been met. Where the CGT discount

applies, any capital gain arising to individuals and entities acting as trustees (other than a trust that is a complying superannuation entity) may be reduced by one-half after offsetting current year or prior year capital losses. For a complying superannuation entity, any capital gain may be reduced by one-third, after offsetting current year or prior year capital losses.

A capital loss will be realised where the reduced cost base of the Share exceeds the capital proceeds from disposal. Capital losses may only be offset against capital gains realised by the Shareholder in the same income year or future income years, subject to certain loss recoupment tests being satisfied. Capital losses cannot be offset against other assessable income. **Goods and Services Tax**

Investors should not be liable for GST in respect of their investment in Shares. Investors may not be entitled to claim full input tax credits in respect of any GST paid on costs incurred in connection with their acquisition of the Shares. Separate GST advice should be sought by investors in this respect.

Stamp Duty

Investors should not be liable for stamp duty in respect of their holding of Shares. Under current stamp duty legislation, no stamp duty would ordinarily be payable by Shareholders on any subsequent transfer of Shares

Tax File Numbers

A Shareholder is not required to quote their tax file number (**TFN**) to FOY. However, if valid TFN or exemption details are not provided, Australian tax will be required to be deducted by FOY from distributions and/or dividends at the maximum marginal tax rate plus the Medicare levy. A Shareholder that holds Shares as part of an enterprise may quote their Australian Business Number instead of their TFN. Non-residents are exempt from this requirement.

10.14 Rights and liabilities attaching to New Shares

The following is a summary of the more significant rights and liabilities attaching to New Shares to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

The rights attaching to the New Shares arise from a combination of FOY's Constitution, the Corporations Act, the ASX Listing Rules and general law. A copy of FOY's Constitution is available for inspection free of charge during business hours at its registered office.

Rights attaching to New Shares

The New Shares to be issued pursuant to this Prospectus are ordinary shares and will as from their allotment rank equally in all respects with all Existing Shares.

A summary of the rights attaching to the New Shares is set out below.

- **Voting Rights**

Subject to the Constitution of FOY, the ASX Listing Rules and any rights or restrictions at the time being attached to a class of shares, at a general meeting of FOY every Shareholder present in person, or by proxy, attorney or representative has one vote on a show of hands, and upon a poll, one vote for each Share held by the Shareholder. In the case of an equality of votes, the chairperson has a casting vote except that where the chairperson is also a member of FOY he does not have a casting vote in addition to his deliberative vote.

- **Dividends**

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of shares, the board of FOY may from time to time declare dividends. The Directors may determine the method and time for payment of the dividend..

- **Winding up**

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of shares, on a winding up of FOY the liquidator

may with the sanction of a special resolution divide the whole or part of FOY's property among Shareholders and decide how the division is to be carried out as between Shareholders or different classes of Shareholders.

- **Transfer of Shares**

Subject to the provisions of the Constitution, the Corporations Act and the Listing Rules, Shares are freely transferable by a transfer document in the form approved by the ASX or otherwise approved by the Directors. The Board may refuse to register a transfer of Shares or apply a holding lock to prevent a transfer in accordance with the Corporations Act, ASX Listing Rules or ASX Settlement Operating Rules.

- **Further Increases in Capital**

Subject to the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and any rights attached to a class of shares, the Directors may allot and issue shares or grant shares or options over shares in and other securities of FOY, on any terms and at any time, as the Directors resolve.

- **Variation of Rights**

Subject to the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and the terms of issue of shares in a particular class, FOY may vary or cancel rights attached to shares in that class by either special resolution passed at a general meeting of the holders of the shares in that class, or with the written consent of the holders of at least 75% of the votes in that class.

- **Unmarketable parcels**

In accordance with the ASX Listing Rules, the Board may sell Shares that constitute less than a marketable parcel by following the procedures set out in the Constitution.

- **Preference shares**

FOY may issue preference shares. The rights attaching to preference Shares are those set out in the Constitution unless other rights have been approved by special resolution of FOY.

- **Meetings and Notices**

Each Shareholder will be entitled to receive notice of, and to attend and vote at, general meetings of FOY and to receive notices, accounts and other documents required to be furnished to Shareholders under FOY's Constitution, the Corporations Act and the ASX Listing Rules.

10.15 Privacy Act

If you complete an application for New Securities, you will be providing personal information to FOY. FOY collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your New Securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and FOY Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact FOY or its registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules. You should note that if you do not provide the information required on the application for New Securities, FOY may not be able to accept or process your application.

10.16 ASX Admission and quotation

FOY has applied to the ASX for admission to the official list of ASX and quotation of the Shares on the exchange operated by the ASX.

10.17 ASX Waiver

The Company has applied to ASX for a waiver from the requirement in Listing 10.14 to obtain shareholder approval to permit shares to be issued to certain directors within three months of the Company's extraordinary general meeting held on 7 August 2017.

10.18 Governing law

This Prospectus and the contracts that arise from the acceptance of the Applications are governed by the laws applicable in New South Wales and each Applicant submits to the exclusive jurisdiction of the courts of New South Wales.

10.19 Expiry date

No New Securities will be allotted or issued on the basis of this Prospectus later than the date which is 13 months after the date of this Prospectus

10.20 Statement of Directors

The Directors report that after due enquiries by them, in their opinion, since the date of the financial statements in Section 4, there have not been any circumstances that have arisen that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospectus of FOY, other than as disclosed in this Prospectus.

10.21 Authorisation of this Prospectus

Each Director has authorised the issue of this Prospectus and has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

11 MATERIAL CONTRACTS

The Directors consider that the material contracts summarised below and elsewhere in this Prospectus are the contracts which an investor would reasonably expect to find described in this Prospectus for the purpose of making an informed assessment of the Offer.

The following is a summary only of the material contracts and their substantive terms.

11.1 Business Sale Agreement

FOY entered into the Business Sale Agreement on 5 February 2016. The subsequently varied the agreement on 8 September 2016 and 23 January 2017.

- **Conditions to the Acquisition**

The following are conditions precedent to the IGE Transaction completing under the Business Sale Agreement:

- **ASX Approval:** ASX must resolve to readmit and quote the Shares on the ASX, subject to completion of the IGE Transaction and satisfaction of any other conditions usual to ASX re-admission.
- **Shareholder Approvals:** Shareholders approving certain resolutions in relation to the IGE Transaction, which were approved by Shareholders at the extraordinary general meeting of FOY held on 7 August 2017.
- **Due diligence:** FOY must be satisfied, acting reasonably, with its due diligence enquiries in relation to the Business. FOY currently expects these due diligence enquiries will be on-going while it prepares the Prospectus.
- **Key Executives:** Bevan Dooley and other executives agreed between IGE and FOY must enter into consultancy contracts with FOY.
- **No material adverse change:** There must be no material adverse change affecting the Business or the financial or trading position or prospects of the Business from the date of the Agreement.
- **Agreements and assignments:** certain material agreements and assignments must be agreed and executed before Completion including assignment of the Technology to FOY prior to the date of this Prospectus. Assignment of the patent to FOY has occurred however the exclusive rights to exploit the technology under certain licences remain with IGE as set out in the Patent Attorney's report in section 9 of this Prospectus. The licences to IGE will terminate on completion of the Acquisition
- **Regulatory approvals:** All necessary approvals from ASX, ASIC and any other regulatory agency or third party for completion of the acquisition of the Business must be received.
- **Property lease:** a new lease for the property on which the BKV Commercial Plant is situated on must be entered into with the registered owner of that land and properly executed and registered before the date of the Prospectus.
- **Mortgagee consent:** the mortgagee of the property on which the BKV Commercial Plant is situated must consent to each of the New Property Leases and the assignment of those leases to FOY on terms acceptable to FOY.
- **IGE Shareholder confidentiality:** each IGE Shareholder must sign a confidentiality agreement.

If the conditions precedent are not satisfied on or before 28 February 2018, or such later date as the parties agree, the Business Sale Agreement will automatically terminate.

- Consideration for the Acquisition**

The consideration payable by FOY for the acquisition of the IGE Assets under the Business Sale Agreement is securities in FOY, which will be issued initially when the performance target described below (**Performance Target**) is met.

The number of Consideration Shares and Options (**Consideration Securities**) and Milestone Shares and Options (**Milestone Securities**) will comprise 71.75% of the total Shares in the capital of FOY on a fully diluted basis (that is, on the basis that all Options and other convertible securities are exercised and converted into Shares) calculated at the time of Completion (and on the assumption that the Consideration Securities and Milestone Securities have already been issued).

The consideration is summarised in the following table:

When issued	Type of security	Defined term	Total Percentage interest after the relevant issue	What the percentage calculation is based on	Expected number of securities (approximate)
Completion	Fully paid ordinary shares in the capital of FOY (Shares)	Consideration Shares	57.191% ⁷ of issued Shares	Issued shares includes the Consideration Shares and shares issued under the Offer	210 million
Completion	Options over unissued Shares (Options) with an exercise price of \$0.40 exercisable at any time on or before 31 December 2020	Consideration Options	79.795% of granted Options	Granted Options includes Consideration Options and Options issued under the Fundraising Activities	148 million
Performance Target achieved	Shares	Milestone Shares	59.738% of issued Shares	Issued shares includes the Consideration Shares, Milestone Shares and shares issued under the Offer. ⁸	23 million
Performance Target achieved	Options with an exercise price of \$0.40 exercisable at any time on or before 31 December 2020	Milestone Options	87.440% of granted Options	Granted Options includes Consideration Options, Milestone Options and Options issued under the Offer. ⁹	113 million

The Performance Target is achieving EBITDA of \$5,000,000 per annum from operating the Technologies or applications of the Technology developed by certain key executives, during any 6-month period ending on either 30 June or 31 December (pro-rata) between Completion and 30 June 2020. The number of Milestone Shares and Milestone Options, and the terms of the Performance Target, cannot be varied without the prior approval of ASX and the Shareholders.

⁷ At completion of the Acquisition, IGE Shareholders and their Associates will together hold more than 59.35% of the total issued Shares, as some IGE Shareholders already hold Shares at the date of this Prospectus.

⁸ The percentage will not be grossed up for changes to capital after Completion.

⁹ The percentage will not be grossed up for changes to capital after Completion.

- (a) Subject to Completion, FOY has also agreed to pay to IGE, within 20 Business Days of Plant Full Commissioning or Completion (whichever is later), the reasonable costs that IGE has incurred in relation to:
- (i) clearing and cleaning the site on which the BKV Commercial Plant is located to bring the presentation of the site up to FOY's satisfaction, and
 - (ii) the acquisition or lease of land on which, or proximate to where, the BKV Commercial Plant is situated (if the Buyer considers that such acquisition or lease is necessary or desirable in connection with the operation of the BKV Commercial Plant or the conduct of the Business) and the negotiation, documentation and registration of the New Property Leases.

These costs must be supported by bona fide receipts and invoices confirming the costs have been incurred.

Provisions in relation to plant commissioning

FOY and IGE have agreed certain matters in relation to the commissioning of the BKV Commercial Plant. These are described in section 3.5

Other material obligations

- The parties will use best endeavours to procure that all intellectual property that is not registered (including copyright material, processes, know-how and trade secrets) relating to IGE's business must be documented to FOY's satisfaction prior to Completion (but if not completed prior to Completion, then within 90 days of Completion).
- IGE must use its reasonable commercial endeavours to assign or novate the contracts in respect of the Business to FOY or its nominee on or before Completion and, failing that, as soon as practicable after Completion. There is also a mechanism which allows FOY to effectively take over the performance of any contracts in respect of the Business from Completion that have not yet been assigned or novated to FOY.
- IGE must use its reasonable commercial endeavours to transfer all authorisations (including technologies, permits etc.) to the FOY on or before Completion or, if IGE is unable to transfer an authorisation, to surrender that authorisation to enable a replacement authorisation to be issued to FOY with effect from Completion.

Restraints

- Under the Business Sale Agreement, IGE and Bevan Dooley have each agreed not to undertake certain actions that would be competitive with the Business (unless the prior written consent of FOY is obtained).
- It should be noted that there is a risk that restraint areas and periods such as these may be unenforceable, or reduced, if a court decides that they are unreasonable. Other restrained actions include soliciting customers of the Business to cease doing business with FOY, accepting business from such a customer of a kind ordinarily forming part of the Business and inducing employees of FOY to terminate their employment.
- IGE has also agreed to change its company name to a name that does not include "Integrated Green Energy" and not use any words in its new business name which resemble, or are likely to be confused with, "Integrated Green Energy".

Warranties

- IGE has given a number of warranties, including in relation to its authority and capacity to enter into the Business Sale Agreement, solvency, conduct of the Business, Licences, other intellectual property, Assets, financial matters, plant and equipment, contracts, property, business records, employees and superannuation obligations, taxes and duties, environmental matters, insurance, and litigation and disputes.

- FOY provided warranties regarding its authority and capacity to enter into the Business Sale Agreement and its solvency.
- The parties have agreed to indemnify each other against any claim for a breach of warranty or the Business Sale Agreement. Claims for a breach must be notified within a specified time frame (for breach of the tax or environmental warranties given by IGE, on or before the date 4 years after Completion, and for all other claims, on or before the date 3 years after Completion).
- There is also a minimum monetary threshold for claims, other than claims for breach of the tax or environmental warranties (\$10,000 for each claim and \$50,000 for all claims taken together). However, there is no cap on the maximum amount that may be claimed.

Property Purchase Agreement

- The contract for the Berkeley Vale property located at 11 Apprentice Drive is due for completion on 11 September 2017. IGE is due to settle the amount by that date. IGE is currently in discussions with the landlord to defer the purchase of this land.
- Should IGE fail to complete, the company would be in breach and the property would fail to transfer to FOY as part of the BSA.
- It should be noted, this property is not the site the BKV Commercial Plant is located on, but an adjacent block that is currently free of any buildings. This block was acquired by IGE to be part of the BKV commercial facility in the event it receives approval to operate a 200TPD plastics to fuel facility, and is not necessary for the manufacturing of CDMs as part of FOY's international rollout.
- **Commissioning Requirements**

Under the Business Sale Agreement, the First Plant must meet the following commissioning requirements by 31 December 2018 (Commissioning Test):

- operating so as to process not less than 35 tonnes of plastic materials per day for not less than 8 days in any calendar month; and
- producing at least 245,000 litres in the same calendar month of petroleum products (being saleable on-road diesel and petrol) which meet or are blended with petroleum diesel to meet all applicable Australian standards and regulatory requirements.

If the Commissioning Test has not been met by 31 December 2018, FOY has a right to terminate and unwind the transactions under the Business Sale Agreement for nominal consideration (subject to receiving shareholder and other regulatory approvals at that time)

There remains an inherent risk that the WPTF Technology may not fully deliver the financial benefits anticipated by FOY.

11.2 Amazon Bay Joint Venture Agreement

FOY, TML (which is a wholly owned subsidiary of FOY) and TVI are parties to a Farm-in Joint Venture Agreement in respect of the Amazon Bay Project dated 28 August 2012 (as subsequently amended or varied) (**JVA**).

- **(Stage 1 Farm-In)** During the Stage 1 Farm-in Period, TVI was required to undertake the Stage 1 Farm-in Obligation (that is to contribute A\$2 million in costs in respect of the exploration and feasibility study phases of the Joint Venture, in order to earn a 10% joint venture interest in EL 1396 and EL 1623 (**Tenements**)). Stage 1 Farm-in was completed by TVI in early 2014. Upon satisfaction of TVI's Stage 1 Farm-in Obligation, the Amazon Bay Joint Venture was established, with TVI being appointed as the Manager of the Joint Venture and the interests of the parties being TVI – 10% and TML – 90%.
- **(Stage 2 Farm-In)** TVI had the option to elect to undertake its Stage 2 Farm-in Obligation, which was to invest a further \$5.2 million in expenditure to earn a further

20% interest in the Joint Venture. TVI elected not to undertake its Stage 2 Farm-in Obligation in July 2014.

- **(Cross Indemnity)** Each Joint Venturer must indemnify and hold harmless each other Joint Venturer from and against all loss of any nature incurred by the other Joint Venturers caused by the Joint Venturer's breach of the JVA or its negligent act or omission in the course of Joint Venture Activities.
- **(Change of Control Event)** Where a Change in Control Event (**CoC Event**) occurs in relation to a party (the **Acquired Joint Venturer**), then within 30 days of the CoC Event, the Acquired Joint Venturer must give a notice to the other Joint Venturers offering to sell its Joint Venture Interest.

A CoC Event is defined in the Amazon Bay JVA to include (amongst other things):

1. a change in Control (as that term is defined in section 50AA of the *Corporations Act 2001* (Cth)) of the shareholding in a party; and
2. the acquisition by any single person or corporation of more than 50.1% of the issued voting capital of that party or its ultimate holding company.

However, the definition of CoC Event expressly excludes any such event where it occurs in respect of a stock exchange listed company or in relation to FOY's acquisition of an interest in TML as a result of the Amazon Bay Option.

- **(Assignment)** A Joint Venturer which is not in default under the JVA may at any time without obtaining the prior consent of the other Joint Venturers assign the whole of its joint venture interest to a related body corporate. Otherwise, a Joint Venturer may not assign its joint venture interest without the consent of all other Joint Venturers and an agreed form of an assumption deed being entered into.
- **(Programs, Budget and Called Sums)** Each year the JV Manager must prepare and provide a Proposed Programme & Budget (which details Joint Venture Activities proposed for the next year) to be approved by the Management Committee. The Manager must not undertake any Joint Venture Activities which are not substantially in accordance with the Approved Programme and Budget, except in case of an Emergency; where the cost overrun in carrying out an Approved Program is less than 10%; or if otherwise permitted by the JVA or the Management Committee. All expenditure incurred in accordance with an Approved Programme & Budget must be paid for by the Joint Venturers severally in proportion to their respective percentage shares in the Joint Venture.
- **(Default)** A Default Event means a Breach Default Event or an Unpaid Monies Default Event.
 - A **Breach Default Event** means the happening of an Insolvency Event in relation to a Joint Venturer. If a Breach Default Event is not capable of being remedied within 30 days of the Defaulting Joint Venturer receiving the notice of default, then the Defaulting Joint Venturer must pay adequate monetary compensation to the Non-Defaulting Joint Venturers (an amount to be agreed by the parties or by an expert).
 - An **Unpaid Monies Default Event** is the failure by a Joint Venturer to pay Unpaid Monies (being monies due and payable under the JVA) on before each due date. If an Unpaid Monies Default Event is not remedied within 14 days from the due date, then a Non-Defaulting Party will have the right (not an obligation) to issue a buy-out notice to the Defaulting Joint Venturer, to purchase the whole of the Defaulting Joint Venturer's interest under the JVA.
- **(Sole Risk Operation)** Where the Management Committee does not pass a resolution to proceed with a further proposed program and budget, a Joint Venturer may elect to conduct sole risk operations (i.e. conduct exploration works at its all expense and risk) and hold harmless the Non-Participating Joint Venturer from all claims and liabilities resulting from the carrying out of the sole risk operation.

- **(Dispute Resolution)** Where a Dispute arises between the parties, a party may give notice to the other parties **(Dispute Notice)** describing the nature of the Dispute and nominate a representative to negotiate and settle the Dispute on the party's behalf. Where the representatives fail to resolve the Dispute within 21 days from the receipt of the Dispute Notice, the Chief Executive Officers of each Joint Venturer must negotiate in good faith with a view to resolving the Dispute within 14 days of the Dispute being referred to them, failing which, the Dispute may be immediately referred to by a party to mediation or Expert determination. Where that fails, the Dispute must be referred to and finally resolved by arbitration in Singapore.
- **(Term and Termination)** The JVA commences on the date of the agreement (28 August 2012) and continues until the earlier occurrence of any of the **Termination Events** below:
 - all of the Non-Defaulting Joint Venturers agree in writing to terminate the Joint Venture;
 - the Joint Venturers cease to hold any interest in the Tenements;
 - there ceases to be more than one party holding a Percentage Share in the Joint Venture; or
 - if TVI does not complete its Stage 1 Farm-in Obligations.
- **(Winding up)** Immediately following the occurrence of a Termination Event, the Manager must commence to wind up the Joint Venture.
- **(Guarantee and Indemnity)** FOY guarantees to TVI all of TML's obligations under the JVA and indemnifies TVI against all losses which TVI may now or in the future suffer directly or indirectly out of any breach of TML's obligations.
- **(Jurisdiction)** The JVA is governed by the non-exclusive jurisdiction of the Courts of New South Wales.

11.3 ACT Land Purchase Agreement

On 11 August 2016, FOY entered into a contract to purchase a leasehold interest in Crown Land at Block 11, Section 21, Hume ACT from the ACT Land Development Agency (LDA) for a purchase price of \$3,108,500.00. The contract provides FOY the right to be granted a Crown Lease over the land for a term of 99 years with automatic renewal (provided FOY complies the terms of the Lease) at a nominal rent of 5 cents per annum.

The contract contains two special conditions, being:

- the LDA must use best endeavours to complete all works in order to comply with the Subsoil Drainage Plan to finalise drainage works at the land between 1 March 2017 and 30 June 2017; and
- FOY acknowledges that the land may be subject to legislation and regulations in connection with bushfire protection which may be subject to change.

The Lease provides that FOY is required to complete construction of an approved development on the land within 48 months from the date of commencement of the Lease.

LDA may terminate the Lease if any amount required to be paid by FOY remains outstanding for a period of 3 months, if the approved development is not complete within 48 months, if the land is not used for one year for a purpose for which the lease is granted, or if FOY fails to observe any covenant of the Lease. If FOY complies with the lease during the Term, it will be entitled to the grant of a further lease on such terms as are provided for by statute at that time.

The contract for the ACT property subject of the ACT Land Purchase Agreement was due for completion on 18 July 2017. FOY then received a legal notice to complete the contract for sale of the ACT land at 2.30pm on 7 September 2017. The Seller has advised that if completion of the contract is not effected in accordance with the notice the Seller may terminate the contract for sale and have recourse to such other rights as are available to it pursuant to the contract. FOY did not complete the contract by 7 September 2017 which now gives the Seller the right to terminate the contract for sale

and have recourse to such other rights as are available to it pursuant to the contract. FOY is looking to settle the amount as soon as possible either via the capital raising or utilising debt funding and is currently in negotiations with the ACT Land Development Agency to defer settlement date. Under the terms of the ACT Land Purchase Agreement, there are a number of remedies available to the seller in these circumstances including, terminating the agreement and retaining the 5% already paid and either suing FOY for breach or re-selling the land and any deficiency arising on the resale and all expenses of and incidental to the resale or attempted resale and FOY's default are recoverable by the seller from FOY as liquidated damages, provided the seller has entered into a contract for the resale of the land within 12 months of termination.

The agreement also provides that if completion does not occur by the date for Completion due to the default of FOY, then FOY must pay the seller as liquidated damages on Completion.

11.4 GEP Agreement

On 9 August 2016, and amended on 10 November 2016, FOY entered into a heads of agreement with a view to forming a joint venture with GEP Fuel & Energy LLC, a USA based company planning to construct a 1,500 tpd facility in the USA utilising ASR as feedstock. This is planned to be the first of 10 ASR facilities to be built over 5 years. This agreement provides that FOY and GEP intend to incorporate a US company held 50% by FOY and 50% by GEP. It proposed that FOY will have the right to appoint the majority of nominees to the board of this company.

On 7 March 2017, FOY and GEP formalised this heads of agreement by executing long form agreements. Under this contract FOY, through its US subsidiary Integrated Green Energy US, Inc ("IGE US"), agrees to be responsible for the following services:

- a) procure a license to the FOY Technology to the Company in accordance with the terms the License Agreement;
- b) provide, directly or through an Affiliate or Third Party, design, engineering and related services in addition to construction and/or retrofitting of each Production Facility with the FOY Technology, process design and commissioning of the Production Facilities;
- c) provide, directly or through an Affiliate or Third Party, marketing support services, including the development and provision of marketing materials and website design, implementation and maintenance, product quality services and other consulting services on an as requested basis;
- d) provide or procure product warranties consistent with Prudent Industry Practices, including nameplate guarantees for the Production Facilities utilizing FOY Technology;
- e) provide, directly or through an Affiliate, operation and maintenance services related to the FOY Technology to the Company ; and
- f) provide construction support and other general assistance relating to the FOY Technology to any contractors engaged to provide engineering, procurement and construction services for the construction and/or retrofitting of any Production Facility.

As per the contract, FOY will be paid for these tasks at a commercial rate. It will invoice monthly for all relevant amounts as soon as design and construction commences. That is, payment will be received by FOY prior to any external costs being incurred by FOY.

GEP's obligations under the agreement are:

- a) procure, solicit and facilitate the supply of ASR feedstock to the Company from Affiliates or Third Parties on terms that are acceptable to and approved by the Management Committee;
- b) procure purchasers to offtake the products of the Company on terms that are acceptable to and approved by the Management Committee;
- c) provide construction support and other general assistance to any contractors engaged to provide engineering, procurement and construction services for the construction and/or retrofitting of any Production Facility;
- d) procure all environmental and regulatory Consents and Permits necessary for the construction, retrofit, start-up, operation, maintenance and expansion of the Production Facilities;

- e) procure debt financing for the Company sufficient to cover the capital costs associated with the construction, retrofit, start-up, operation, maintenance and expansion of the Production Facilities on terms that are acceptable to and approved by the Management Committee;
- f) provide or procure suitable feedstock warranties consistent with Prudent Industry Practices and supply guarantees;
- g) identify, apply for and manage the review and approval process relating to grants and tax incentives available to the Company in connection with the development, construction or operation of the Production Facilities; and
- h) utilize the FOY technology exclusively in the fulfillment of its obligations under the terms of this agreement.

GEP are entitled to the same compensation terms as FOY.

11.5 Rebelly Agency Agreement

On 9 February 2017, FOY entered into an agreement with Rebelly Healthcare (Shanghai) Ltd pursuant to which Rebelly has agreed act as the exclusive agent for the purposes of sourcing and introducing potential clients to FOY and advertising and promoting PTF Technology within China.

Rebelly's obligations include to approach potential clients in China regarding investment in the construction and establishment of commercial plants and to negotiate the formal terms to be included in design and construct contracts and licence agreements with those parties.

In return for its services, FOY will pay Rebelly US\$24,000 per month as a retainer. In addition, Rebelly will be entitled to receive 20% of the net profit before tax of each cooperation agreement brokered by Rebelly under the agency agreement, as well as a 5% dividend payment for any joint venture brokered by Rebelly.

11.6 Loan Agreements

FOY has entered into loan arrangements with Fandola and Rebelly on substantially similar terms, under which Fandola and Rebelly each agreed to lend funds to IGE in four instalments between March and May 2016. Fandola is a company controlled by Mr. Paul Dickson, a director of FOY.

Under the Fandola Loan Agreement, Fandola agreed to lend up to \$550,000 to IGE and pursuant to a General Security Deed between IGE and Fandola, IGE's has granted Fandola security over its assets. Under the Rebelly Healthcare Loan Agreement, Rebelly agreed to lend up to \$200,000 to IGE. The Rebelly Healthcare Loan Agreement is unsecured.

The Loan Agreements and the General Security Deed will novate to FOY on Completion. The effect of the novation would be that the loans previously owing to Fandola and Rebelly by IGE will be owed by FOY and the security granted in favour of Fandola by IGE will now be granted by FOY as the property subject of the security will be owned by FOY after Completion.

It is important to note that once the Fandola Loan Agreement and the Rebelly Loan Agreement is novated to FOY, the outstanding amounts under the Fandola Loan Agreement and the Rebelly Loan Agreement is repayable on Fandola or Rebelly (as applicable) making a demand to FOY.

If the Loan Agreements **have been novated** by the date of Fandola's or Rebelly's demand (as applicable), the novation deed provides that FOY must, within 30 days, subject to the applicable shareholder and regulatory approvals (if any) being obtained, issue to Fandola or Rebelly (as applicable) the number of fully paid ordinary shares calculated in accordance with the below formula and one free attaching option for each share issued exercisable at 20 cents and expiring on the date that is 24 months from the date of issue of the options on terms reasonably determined by FOY's directors.

Shares issued by FOY to Rebelly:

$$N = \frac{OIA}{P}$$

where:

N is the number of shares to be issued to Rebelly;

OIA is the Outstanding IGE Head Loan amounts (including Interest); and

P is the higher of:

- i) the 30-day Volume Weighted Average Price in respect of FOY's shares for the 30 days preceding the demand by Rebelly; and
- ii) 20 cents per share.

Based on a term of 1 year, the maximum number of Shares and Options which FOY must issue to Fandola is 2,901,250 and 2,901,250 Options (**Fandola Securities**). Similarly, based on a term of 1 year, the maximum number of Shares and Options which FOY must issue to Rebelly is 1,055,000 and 1,055,000 Options (**Rebelly Securities**). FOY is seeking Shareholder approval at the General Meeting to issue Fandola Securities and Rebelly Securities.

11.7 Consultancy Agreements

Consultancy Agreement – Solid Energy Technologies

FOY entered into a consultancy agreement with Solid Energy Technologies (a company controlled by Bevan Dooley) on 18 October 2016 for the provision of services through the use of an approved personnel being, Bevan Dooley. The term of the agreement is for three years commencing on the date on which completion of the Acquisition occurs. The services relate to the role of Chief Technical Officer to FOY, high level design of FOY's facilities, formulating technology strategy and developing further business opportunities. In consideration for the services, FOY will pay Solid Energy Technologies a yearly sum of \$300,000 in the first year, \$325,000 in the second year, \$350,000 in the third year and \$400,000 in the fourth year and each year thereafter.

The agreement with Solid Energy Technologies contains a restraint preventing Solid Energy Technologies from being engaged in any work or involved with any business or entity which carries on activities similar to those carried on by FOY. All intellectual property created during the provision of the services to FOY must be assigned to FOY. This assignment is also reinforced in a separate Confidentiality, Intellectual Property and Restraint Deed between FOY and Bevan Dooley himself, assigning all intellectual property held by Mr Dooley in his personal capacity to FOY and imposing further restraints on his personal involvement with competing businesses for a maximum period of three years after termination of the consultancy agreement.

FOY may terminate the agreement for convenience after the first 12 months of the term by providing six months' notice to Solid Energy Technologies. Solid Energy Technologies may only terminate the agreement in the event that it is breached by FOY and not for convenience.

Consultancy Agreement – Fandola

FOY entered into a consultancy agreement with Fandola (a company associated with Paul Dickson) on 31 October 2016 for the provision of services relating to assisting the Executive Chairman in the execution of their duties. This includes but is not limited to business leadership, strategy and management, investment and financing, risk management and controls and effective implementation of Board decisions. The agreement is for a term of 60 months commencing on 31 October 2016. In consideration for the services, FOY will pay Fandola \$420,000 per annum payable from the date of re-quotation of FOY's shares on the ASX, as well as bonuses as follows:

- \$200,000 upon the commercial plant operating at 50 tonnes per day capacity.
- 1,000,000 shares at an issue price of 40 cents valued at \$400,000 on FOY's shares trading at a volume weighted average price of 40 cents over three consecutive trading days.
- 1,000,000 shares at an issue price of 60 cents valued at \$600,000 on FOY's shares trading at a volume weighted average price of 60 cents over three consecutive trading days.
- \$1,000,000 plus 1,000,000 shares at an issue price of \$1 valued at \$1,000,000 on FOY's shares trading at a volume weighted average price of \$1 over three consecutive trading days.

All share based payments are subject to Shareholder approval if required. Should shareholder approval be required but not obtained, then the proposed share based payments must be made in cash.

The agreement also provides that should FOY terminate the agreement for convenience, FOY will, subject to shareholder approval if required, pay out the remaining period of the contract to Fandola as of the date of termination until the date of contract expiry. Where this remaining period is less than 12 months FOY agrees to pay Fandola an amount equal to what FOY paid Fandola in the preceding 12 months prior to the date of termination. Fandola must provide 3 months' notice if it terminates the agreement for convenience.

Consultancy Agreement with Klick

FOY entered into a consultancy agreement with Klick (a company associated with Stuart Clark) on 3 November 2016 for the provision of services relating to assisting the Managing Director in the execution of their duties. This includes but is not limited to business leadership, strategy and management, investment and financing, risk management and controls and effective implementation of Board decisions. The agreement is for a term of 60 months commencing on 25 August 2016. In consideration for the services, FOY will pay Klick \$300,000 per year (payable prior to the completion of the Offer as a monthly sum of \$11,000 cash and balance in value as shares in FOY, subject to shareholder approval, and after completion of the Offer, a monthly sum of \$29,167 in cash). Klick is also entitled to bonuses as follows:

- 1,000,000 shares at an issue price of 40 cents valued at \$400,000 on FOY's shares trading at a volume weighted average price of 40 cents over three consecutive trading days.
- 1,000,000 shares at an issue price of 60 cents valued at \$600,000 on FOY's shares trading at a volume weighted average price of 60 cents over three consecutive trading days.
- \$1,000,000 plus 1,000,000 shares at an issue price of \$1 valued at \$1,000,000 on FOY's shares trading at a volume weighted average price of \$1 over three consecutive trading days.

All share based payments are subject to Shareholder approval if required. Should shareholder approval be required but not obtained, then the proposed share based payments must be made in cash.

The agreement also provides that should Klick be terminated for convenience, FOY will, subject to shareholder approval if required, pay out the remaining period of the contract to Klick as of the date of termination until the date of contract expiry. Where this remaining period is less than 12 months FOY agrees to pay Klick an amount equal to what FOY paid Klick in the preceding 12 months prior to the date of termination. Klick must provide 3 months' notice if it terminates the agreement for convenience.

FOY understands that Chapter 2D of the Corporations Act which relates to termination payments does not apply to the consultancy agreements with Klick and Fandola. This means that FOY may not require shareholder approval to make termination payments to Klick and Fandola following a termination for convenience as set out above. Where Messrs Dickson or Clark cease to be directors of FOY, their respective consultancy agreement will continue unless otherwise terminated for convenience by FOY.

Both the Fandola and Klick agreements contain non-solicitation provisions preventing the Consultant from approaching any staff or customers of FOY for a period of six months from the date of termination of the agreement. Both agreements also assign all intellectual property created during the provision of the services to FOY and require the consultants to do all things necessary to ensure that the intellectual property is transferred to FOY upon request.

11.8 Term Loan Agreement between Integrated Green Energy UK Limited and Structured Growth Capital Inc.

Integrated Green Energy UK Limited (IGE UK), a wholly owned subsidiary of FOY and Structured Growth Capital Inc (SGC) entered into a Term Loan Agreement on 7 June 2017, Subject to certain conditions precedent being satisfied, SGC will lend IGE UK US\$90,000,000 for the development of four waste to plastic fuel refinery plants to be located in the United Kingdom (the Project) As security for the loan, Integrated Green Energy UK Limited will grant SGC a first priority lien over all of its assets (the Collateral).

The conditions precedent are as follows:

- On or before the closing of the loan, SGC shall have received from IGE UK the following documents in form and substance satisfactory to it:
 - execution and delivery of all documents evidencing the ownership, construction, development, and similar documents relating to the Project and all of its assets (**Project Documents**);
 - execution and delivery of all documents evidencing the loan made by SGC (**Loan Documents**);
 - execution and delivery of an escrow agreement, if applicable;
 - the establishment of the initial collateral in form and substance of a custodial account with blocked funds in the amount of at least USD\$ 100,000,000 held in SGC's or its assignee's name for the appropriate term not to exceed 13 months, which satisfies all banking compliance and has been validated by SGC's bank; in conjunction with and as a precondition to satisfying this requirement, Borrower has placed the USD\$1,500,000 (**Escrow Amount**) in escrow satisfactory to SGC.
 - written opinion of counsel to IGE UK, addressed to the SGC (and its assigns) which relates to the establishment of IGE UK and the due execution, delivery, authorization and enforceability of the Loan Documents and Project Documents;
 - certificate of incorporation and Articles of association of IGE UK;
 - board resolutions and a director's certificate of IGE UK authorising the Loan Documents and Project Documents and the execution and performance of the liabilities hereunder, and the assignment of the Collateral;
 - evidence that an English law security agreement has been filed in accordance with section 859A of the Companies Act 2006;
- All legal, environmental, technological matters, feasibility studies, market and financial information, analyses, and projections, attendant to and in connection with the Project shall be satisfactory in form and substance to SGC and its assigns, SGC's counsel and other advisors and continue to be satisfactory, including a detailed business plan with
 - detailed business plan with financial models and risk analysis;
 - feasibility of construction and increased manufacturing capacity; and
 - background review and resumes of principal parties.

The term of the loan is 15 years from the date of initial funding. Repayments are to be made commencing 15 months from the date of the initial funding. The interest rate payable is 8.5% per annum. This will increase to 11.5% in the event of a Default. IGE UK is also required to pay an origination fee equal to US\$1,750,000 (which will be deducted from the first tranche), provide SGC with 2% non-dilutive preferred shares of the Project, fully vested upon completion of the \$90m being funded to IGE UK. As a condition precedent to the loan, IGE UK has placed \$1,500,000 on escrow to the satisfaction of SGC.

An event of default will occur if:

- if IGE UK fails to pay no later than 5 days following notice of the failure of SGC to receive payment on the due date, whether at maturity, by acceleration or otherwise, any instalment required under the loan documents; or
- IGE UK fails to perform any of its covenants and such failure continues for a period of 30 days after written notice from SGC; or
- any representation, warranty, certification or statement made by IGE UK in the agreement or as a result of the agreement shall prove to be incorrect and fail to be cured within 60 days of notice to IGE UK by SGC; or
- liquidation, bankruptcy, insolvency or similar event.

If an event of default occurs, SGC may continue to receive and retain all payments of any kind upon any and all of the Collateral and can exercise all of the rights and remedies of a secured party of real property pursuant to a first mortgage lien and of a secured party under statute. The amounts overdue plus the default interest (8.5%) and the sum of the remaining required minimum payments (**Acceleration Amount**) will also become due and payable. SGC shall exercise the right by providing Integrated Green Energy UK Limited with 10 days written notice, during which Integrated Green Energy UK Limited has the opportunity to cure all events of default.

11.9 Binding Term Sheet between FOY Group Limited and Bin 2 Barrel Amsterdam B.V. (B2B)

FOY has entered into a binding term sheet dated 5 August 2017 (**B2B Term Sheet**), under which FOY and B2B will form a new company (**FPCN**) in the Netherlands, whose business will be the production of road ready fuel defined as fuel that meets the EN590 fuel specification from end of life plastics. The parties agree that they shall be exclusive partners for any fuel plant to be constructed within the Benelux.

Under the B2B Term Sheet, FOY will be providing various services, including:

- patented technology;
- design of the plants;
- installation of all required infrastructure and connection to services at the sites;
- operations and maintenance at market rates; and
- All capital necessary for payment of development costs, construction and commissioning of the fuel plants including the costs to obtain all required planning approval and building consents and (environmental) permits to construct and run a second 100 TPD plant.

B2B will provide various services, including:

- Long term (sub)leasehold right of a 16.630 m2 location in the Amsterdam harbour;
- The required planning approval building consents and environmental permits are obtained to construct and run a 100 TPD plant;
- Supply 100% of the feedstock requirements at the site on commercial terms by working in conjunction with Odyssey;
- An open book to FPCN on the cost of the feedstock and the transport fees; and
- Operational support at the site such as assisting in the supply of personnel with the necessary skill levels and supplying contacts and recommendations for professional support services.

B2B will be allocated a 10% equity share on the basis of FPCN commissioning a 100 TPD facility, and a further 15% in FPCN once all planning approval, building consents and environmental permits are obtained to construct and run a second 100 TPD plant. FOY will have the rest of the equity share in FPCN.

The parties are required to work towards the execution of the long-term contract and other relevant transactions documents by 31 October 2017. In the event that this is not attainable, the term sheet terminates automatically. Each party shall immediately inform the other party in writing in the event it becomes apparent that one or more of the conditions to signing of the transaction documents will not be met, and this term sheet shall terminate automatically on the date such notification is sent to the other party.

11.10 Key Employment Agreements

Messrs Clark and Dickson entered into employment contracts with the Company on 31 October 2016. Mr Clark will perform the role of Managing Director and Mr Dickson the role of executive Chairman. Under this contract, Mr Clark is entitled to receive a remuneration package of \$50,000 per annum (not including superannuation contributions), payable from date of re-quotation of FOY securities. Mr Dickson will receive a remuneration package of \$60,000 per annum (not including superannuation contributions), payable from date of re-quotation of FOY securities.

The employment contracts can be terminated without notice by the Company if the employees breach a material term of the agreement or engage in gross misconduct. Absent a breach of a material term of the employment contract or gross misconduct, the Company will provide the employees with the greater of 4 weeks' notice (or 5 weeks if the employee has more than 5 years' service and aged over

45) and any notice required by statute prior to terminating the employee's employment. The employee will provide the Company with 4 weeks' notice prior to terminating employment with the Company.

The agreement contains intellectual property clauses and confidentiality clauses that are robust and survive termination of the agreement. The agreement also contains a clause prohibiting the employees from being directly or indirectly engaged or involved in any other employment, position or business by any company that is competitive to the business carried on by the Company during his period of employment and for a period of 6 months after the end of that term.

11.11 Feedstock Agreements

The key terms of the Supply Agreement, Processing Agreement and Procurement Agreement between Odyssey and IGE, and to be assigned by IGE to FOY on completion of the Acquisition, are as follows:

Supply Agreement

- **(Supply)** Odyssey agrees to supply waste plastic meeting certain specifications to FOY, up to a maximum tonnage each month (this tonnage has been determined based on FOY's expected needs to operate the ACT Commercial Plant at 50 fstd and then scale the ACT Commercial Plant up to 200 fstd).
- **(Term of agreement)** The term of the agreement is 10 years from the date the first feedstock order is placed by IGE.
- **(Specifications of waste plastic)** The waste plastic must have less than 5% PET, PVC and PTFE (combined), less than 5% organic and dust contamination and moisture content of less than 15%.
- **(Testing specifications of waste plastic)** In the event of a feedstock quality dispute, FOY must take samples of delivered waste plastic and test it at a NATA certified laboratory (or FOY's laboratory where approved by Odyssey) for PET/PVC/PTFE content and contamination (moisture content is dealt with underpricing below). There is no dispute resolution clause in the event that Odyssey disputes the test results.

If the tests show that the waste plastic delivered does not meet the PET/PVC/PTFE and contamination specifications, then FOY may reject the delivered waste plastic that does not comply by notice in writing within 10 Business Days of receiving the test results. Odyssey must then remove the non-compliant plastic within 5 Business Days from the date of the notice. FOY is not obliged to pay for that waste plastic and that waste plastic is held at Odyssey's risk.

- **(Exclusivity)** The agreement is exclusive between FOY and Odyssey with respect to the supply of waste plastic with the specifications outlined above. It appears that the relevant clause is intended to bind both FOY and Odyssey to the exclusive arrangements. Given the broad drafting of the relevant clause, if there was a dispute around the exclusivity arrangements it is possible a Court would take a narrow interpretation (or "read down") this clause.
- **(Delivery)** The waste plastic will be delivered to the site of the ACT Commercial Plant (or such other site as required by FOY from time to time and notified in writing by FOY to Odyssey) in bales. Odyssey bears all costs of transporting the waste plastic to the delivery point.

There is not a specified window for when the waste plastic must be delivered by Odyssey following receipt of the order form from FOY. The Agreement specifies that FOY will store a minimum of 200 dry tonnes on its site, which could be used as a buffer (one day's worth of feedstock) in the event that Odyssey cannot deliver when required.

The amount being delivered to FOY is weighed at Odyssey's site for practical reasons. This creates a risk that FOY may not receive the total weighed amount if (for example) stock is lost during transportation.

- **(No minimum purchase)** FOY is not obliged to purchase any minimum amount of waste plastic. FOY can cancel a delivery on 24 hours' notice.
- **(Calculation of price payable)** The price is paid per "dry tonne". The waste plastic delivered must be tested by FOY within 24 hours of delivery for moisture content in accordance with the agreement, and the weight of delivered plastic will be reduced by the percentage moisture content as determined by the tests to calculate the number of dry tonnes delivered. If Odyssey disputes the moisture content within 5 Business Days of receiving the moisture content measurements from FOY, the moisture content will be determined by a mutually agreed external laboratory. A similar adjustment is made for contamination content.
- **(Warranties)** Odyssey gives warranties in relation to the plastic conforming to specifications in the contract and being free from defects, merchantable, fit for purpose, free of any security interests, provided to the standard required by the customer, delivered in the correct quantity at the required times, and sourced, aggregated and supplied in compliance with all relevant legislation. Odyssey also warrants it has good title to the plastic delivered, has the skills, knowledge and expertise to provide the plastic to the standard required by FOY, that the aggregation and sale of the plastic does not infringe any intellectual property rights and that it holds all necessary authorisations required for the aggregation, sourcing, packing, transportation and storage of the plastic, including under any environmental laws.
- **(Indemnity)** Odyssey must indemnify FOY for loss incurred as a direct or indirect result of a breach of this Agreement or a breach of a warranty given by Odyssey in relation to the waste plastic.
- **(Termination)** FOY may terminate the Agreement if Odyssey breaches a material term of the Agreement and that breach is incapable of remedy, or breaches any term of the Agreement and the non-compliance is not rectified within 7 Business Days of Odyssey being notified of the breach by FOY. Time is of the essence for Odyssey's obligations.

Procurement Agreement

The Procurement Agreement establishes an exclusivity regime, providing that FOY may source plastic feedstock only from Odyssey in accordance with the Supply Agreement for as long as Odyssey. If FOY does not pay on the due date for payment of an invoice, and does not pay within 5 Business Days of being requested to do so by Odyssey (and has not disputed the amount), Odyssey may suspend delivery of waste plastic by notice to FOY until all outstanding invoiced amounts have been paid. If FOY has not paid within 7 days of such a notice being given to it (and has not disputed the relevant amount), Odyssey may terminate this Agreement by notice in writing to FOY.

can provide feedstock of the required quality and quantity specified in the Supply Agreement. If, at any stage, Odyssey cannot comply with its requirements under the Supply Agreement, FOY may serve a Supply Default notice on Odyssey and appoint any third party to supply the feedstock required, including any of the other suppliers with which Odyssey contracts.

12 GLOSSARY

A\$, \$ and dollars means Australian dollars, unless otherwise stated.

ACT Land Purchase Agreement means the land purchase agreement between FOY and ACT Land Development Agency for the purchase of a leasehold interest in Crown Land as outlined in Section 11.3.

AEST means Australian Eastern Standard Time.

Acquisition means the acquisition of the IGE Assets by FOY from IGE in exchange for the issue of the Consideration Securities and, if applicable, the Milestone Securities, on the terms set out in the Business Sale Agreement, and associated transactions, as described in section 1.

Applicant means a person who submits an Application together with the relevant Subscription Amounts.

Application means an application for Shares pursuant to the Application Form.

Application Form means the General Offer Application Form and the Broker Firm Offer Application Form, as applicable.

ASIC means the Australian Securities and Investments Commission.

ASR means Automotive Shredder Residue.

Associate has the meaning given in section 12 of the Corporations Act.

ASX means ASX Limited (ABN 98 008 624 691) or the market operated by that entity, as the context requires.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532).

ASX Settlement Operating Rules means the settlement rules of ASX Settlement.

BKV Commercial Plant means the plant located at Berkeley Vale, NSW, which with the appropriate regulatory approvals and some alterations, will have the capacity to process 50 tonnes of waste plastics per day.

Board means the board of Directors.

Broker Firm Offer means the offer made to investors with a registered address in Australia who have received a firm allocation from their broker.

Broker Firm Offer Application Form means the entitlement and acceptance form attached to or accompanying this Prospectus in respect of the Broker Firm Offer.

BTE Technology means the biomass to energy conversion technology

BTF Technology means the biomass to fuel conversion technology.

Solid Energy Technologies means Solid Energy Technologies Pty Ltd (ACN 135 198 711).

Business Sale Agreement has the meaning given in section 11.1.

CHESS means ASX Clearing House Electronic Sub-register System.

Closing Date means , or such other date as may be determined by the Directors under this Prospectus.

Company or **FOY** means FOY Group Limited (to be renamed Integrated Green Energy Solutions Limited) ABN 23 003 669 163.

Conditions has the meaning given in section 7.3.

Consideration Options are the Shares issued to IGE's nominees in in consideration for the acquisition of the IGE Assets. This means that number of Options which would bring IGE's holding of Options to 79.795% of granted Options, if they were granted to IGE (the Consideration Options will actually be issued to IGE shareholders as IGE's nominees).

Consideration Securities means the Consideration Shares and the Consideration Options.

Consideration Shares are the Shares issued to IGE's nominees in consideration for the acquisition of the IGE Assets. This means that number of Shares which would bring IGE's holding of Shares to 57.191% of issued Shares (after issuing the Consideration Shares and Shares under the Fundraising), if they were issued to IGE (the Consideration Shares will actually be issued to IGE shareholders as IGE's nominees).

Constitution means FOY's Constitution as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means directors of FOY at the date of this Prospectus and **Directors** has a corresponding meaning.

Entitlement or **Right** means a Shareholder's entitlement to subscribe for Shares offered by this Prospectus.

EST means Australian Eastern Standard Time.

Existing Share means a fully paid ordinary share in the capital of FOY on issue as at the date of this Prospectus.

Exploration Target has the meaning given in the JORC Code.

General Meeting means the extraordinary general meeting of Shareholders of the Company held on 7 August 2017.

Fandola means Fandola Investments Pty Ltd ACN 604 678 202 in its capacity as trustee for The New Dickson Family Trust.

Fandola Loan Agreement means the loan agreement between IGE, Fandola and FOY dated 10 March 2016 as set out in Section 11.6.

Feedstock Agreements means the Supply Agreement, Processing Agreement and Incentive Agreement.

General Offer mean the general offer open to members of the general public with registered addresses in Australia.

General Offer Application Form means the entitlement and application form attached to or accompanying this Prospectus in respect of the General Offer.

IGE means Integrated Green Energy Limited ACN 162 406 706.

IGE Assets means the assets and business of IGE acquired by FOY under the Acquisition.

IGE Parties means IGE, the IGE Shareholders and their Associates.

IGE Shareholders means the shareholders of IGE.

Incentive Agreement means the agreement between Odyssey and IGE entitled "Procurement Agreement" dated 7 April 2015.

Issue means the issue of Shares under this Prospectus.

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Klick means Klick Pty Ltd as the trustee for Clark Family Trust trading as Klick Consultancy.

Listing Rules or **ASX Listing Rules** means the official listing rules of the ASX.

Loan Agreements means the:

- (a) Fandola Loan Agreement; and
- (b) Rebelly Loan Agreement.

Maximum Offer means the offer of 75,000,000 New Shares at the Issue Price to raise \$15,000,000 under this Prospectus.

Minimum Offer means the offer of 32,500,000 New Shares at the Issue Price to raise \$6,500,000 under this Prospectus.

Milestone Securities means the Milestone Shares and the Milestone Options.

Milestone Shares are the Shares that will be issued to IGE Shareholders as IGE's nominees subject to the Performance Target being met. After issuing the Consideration Shares, Milestone Shares and Shares under the Offers IGE's holding of shares will be 59.738% of issued Shares, if they were issued to IGE on Completion (the Milestone Shares will actually be issued to IGE shareholders as IGE's nominees and after the Performance Target is met).

Milestone Options are the Options that will be granted to IGE Shareholders as IGE's nominees subject to the Performance Target being met. This would bring IGE's shareholding to 70.724% of total issued Shares on a fully diluted basis. The Milestone Options would represent 87.440% of total Options granted after issuing the Consideration Options and Milestone Options, if they were granted to IGE on Completion (the Milestone Options will actually be granted to IGE shareholders as IGE's nominees and after the Performance Target is met).

New Shares means the fully paid ordinary shares in the capital of FOY to be issued under this Prospectus.

Odyssey means Odyssey Waste Control Pty Ltd (ACN 604 645 650).

Offer means the offer of a minimum of 32,500,000 New Shares at an Offer Price of \$0.20 per New Share to raise a minimum of \$6,500,000 and up to 75,000,000 New Shares to raise up to \$15,000,000.

Offer Price means \$0.20 per New Share.

Official Quotation means official quotation on ASX.

Opening Date means Tuesday, 12 September 2017.

Option means an option to subscribe for a Share.

Original FOY Shareholders means the Shareholders at the date of this Prospectus.

Original Prospectus means the prospectus (which this Prospectus replaces) dated 18 August 2017 and lodged with ASIC on that date.

Performance Right means the right of the IGE Shareholders (as IGE's nominees) under the Business Sale Agreement to be issued the Milestone Securities on the achievement of the Performance Target.

Performance Target means achieving EBITDA of \$5,000,000 per annum from operating the Technologies or applications of the Technology developed by certain key executives, during any 6-month period ending on either 30 June or 31 December (pro-rata) between Completion and 30 June 2020.

PET means Polyethylene terephthalate.

Processing Agreement means the agreement between Odyssey and IGE entitled "Processing Agreement" dated 27 July 2015.

Property Purchase Agreement means the acquisition agreement entered into between IGE and the registered owner of property located at 11 Apprentice Drive Berkeley Vale NSW 2261.

Prospectus means the prospectus constituted by this document.

PTF Technology means the waste plastic to fuel conversion technology.

PTFE means Polytetrafluoroethylene.

PVC means polyvinyl chloride.

Rebilly or **Rebilly Healthcare** means Rebilly Healthcare (Shanghai) Ltd.

Rebilly Loan Agreement means the loan agreement between IGE, Rebilly Healthcare and FOY dated 10 March 2016 as outlined in Section 11.6.

Resolution means a resolution to be considered at the General Meeting.

Securities means Shares, Options and any other securities on issue in FOY.

Share means a fully paid ordinary share in the capital of FOY.

Share Registry means Boardroom Pty Limited ABN 14 003 209 836.

Shareholder means the holder of a Share.

Subscription Amounts means the money received from Applicants in respect of their Application.

Supply Agreement means the agreement between Odyssey and IGE entitled "Supply Agreement for Waste Plastic" dated 27 July 2015.

Technologies means the PTF Technology, the BTE Technology and the BTF Technology being sold to FOY under the BSA.

US person has the meaning given to that term in Regulation S under the US Securities Act.

US Securities Act means the United States Securities Act of 1933, as amended.

UTOF means UTOF Pty Ltd (ACN 158 526 857).

Voting Power means a person's voting power in FOY determined in accordance with section 610 of the Corporations Act.

13 CORPORATE DIRECTORY

Directors

Mr Paul Dickson (Non- Executive Chairman)
Mr Stuart Clark (Managing Director)
Mr Bevan Dooley (Non- Executive Director)
Mr David McIntosh (Non-Executive Director)
Mr Clifford M James (Non-Executive Director)
Mr Kilroy Genia (Non-Executive Director)

Chief Financial Officer

Mr Joshua Herbertson

Company Secretary

Mr Joshua Herbertson

Auditors

Hall Chadwick
Level 11, 1 Margaret Street
Sydney, NSW, 2000
Ph: (02) 9251 4100

Registered Office

Suite 3a
18 Smith Street
Chatswood NSW 2067
Telephone: +61 2 8920 2300

Share Registry

Boardroom Pty Limited
Level 12, 225 George Street
Sydney, NSW, 2000
Ph: 1300 737 760

Solicitors

Thomson Geer
Level 25
1 O'Connell Street
Sydney NSW 2000

ASX Code: ASX: IGE

ABN: 23 003 669 163

Website: <http://www.foygroup.com.au>

ACN 003 669 163

This is an Application Form for Shares in Integrated Green Energy Solutions Limited (**Company**) on the terms set out in the Replacement Prospectus dated 12 September 2017. Defined terms in the Replacement Prospectus have the same meaning in this Application Form. You may apply for a minimum of 10,000 Shares and multiples of 2,500 Shares thereafter. This Application Form and your cheque, bank draft or EFT must be received by **5.00pm (AEDT) 25 September 2017**.

Broker Reference – Stamp Only

Broker Code

Adviser Code

This Application Form is important. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. The Replacement Prospectus dated 12 September 2017 contains information relevant to a decision to invest in the Shares of the Company and you should read the entire Replacement Prospectus carefully before applying for Shares.

To meet the requirements of the *Corporations Act 2001* (Cth), this Application Form must not be distributed to another person unless included in, or accompanied by the Replacement Prospectus dated 12 September 2017. A person who gives another person access to this Application Form must, at the same time and by the same means, give the other person access to the Replacement Prospectus. The Company will send you a free paper copy of the Replacement Prospectus if you have received an electronic Replacement Prospectus and you ask for a paper copy before the Replacement Prospectus expires on 11 September 2018.

PLEASE FOLLOW THE INSTRUCTIONS TO COMPLETE THIS APPLICATION FORM (SEE REVERSE) AND PRINT CLEARLY IN CAPITAL LETTERS USING BLACK OR BLUE PEN.

A	Number of Shares you are applying for	x \$0.20 per Share =	B	Total amount payable
	<div style="border: 1px solid black; width: 100px; height: 20px;"></div> <p>Minimum of 10,000 Shares to be applied for and thereafter in multiples of 2,500 Shares</p>		\$	<div style="border: 1px solid black; width: 100px; height: 20px;"></div>

C	Write the name(s) you wish to register the Shares in <i>(see reverse for instructions)</i>																											
	Applicant #1																											
	Name of Applicant #2 or <Account Designation>																											
Name of Applicant #3 or <Account Designation>																												

D Write your postal address here

Number/Street


Suburb/Town

State

Postcode

E	CHES participant – Holder Identification Number (HIN)		<i>Important please note if the name and address details above in sections C and D do not match exactly with your registration details held at CHES, any Shares issued as a result of your Application will be held on the Issuer Sponsored subregister.</i>
	<div style="border: 1px solid black; padding: 2px; display: flex; align-items: center;"> <div style="border: 1px solid black; width: 30px; height: 30px; text-align: center; line-height: 30px; margin-right: 2px;">X</div> <div style="border: 1px solid black; width: 30px; height: 30px; margin-right: 2px;"></div> <div style="border: 1px solid black; width: 30px; height: 30px; margin-right: 2px;"></div> <div style="border: 1px solid black; width: 30px; height: 30px; margin-right: 2px;"></div> <div style="border: 1px solid black; width: 30px; height: 30px; margin-right: 2px;"></div> <div style="border: 1px solid black; width: 30px; height: 30px; margin-right: 2px;"></div> <div style="border: 1px solid black; width: 30px; height: 30px; margin-right: 2px;"></div> <div style="border: 1px solid black; width: 30px; height: 30px; margin-right: 2px;"></div> <div style="border: 1px solid black; width: 30px; height: 30px; margin-right: 2px;"></div> <div style="border: 1px solid black; width: 30px; height: 30px;"></div> </div>		

[illegible]

<div> G Cheque payment details –  PIN CHEQUE(S) HERE </div> <div> <i>Please enter details of the cheque(s) that accompany this application.</i> </div>				
Name of drawer of cheque	Cheque no.	BSB no.	Account no.	Cheque Amount A\$

H	Contact telephone number (daytime/work/mobile)	I	Email address
	<input type="text"/>		<input type="text"/>

Declaration By submitting this Application Form with your Application Amount, I/we declare that I/we:

- ✓ have read the Replacement Prospectus dated 5 August 2015 in full;
- ✓ have read the Privacy Policy (available at www.foygroupp.com.au) in full;
- ✓ have received a copy of the electronic Replacement Prospectus or a print out of it;
- ✓ have completed this Application Form in accordance with the Replacement Prospectus and the instructions on the reverse of the Application Form and declare that all details and statements made by me/us are complete and accurate;
- ✓ agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Privacy Policy (available at www.foygroupp.com.au);
- ✓ where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company and have provided that individual with a copy of, or details as to where to obtain, the Privacy Policy;
- ✓ acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it;
- ✓ apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Replacement Prospectus);
- ✓ acknowledge that my/our application may be rejected by the Company in consultation with the Lead Manager in its absolute discretion;
- ✓ authorise the Lead Manager and the Company and their respective officers and agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Shares to be allocated to me/us;
- ✓ am/are over 18 years of age;
- ✓ agree to be bound by the constitution of the Company;
- ✓ acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on the Shares, nor do they guarantee the repayment of capital;
- ✓ represent, warrant and agree that I/we am/are not in the United States or a US Person and am/are not acting for the account or benefit of a US Person; and
- ✓ represent, warrant and agree that I/we have not received the Replacement Prospectus outside Australia and am/are not acting on behalf of a person resident outside Australia unless the Shares may be offered in my/our jurisdiction without contravention of the security laws of the jurisdiction or any need to register the Replacement Prospectus, the Shares or the Offer.

Guide to the Broker Firm Offer Application Form

YOU SHOULD READ THE REPLACEMENT PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

Instructions

- A** If applying for Shares insert the **number** of Shares for which you wish to subscribe at Item **A** (not less than 10,000 Shares and then in multiples of 2,000 Shares). Multiply by A\$0.20 to calculate the total Application Amount for Shares and enter the **A\$amount** at Item **B**.
- C** Write your **full name**. Initials are not acceptable for first names.
- D** Enter your **postal address** for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- E** If you are sponsored in CHESS by a stockbroker or other CHESS participant you may enter your CHESS HIN if you would like the allocation to be directed to your HIN. **NB: your registration details provided must match your CHESS account exactly.**
- F** Enter your Australian **tax file number** (TFN) or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN/ABN of each joint Applicant. Collection of TFN's is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application Form.
- G** Complete **cheque details** as requested by your broker, or contact your broker to arrange payment for these Shares. Cheques must be in Australian currency, and cheques must be drawn on an Australian bank.
- H** Enter your **contact details** so we may contact you regarding your Application Form or Application Monies.
- I** Enter your **email address** so we may contact you regarding your Application Form or Application Amount or other correspondence.

Correct Form of Registrable Title

Note that ONLY legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Lodgment

Mail your completed Application Form with your cheque(s) or bank draft attached to your Broker.

Broker Contact Number	Broker Name
<input type="text"/>	<input type="text"/>

The Offer closes at 5.00pm (AEDT) 25 September 2017

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions as to how to complete the Application Form, please contact Boardroom Pty Limited on 1300 737 760 within Australia and + 61 2 9290 9600 outside Australia.

Privacy Statement

Integrated Green Energy Solutions Limited advises that Chapter 2C of the Corporations Act requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold Shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form. Our privacy policy is available on our website (<http://www.foygroupp.com.au>).

The Corporations Act requires some of this information to be included in the Company's Shareholder register, which will be accessible by the public. The Company will collect, use, hold, and disclose your personal information in accordance with the Privacy Policy. For more detail on how the Company collects, stores, uses and discloses your information, please refer to our Privacy Policy. Alternatively contact the Company and the Company will send you a copy. It is recommended that you obtain a copy of the Privacy Policy and read it carefully.

ACN 003 669 163

This is an Application Form for Shares in Integrated Green Energy Solutions Limited (**Company**) on the terms set out in the Replacement Prospectus dated 12 September 2017 (Replacement Prospectus). Defined terms in the Replacement Prospectus have the same meaning in this Application Form. You may apply for a minimum of 10,000 Shares and multiples of 2,500 Shares thereafter. This Application Form and your cheque or bank draft must be received by **5.00pm (Sydney Time) on the Closing Date**.

The Share Registry's Privacy Policy (**Privacy Policy**) also sets out important information relating to the collection, use and disclosure of all personal information that you provide to the Company. Please ensure that you and all relevant individuals have read the Privacy Policy carefully before submitting this Application Form. The Privacy Policy can be found on the website <http://www.boardroomlimited.com.au/Privacy.html>

To meet the requirements of the *Corporations Act 2001* (Cth), this Application Form must not be distributed to another person unless included in, or accompanied by the Replacement Prospectus. A person who gives another person access to this Application Form must, at the same time and by the same means, give the other person access to the Replacement Prospectus. During the Offer period the Company will send you a free paper copy of the Replacement Prospectus if you have received an electronic prospectus and you ask for a paper copy before the Replacement Prospectus expires on 11 September 2018.

PLEASE FOLLOW THE INSTRUCTIONS TO COMPLETE THIS APPLICATION FORM (SEE REVERSE) AND PRINT CLEARLY IN CAPITAL LETTERS USING BLACK OR BLUE PEN.

A	Number of Shares you are applying for	x \$0.20 per Share =	B	Total amount payable
	<div style="border: 1px solid black; width: 100px; height: 20px;"></div> <p>Minimum of 10,000 Shares to be applied for and thereafter in multiples of 2,500 Shares</p>		\$	<div style="border: 1px solid black; width: 100px; height: 20px;"></div>

C	Write the name(s) you wish to register the Shares in <i>(see reverse for instructions)</i>																									
	Applicant #1																									
	Name of Applicant #2 or <Account Designation>																									
Name of Applicant #3 or <Account Designation>																										

D	Write your postal address here	
Number/Street		
Suburb/Town		State
		Postcode


E CHESSE participant – Holder Identification Number (HIN)

X									
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***Important please note** if the name and address details above in sections C and D do not match exactly with your registration details held at CHESSE, any Shares issued as a result of your Application will be held on the Issuer Sponsored subregister.*

F	Enter your Tax File Number(s), ABN, or exemption category
Applicant #1	Applicant #2
<input type="text"/>	<input type="text"/>
Applicant #3	
<input type="text"/>	

G

Cheque payment details –  PIN CHEQUE(S) HERE. Cheque to be made payable to “Integrated Green Energy Solutions Limited” and crossed Not Negotiable. Enter cheque details below.

Name of drawer of cheque	Cheque no.	BSB no.	Account no.	Cheque Amount A\$

or pay via EFT to the following account:

Name: Integrated Green Energy Solutions Limited

Bank: Westpac Banking Corporation

BSB: 032-044

Account No.: 312301

Reference: Name on application form

H	Contact telephone number (daytime/work/mobile)												Contact Name											
	<input type="text"/>			<input type="text"/>			<input type="text"/>			<input type="text"/>			<input type="text"/>			<input type="text"/>			<input type="text"/>					
	E-mail Address																							
	<input type="text"/>																							

Declaration

By submitting this Application Form with your Application Monies, I/we declare that I/we:

✓

have read the Replacement Prospectus in full;

✓

have received a copy of the electronic Replacement Prospectus or a print out of it;

✓

have completed this Application Form in accordance with the instructions on the form and in the Replacement Prospectus.

✓

declare Form and declare that all details and statements made by me/us are complete and accurate;

✓

agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Replacement Prospectus;

✓

where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company;

✓

acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it;

✓

apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Replacement Prospectus);

✓

acknowledge that my/our Application may be rejected by the Company in its absolute discretion;

✓

authorise the Company and their respective officers and agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Shares to be allocated to me/us;

✓

am/are over 18 years of age;

✓

agree to be bound by the constitution of the Company;

✓

acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on the Shares, nor do they guarantee the repayment of capital;

✓

represent, warrant and agree that I/we am/are not in the United States or a US Person and am/are not acting for the account or benefit of a US Person; and

✓

represent, warrant and agree that I/we have not received this Replacement Prospectus outside Australia or New Zealand and am/are not acting on behalf of a person resident outside Australia or New Zealand.

Guide to the Application Form

YOU SHOULD READ THE REPLACEMENT PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

Instructions

- A

If applying for Shares insert the **number** of Shares for which you wish to subscribe at Item **A** (not less than 3,000 Shares representing a minimum investment of \$2,250.00). Multiply by A\$0.75 to calculate the total Application Monies for Shares and enter the **A\$amount** at Item **B**.

C

Write your **full name**. Initials are not acceptable for first names.

D

Enter your **postal address** for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

E

If you are sponsored in CHESS by a stockbroker or other CHESS participant you may enter your CHESS HIN if you would like the allocation to be directed to your HIN. **NB: your registration details provided must match your CHESS account exactly.**
- G

Complete **cheque details** as requested. Make your cheque payable to "Integrated Green Energy Solutions Limited". Cross it and mark it 'Not negotiable'. Cheques must be in Australian currency, and must be drawn on a bank or financial institution in Australia or pay via EFT to the nominated bank account on the front of the form.

H

Enter your **contact details**, including name, phone number and e-mail address, so we may contact you regarding your Application Form or Application Monies. By providing an e-mail address you are electing to receive notices of meetings, annual reports and other communications from the Company electronically to the provided e-mail address.

Correct Form of Registrable Title

Note that ONLY legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Lodgment

Mail or deliver your completed Application Form with your cheque(s) or bank draft attached to one of the following addresses:

Mailing address: Integrated Green Energy Solutions Limited C/-Boardroom Pty Limited GPO Box 3993 SYDNEY NSW 2001	Delivery address: Integrated Green Energy Solutions Limited C/-Boardroom Pty Limited Level 12, 225 George Street SYDNEY NSW 2000
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The Offer closes at 5:00 p.m. (Sydney Time) on 25 September 2017, unless varied in accordance with the Corporations Act and ASX Listing Rules.

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions as to how to complete the Application Form, please contact Boardroom Pty Limited on 1300 737 760 within Australia and +61 2 9290 9600 outside Australia.

Privacy Statement

Integrated Green Energy Solutions Limited advises that Chapter 2C of the Corporations Act requires information about its shareholders (including names, addresses and details of shares held) to be included in the Company's share register. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the Company. To obtain access to your personal information or more information on how the Company collects, stores, uses and disclosures your information please contact the Company at the address or telephone number shown in the Replacement Prospectus.