

1.1 Pro forma accounts

The Pro forma accounts in section 9.6 of the Supplementary Prospectus which replaced the Pro Forma accounts in the Third Supplementary Prospectus is deleted and replaced with the following Pro Forma accounts:

Pro forma accounts

\$000's	Actual Statement of Financial Position 30 June 2017 (1)	Pro-Forma Statement of Financial Position after Maximum Offer (2) (5)	Pro-Forma Statement of Financial Position at Current Raise of \$6.447 million (3) (5)	Pro-Forma Statement of Financial Position after Minimum Offer (4) (5)
Current Assets				
Cash and cash equivalents	48	11,309	4,181	2,051
Receivables	17	17	17	17
Other current assets	210	27	27	27
Total Current Assets	275	11,354	4,226	2,096
Non-Current assets				
Property, plant & equipment	1	1	1	1
Intangible Assets	32	32	32	32
IGE Assets	-	1,097	1,097	1,097
Mineral Rights	-	-	-	-
Exploration and evaluation assets	-	-	-	-
Total Non-Current Assets	32	1,130	1,130	1,130
TOTAL ASSETS	307	12,484	5,356	3,226
Current Liabilities				
Trade and other payables	2,088	1,846	1,846	1,846
Loans	1,708	281	281	281
Interest payable	56	-	-	-
Total Current Liabilities	3,852	2,127	2,127	2,127
Non-Current Liabilities				
Non-Current Payables	-	-	1,000	1,000
Total Non-Current Liabilities	-	-	1,000	1,000
TOTAL LIABILITIES	3,852	2,127	3,127	3,127
NET ASSETS	(3,545)	10,357	2,229	99
Equity				
Issued Capital & Share Option Reserve ⁽⁶⁾	112,398	174,441	166,180	164,050
Foreign Currency Reserve	(10)	(10)	(10)	(10)
Accumulated Losses	(115,933)	(164,074)	(163,939)	(163,939)
TOTAL EQUITY	(3,545)	10,357	2,229	99

Notes:

- Column 1 represents the actual audited Consolidated Statement of Financial Position of IGES as at 30 June 2017.
- Column 2 represents the Pro forma Statement of Financial Position of IGES 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 \$559,500. Of these costs, \$134,500 has been recorded against issued capital as being directly related to the issue of new shares. The balance of \$425,000 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.

3. Column 3 represents the Pro forma Statement of Financial Position of FOY assuming the raise from the Current Raise of \$6,447,000 less estimated costs of the offer and IGE transaction to be satisfied in cash of \$267,250. Of these costs, \$134,500 has been recorded against issued capital as being directly related to the issue of new shares. The balance of \$132,750 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.
4. Column 4 represents the Pro forma Statement of Financial Position of FOY assuming the raise from the Minimum Offer of \$4,317,000 less estimated costs of the offer and IGE transaction to be satisfied in cash of \$267,250. Of these costs, \$134,500 has been recorded against issued capital as being directly related to the issue of new shares. The balance of \$132,750 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.
5. Other pro forma adjustments included in Column 2 to account for material events occurring subsequent to 30 June 2017 include:

a) IGE Acquisition

As outlined in Resolution 4 and section 8 of IGES's Notice of Meeting dated 7 August 2017, as part of the IGE Transaction, IGES 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,

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 IGES 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, IGES 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 IGES'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 IGES;
- 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.

IGES 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.

Integrated Green Energy Limited has agreed to defer half of the amount payable to it by IGES upon completion in the event that less \$10.7 million is raised. Under this scenario \$1,000,000 would be paid to Integrated Green Energy Ltd upon completion, with a further \$1,000,000 payable 15 months after quotation of IGES shares. The balance of \$1,000,000 is considered a non-current liability.

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 of funds provided IGES, the balance of which was 35,382 at 30 June 2017. The deemed value of the securities is \$832,500. The difference of 797,118 has been recorded against accumulated losses as a borrowing cost.

c) Payment of Interest payable to lenders

Payment of accrued interest totalling \$442,544, is recorded against the amount included in payables as at 30 June 2017.

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 30 June 2017.

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 30 June 2017.

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 30 June 2017.

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 30 June 2017.

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

The issue of 1,050,000 shares each to Stuart Clark in satisfaction for services to the Company as Managing Director totalling \$210,000, \$140,000 of which is recorded against the amount included in payables as at 30 June 2017.

i) Repayment of Loans

The issue of up to 18,400,013 shares to unrelated parties in part satisfaction for certain loans advanced to IGES between January and October 2017 totalling \$2,076,999. The deemed value of the securities is \$3,680,003. The balance of \$1,603,004 has been recorded against accumulated losses as a borrowing cost.

j) Stamp duty on Property Purchase Agreement

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

k) Operational Costs

Operational costs incurred from 1 July 2017 to close of the Offer have been estimated at \$736,400 and has been recorded against cash and accumulated losses.

l) 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.

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

	AUD'000	Maximum Offer	Current Raise	Minimum Offer
Offer Proceeds	15,000	6,447	4,317	
Costs of the Offer	-425	-133	-133	
Net Proceeds from Offer	14,575	6,314	4,184	
Cash assets as at 30 June 2017	48	48	48	
Funds raised from loans	1,621	1,627	1,627	
Payment of interest payable	-548	-548	-548	
Repayment of loans	-765	-765	-765	
Transaction costs	-135	-135	-135	
Stamp Duty on Property Purchase Agreement	-18	-18	-18	
IGE Commissioning Payments	-2,000	-1,000	-1,000	
Initial costs for establishing subsidiary and office in China	-135	-	-	
Operational costs	-1,469	-1,341	-1,341	
Total Cash assets	11,174	4,181	2,051	

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

	AUD'000	Maximum Offer	Current Raise	Minimum Offer
Offer Proceeds		15,000	6,447	4,317
Costs of the Offer		-425	-133	-133
Net Proceeds from Offer		14,575	6,314	4,184
Issued capital as at 30 June 2017		112,398	112,398	112,398
Issue of shares for IGE acquisition		41,940	41,940	41,940
Options Reserve		541	541	541
Issue of shares for repayment of loans		4,513	4,513	4,513
Issue of shares to management		475	475	475
Total Issued Capital		174,441	166,180	164,050