



18 April 2018

ASX: IGE

IGES Enters China:
Execution of Joint Venture Agreement with Publicly Listed
Company - Beautiful China Holdings Company Limited

Key Factors:

Financial

Investment: US\$25 million

Volume: 70 million litres per annum

Margin: 30 cents per litre

Environmental

BCH is committed to becoming the leading eco-environmental protection operation and service provider in China



*IGES Managing Director Stuart Clark signing JVA documentation
with Wai Marco Sze, Chairman of BCH*

The directors of Integrated Green Energy Solutions Ltd ("**IGES**" or "**the Company**") are pleased to announce that the Company has executed a Joint Venture Agreement ("**JVA**") with Crown World Holdings Limited ("**CWH**"), a wholly owned subsidiary of Beautiful China Holdings Company Limited ("**BCH**"). This represents a key step forward with respect to the previously announced strategy to expand operations into China.

About the Project

- a Joint Venture Company ("**JVC**") will be formed with IGE holding 51% of the shares on issue and CWH holding the remaining 49%;
- 200 tonnes per day waste plastics to fuel facility producing 70 million litres of road ready fuels per annum with a calculated margin of \$0.30 per litre;
- Located in Weifang, Shandong Province, approximately 500km south east of Beijing; and
- The proposed site has existing infrastructure and sufficient space to expand the facility to over 600 tonnes/day of capacity as the JVC ramps up supply and offtake activities.

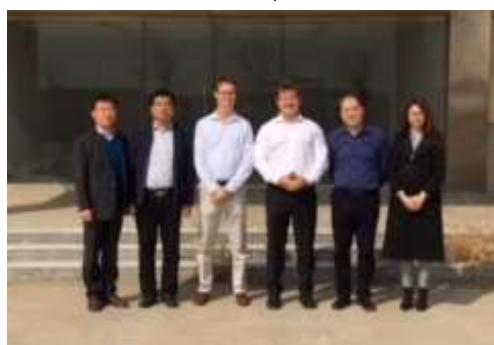
Key Components of JVA

- IGES will nominate 3 positions on the 5 member board, with one of its nominees holding the position of Chairman;
- IGES shall also nominate the chief executive officer and the chief financial officer of the JVC;
- Construction of a waste plastics to fuel facility with an initial capacity of 200 tonnes per day; and
- First project will be jointly funded by the parties of the JVA, with IGES contributing US\$12,750,000 and CWH US\$12,250,000.

Beautiful China Holdings Company Limited

BCH is a Hong Kong company listed on the Stock Exchange of Hong Kong Limited (stock code: 706) focused on eco-environmental protection business investment, construction and operations.

The company is committed to becoming the leading eco-environmental protection operation and service provider in China with whole business architectures of planning and design, investment construction, operation and services in the operation fields of environmental pollution control and environmental protection facilities. They are committed to achieving a 100% utilisation of waste plastic resources and see the IGES pyrolysis technology as a key part of this goal.



IGES directors Paul Dickson and Bevan Dooley with BCH representatives in China

In addition to providing \$US12,250,000 in funding for the proposed facility, BCH will provide support in the following:

- providing the network for the provision of plastics and negotiating and implementing the off-take contracts for the fuel;
- achieving environmental and regulatory approval;
- site acquisition;
- ensuring sufficient staffing levels with the necessary skills to operate the facility; and
- supplying contacts and recommendations for professional support services.



Proposed site of facility in Shandong Province, China.

Chinas Decision to ban “foreign garbage”

In 2017 the Chinese government notified the World Trade Organisation it intended to ban the import of “all scrap plastics and unsorted paper” by the end of the 2017 calendar year as part of a broad clean-up effort and a campaign against “yang laji,” or “foreign garbage.”

As of January 1st, 2018, China enforced this policy. This latest move has hit Europe’s recycling industry very hard – 87 per cent of its

plastic waste ends up in China (The Irish Times Tue, Aug 15, 2017).

IGES enters the China market at the time that China is committed to cleaning up the plastic problem that has led them to ban foreign plastics.

About IGES

IGES is a Company focussed on converting waste plastic that is destined for landfill or discarded into the environment into valuable road ready fuels using its patented waste plastic to fuels process. The company believes that doing this will inevitably reduce the amount of plastic entering the environment and help to create circular economies in this jurisdictions in which it operates serving to provide a cleaner planet for the next generation while bringing value to shareholders.

FOR FURTHER INFORMATION CONTACT:

Joshua Herbertson, Company Secretary +61 438 771 846