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ASX: IGE

## **Amsterdam Construction Update**

- **IGES invest to expand capacity of Amsterdam by 400%.**
- **IGES Amsterdam production capacity to be expanded to 140 million litres per annum of road ready fuel at a 30 cent per litre margin.**
- **IGES debt funding to commence 1st September 2018.**

### **Amsterdam Update:**

Integrated Green Energy Solutions Ltd ("**IGES**" or "**the Company**") is in the process of constructing a waste plastic to 'road ready' fuel facility in Amsterdam. This project has full environmental approval to operate when the site is completed.

The initial site will be built with the capacity of 100 tonnes per day ("**TPD**") which will produce 35 million litres of road ready fuel that has been sold at a price that will produce an EBITDA margin of 30 cents per litre. Phase two of plant capacity was scheduled to increase to 200 TPD producing 70 million litres per annum at a margin of 30 cent per litre. The final phase of growth was planned to increase on site total capacity to 400TPD producing 140 million litres at a margin of 30 cents per litre. This final phase was forecasted to occur within 2 years of initial operations.

Due to positive discussions with the local government and environmental regulators, IGES has made the decision to initiate additional structural design and foundation steps in the current construction phase to allow for the increase in capacity of the site to 400TPD. This proactive approach will allow the Company to avoid the necessary, yet expensive and disruptive retrospective changes that would need to be made to expand the site capacity after the 100TPD site is operational.

Foundation and structural design changes to meet the proposed expansion to 400TPD:

- design the emissions stack with the capability to be increased to 50 metres to meet the environmental approval requirements for a 200TPD and greater plant;
- the diesel and petrol tank farm capacity to be increased from 300 tonnes of fuel to 1,200 tonnes of fuel;
- increase plastic feed stock processing silos from 300 tonnes to 600 tonnes;
- increase the feedstock processing capacity of the facility to 30 tonnes per hour.

Implicit in the above enhancements has been a redesign of the supporting piling and additional piles to those installed in the first phase, completed in June 2018. This includes compliance with regulations relating to:

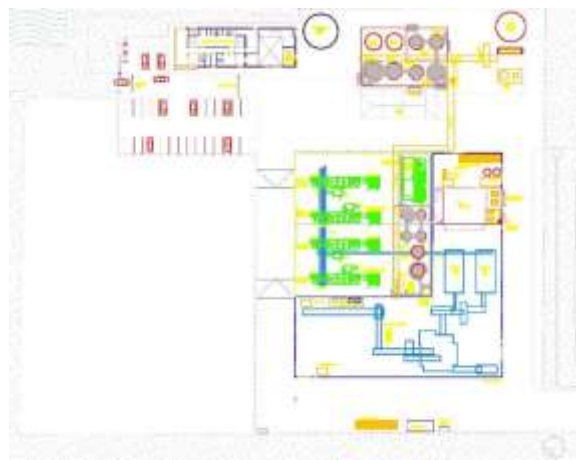
- the Netherlands lying on or below sea level, which requires substantial piling density (+/- 1 pile every 3-5m<sup>2</sup>);
- seismographic testing of the subterranean rock shelf;

- detailed design signed off by structural engineers and submitted to the permitting authority; and
- redesign of the foundation slab and structural steel frame and associated statutory approvals.

The additional piling, design and statutory approval process associated with this expanded capacity to 400 TPD will require the existing operational date of the 100TPD facility being moved from November 2018 to first quarter of 2019. The board considers the significant savings in time and costs to be gained by undertaking the 400 TPD capacity site works now to be in the best interests of the project and shareholders. This approach fast tracks the return on investment at Amsterdam by increasing the facility output more quickly and returning enhanced cash flows to the Company on an accelerated basis.



100TPD IGES Amsterdam Facility



200TPD IGES Amsterdam Facility



400TPD IGES Amsterdam Facility

### **Debt Funding:**

The Company has obtained debt funding of US\$90 million for their Amsterdam facility as well as its proposed facilities at Grimsby in the UK, China and Hong Kong. The draw-down of amounts and their timing under the US\$90 million facility is subject to utilisation on specific projects, including Amsterdam and is due to commence in staged instalments on or before 1 September 2018.

The debt funding originates from the Company's debt contract with Structured Growth Capital, Inc. (SGC). SGC is part of a group that for the last 15+ years has successfully transacted over 300 financings in excess of \$3 billion.

### **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. The company has a patented waste plastic to fuels process that results in output that meets the EN590 standard. The company believes that utilising its technology will inevitably reduce the amount of plastic entering the environment. It will also help to create circular economies, serving to provide a cleaner planet for the next generation while bringing value to shareholders.

### **FOR FURTHER INFORMATION CONTACT:**

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