

25 January 2019

Company Announcements Office
ASX Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

Settlement of the Acquisition of RCR Energy Service Assets

The Board of The Environmental Group Limited (ASX:EGL) is pleased to announce that it has settled the purchase of the assets of RCR Energy Service from the Administrators' of RCR Tomlinson Limited. The acquisition was funded utilising EGL's existing debt facilities. At the request of the Administrator, the purchase price will be withheld until the end of January.

The transition process is now almost complete. Feedback from Tomlinson Energy Service staff, customers and suppliers has been extremely positive and the EGL team thanks them for their ongoing support.

EGL will continue to pursue new growth and acquisition opportunities that fit our environmental platform. This will provide existing and new shareholders with the benefits of investment in a company committed to reducing pollution and the effective use of world resources.

About EGL

EGL has four business units, all committed to the protection of the environment by improving air quality, reducing carbon emissions, enhancing waste to energy production and lifting water quality.

Total Air Pollution Control has a range of technologies which reduce Dust, odours and harmful gasses from the environment.

Baltec IES produces inlet and exhaust systems for gas turbines which are used to complement and augment solar and wind energy production, without the use of rare mineral battery resources.

EGL Water division is continuing the development of our patented technologies in conjunction with Victoria University. EGL recognises that one of the world's most valuable assets is water and will persist in its vision to reduce water pollution leading to an improved environment through low cost technology solutions.

Tomlinson Energy Service division is an essential link in our strategy to build a Bio/waste to energy platform.

Lynn Richardson
Chairman
The Environmental Group Limited