

27 May 2019

ASX: IGE

Project Updates in Thailand and Hong Kong

The directors of Integrated Green Energy Solutions Ltd (“IGES” or “The Company”) are pleased to update the market on the progress of IGES’s projects in Thailand and Hong Kong.

Thailand

Thailand has been identified by IGES as a major territory, targeted for site expansion. Our research has indicated that Thailand has both the need for our technology and a commercial base to support our business as well as an appropriate level of government alignment to ensure support for our projects.

Thailand Project – the Need for Our Technology

Thailand’s Battle to Reduce Plastic Pollution



Thailand’s popular beaches are polluted with plastic litter

In June last year, eighty pieces of plastic bags were found in the stomach of a dead whale in southern Thailand, which served as a stark reminder of Thailand’s growing crisis with plastic.

Thailand generates 1.03 million tonnes of plastic waste per year and ranks sixth as the world’s biggest contributor of ocean plastic waste. As part of Thailand’s pledge to reduce plastic consumption, it launched its one day ‘No plastic bag’ campaign on December 4th last year. However, it remains questionable if banning plastic bags can make a significant enough long-term impact to safeguard the environment and stem the flow of plastics into the oceans.

With Thailand's domestic consumption and plastic usage growing at a 12% rate annually, the country has compelled to find a real solution to tackle this problem.

Preliminary Thailand Project Steps

The above environmental issues highlight the opportunity for IGES to make a positive contribution to Thailand on behalf of its shareholders. Entry into Thailand represents a strategic step to implement rollout of IGES's technology in the South East Asia region to generate profits for our shareholders. Further, Thailand represents a rich source of non-recyclable, end of life plastics that can be utilised as feedstock for IGES's facility which will process 200 tonnes of plastic per day to produce 70 million litres of road ready fuel annually. There is also sufficient space on the site to scale up to much greater volumes in the future.

The following specific actions have been taken to date to leverage this opportunity:

1) Initial Due Diligence Work

Confirmed the need for IGES technology as referred to above and preliminary criteria were met, and to establish appropriate contacts, business partners, legal requirements and administration steps

2) Selection of local business partner

A previously announced, IGES has executed a term sheet with Infinite Recycling co.,ltd ("IRC"). IRC staff have nearly a decade of experience in consulting with third parties on waste to energy projects in Thailand. IRC also has expertise with respect to the expansion of pre-established waste to energy projects as well as assisting clients to successfully leverage their technology in Thailand.

3) Application to the Thailand Board of Investment

IGES has now been officially notified that the Thailand project has been approved by the Thailand Board of Investment for promotion under category *1.16.2 Manufacture of Fuel from Waste*. This provided the Company with authorisation to own land in Thailand, utilise foreign skilled workers and experts to progress the project and transfer funds internationally. In addition, it provides exemptions on import duties for machinery corporate income tax on the initial net profit and dividends derived from the promoted activity (to the extent of the capital investment).

The abovementioned environmental issues represented one of the key contributing reasons for the strong and timely support received from the Thai government with Thailand Board of Investment's approval of the Company's plastic to fuel project, as announced on 29 March 2019.

4) Formation of Company in Thailand

The Company has proceeded with the next step to formally establish a local company in Thailand.



Company name: IGE (Thailand) Company Limited (“IGE Thailand”)

Registration number: 0105562082534

Office location: 1108/31 Sukhumvit Road, Bangchak, Prakanong, Bangkok, Thailand

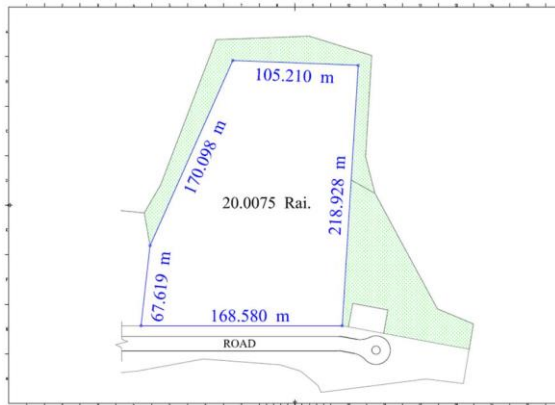
5) Land Reservation Agreement Signed

IGE (Thailand) Company Limited has entered into a land reservation agreement with 304 Industrial Park 7 Company Limited (No. 0255548000495).

The agreement was signed by IGES Executive Chairman, Mr Paul Dickson, and CEO, 304 Park, Mr Kittiphan Chitpentham at 304 Park office, located at 106 Moo 7, Thatoom, Srimahaphote, Prachinburi, Thailand.



L-R: Land Reservation Agreement signed by IGES Executive Chairman, Paul Dickson and CEO, 304 Park Mr Kittiphan Chipentham



Plot of Land Location: 304 Industrial Park 7, Thatoom, Srimahaphot, Prachinburi

Land size: Approximately 20 Rai (or 32,000 square metres)

6) Local Bank Accounts Set Up

IGE Thailand has also successfully set up bank accounts with the Bangkok Bank as part of the necessary steps in moving forward to build the plastic to fuel plant in Thailand.



Hong Kong

In May a contingent of IGES executives visited Hong Kong to progress the previously announced joint venture with recycling company Telford Envirotech Group Limited (“**Telford**”). Over a 36 hour period, Executive Chairman Paul Dickson, Managing Director Stuart Clark and Director of Global Projects Corey Budd visited the site located in Hong Kong’s EcoPark recycling precinct where the Company’s planned 200 tonnes per day plant will be built.

During this time, IGES’s executive team met with lead consultants Meinhardt Consultants (“**Meinhardt**”) and A.Lead Architects (“**A.Lead**”). Meinhardt had previously carried out an Environmental Feasibility Study for the project which supported the Company’s initiative and concluded that the site is fit for purpose for a plastics to fuel facility. This report was discussed, and the next steps identified that will lead IGES through the environmental permitting and design phase.

A.Lead, who will also be a key adviser during the design and construction phase, has been engaged to establish a site layout taking into consideration recommended building setbacks, in addition to building and stack heights to support the IGES plant design. A number of alternative configurations were considered, and the preferred layouts are being further reviewed and analysed to ensure maximum output, safety and compliance.

Further to these key meetings, IGES inspected surrounding properties within the EcoPark and met with other tenants to identify any special conditions or impacts likely to arise in the environmental permitting and design phase. These meetings were positive and showed a clear path forward for approvals.



L-R: IGES Managing Director, Stuart Clark, Telford representative Joanne Lee and IGES Executive Chairman, Paul Dickson at the EcoPark Administration Building

In an effort to gain optimal efficiencies for the project, IGES and Telford are exploring the opportunity to split the facility across two sites, separating the front end plastic processing from the plastics to fuel facility. This is a possibility due to Telford's extensive experience in recycling end of life plastics and will be further investigated as the design phase ramps up.

About IGES

IGES is focused on creating a cleaner planet for the next generation through the conversion of end of life plastic into valuable fuels. Plastic used in the process would otherwise be sent to landfill or be discarded into the environment. The Company has a patented plastic to fuels process that results in a range of fuels and products, including EN590 (Road Ready Diesel), EN228 (Road Ready Petrol), Naphtha, Marine fuel and Marine Diesel Oil (MDO). The specific products we provide from our range are determined by the territory requirements for each individual site location. The Company believes that utilising its technology will inevitably reduce the amount of plastic entering the environment. It will also help to develop circular economies, thereby creating a cleaner planet for the next generation, while bringing value to shareholders.

FOR FURTHER INFORMATION CONTACT:

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