



2 August 2019

ASX: IGE

Increased Financing Flexibility.

Grimsby Completion Date Set

- **New Loan Facility Established in Netherlands**
- **SGC Terms Renegotiated to Increase Flexibility**
- **SGC Funding schedule confirmed**
- **Grimsby Completion Date Set: 30 September 2019**

New Banking Relationship and Loan Facility Established with Rabobank

Integrated Green Energy Solutions Ltd (“IGES” or “the Company”) has negotiated a new loan facility with a major European financial institution: Rabobank. The €18 million loan facility has been negotiated with the support of the STX Group and has a 10-year term and an interest rate of 4.25%.

This loan facility is specific to the operations of the Amsterdam plant and Rabobank have advised that they are looking to finance IGES’s plants in other European countries as well as provide other banking services, including practical support in terms of commodity price risk and foreign exchange risk.

Rabobank is a Dutch multinational banking and financial services company headquartered in Utrecht, Netherlands. As an international financial services provider, it is a global leader in food and agriculture financing and sustainability-oriented banking. The Rabobank group has approximately 8.3 million customers world-wide and has 409 offices in the Netherlands alone. Rabobank is the second-largest bank in the Netherlands in terms of total assets.

As at December 2018, the Rabobank total assets amounted to €590 billion and earned an annual net profit of €3 billion. The customer deposits managed by Rabobank totals €342 billion and the bank has €42 billion in equity. Rabobank has remained one of the highest rated commercial banks worldwide. Their rating with S & P Global is A+.

The IGES Executive Chairman Paul Dickson stated: “We are thrilled to have formed a relationship with an international top-tier bank that is so entrenched in the Netherlands community and focused on sustainability-oriented banking. Rabobank has a level of professional banking expertise which will prove invaluable as we expand and take on more challenges globally.”

Renegotiation of SGC Loan Facility

In addition to the establishment of the abovementioned facility, after extensive negotiation Integrated Green Energy Solutions Ltd (“IGES” or “the Company”) has successfully settled on an amendment to its loan facility that better aligns with the Company’s global strategy.

IGES entered a loan agreement on 7 June 2017 with their funders Structured Growth Capital Inc (“SGC”) for a loan facility of US\$90 million. As previously disclosed on 21 August 2017, this loan agreement was entered into with Integrated Green Energy UK Limited (“IGE UK”). At the time the funding was committed to be utilised for four plants within the United Kingdom.

Subsequent to that announcement the Company has released information on its many global initiatives. Of note are the three sites that IGES are developing in Amsterdam, the United Kingdom and Thailand. All these sites have attained a full environmental approval to operate and are at various stages of development. The SGC loan facility is needed and will be used to construct all these facilities to varying degrees. To allow this to occur IGES and SGC needed to renegotiate the existing loan facility to reflect these changed operating conditions and the Company is pleased to announce that it has been agreed that the loan monies will be utilised to fund sites in a number of territories, as well as those in the United Kingdom.

Further, since the loan agreement was established, the Company’s headquarters has been opened in Singapore with finance, marketing, operational and legal functions controlled from there with all sites to be overseen under a contract manufacturing model. Therefore, in consultation with SGC it has been agreed that to better align with the corporate structure and current operational plans, the loan facility will be transferred to the IGE Singapore entity- Integrated Green Energy Singapore Pte Ltd (“IGE Singapore”).

IGES has been working extensively with SGC to factor in the above-mentioned developments as well as to ensure the most efficient and cost-effective means to proceed with the draw-down of its US\$90 million facility. It has been as a result of this work that an amendment to the loan agreement has been finalised subsequent to the announcement on 12 July 2019. This amendment to the loan agreement allows the company maximum flexibility over the coming periods and will allow the company to pursue its announced strategic initiatives without territorial restrictions.

The terms of the loan agreement remain unchanged except for:

- (1) It is no longer required that the loan be used exclusively for United Kingdom facilities;
and
- (2) The loan will be transferred to IGE Singapore.

In order to ensure these changes are properly implemented and compliance with all banking protocols and corporate governance guidelines are maintained, this change will require the first of the loan draw-downs to be deferred from the August cycle to the September cycle. Under the terms of this loan agreement, the funding schedule states that once the draw-down schedule commences, US\$90 million must be drawn-down in regular bi-monthly instalments on the 7th and 22nd of each month. This means that the first draw down has moved from 7 August to 7 September. The initial 2 instalments scheduled are US\$7.5 million on the 7 September and the 22 September with the subsequent 15 instalments being US\$5 million each. That is US\$90 million must be drawn-down over a 9-month period, averaging

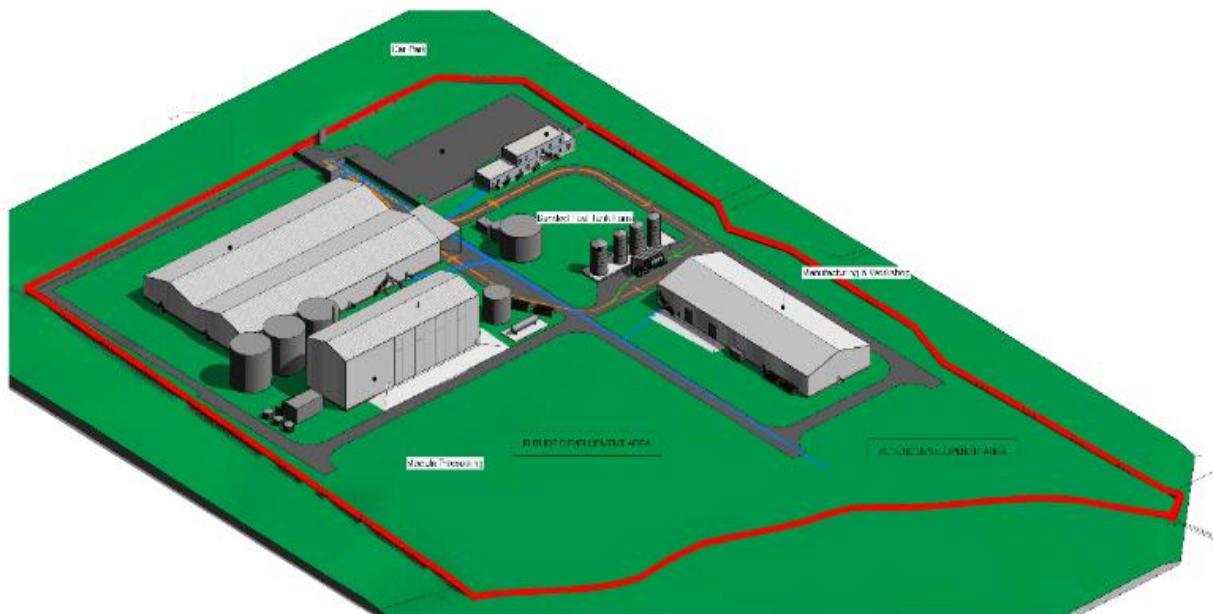
approximately US\$10 million per month. Therefore the US\$90 million loan will be drawn down commencing on the September cycle through to completion in May 2020.

Mr Brian Engel, Managing Partner at SGC, stated: “SGC understands and appreciated the need for IGES to renegotiate these key terms to better reflect their corporate structure. The negotiation of this amendment to the loan agreement by IGES allows the company a broader scope and is in alignment with the initiatives it has announced. Therefore, SGC is in full support of this change as it provides the company with the best possible platform to service the loan and provide the maximum return to shareholders. All other fundamental terms of the loan remain unchanged and we look forward to commencing the funding in September.”

Grimsby Completion: 30 September 2019

The receipt of the Environment Agency (“EA”) permit for the Northampton site has provided the Company with a clear path to approval in other United Kingdom territories as well as a specific precedent. This, along with the abovementioned funding progress, has led to a strategic review of the timing of the United Kingdom roll-out. The decision has been reached to set a completion date within the next 60 days for the site at Humber Gate, Great Coates, Grimsby, United Kingdom (“the Grimsby site”). That is, a completion date for the Grimsby site of 30 September 2019 has been agreed with the vendor.

As announced on 18 June 2018, the Grimsby site is a 6.87-hectare site and the sale price is £2,550,000 plus VAT.



The proposed site layout for the 200TPD facility to be located at Grimsby.

The setting of the 30 September 2019 completion date will allow the Company to both capitalise on the contemporaneous information used at the Northampton site and roll out the two sites in relatively quick succession thus taking advantage of shared resources and knowledge at the two United Kingdom sites.

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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