



27 May 2020

ASX: IGE

Funding Update

Further to the announcement of 15 May 2020, the Directors of Integrated Green Energy Solutions Ltd ("IGES" or "the Company") are pleased to provide an update on the Company's related to GEP Fuel and Energy LLC ("GEP").

GEP Funding Update

GEP have advised that they have been successful in reaching the target date released to the market in the ASX release on 15 May 2020. This prior release stated that GEP advised they *"anticipate funding will be in place...on or before Tuesday 26 May."* GEP have now confirmed that this has occurred. Mr Stephen Hogan, the President of GEP has stated *"I can confirm that our target date of "no later than 26 May" has been met as we have received verbal confirmation from our funder that funds for the Camden facility will be released within the next 10 banking days"*.

In relation to IGES, Mr Hogan, has stated today that Integrated Green Partners LLC ("IGP") will be meeting with the funder of the Camden project *"...to finalise the allocations and distribution of funds related to the Camden, Indiana project being undertaken by IGP. During these meetings, we will also finalise the distribution of the US\$7.5 million in funds to IGE."*

Mr Hogan further clarified that *"Notwithstanding IGE will utilize the cash-flows resulting from payments due to them for various international projects, from IGP's perspective, the funds raised are primarily for the Camden, Indiana project, with some developmental expenditure planned for a further 6 sites across USA over the next 3 years"*.

IGP is a US based entity jointly owned by GEP and IGES.

IGP Project Update

Mr Hogan provided detailed insight to the planned use of the debt funds for the Camden project to include the following areas:

"The bulk of the initial expenditure for the 1,200 tonne per day facility in Camden Indiana will initially be allocated to:

- *Finalise land purchase*
- *Module construction*
- *ASR Equipment*
- *Civil down-payment*
- *Additional roads and infrastructure to support site in Camden*
- *Engineering Fees*
- *Electrical systems*
- *Recruitment of Key Roles*
- *Further survey and topography reporting*
- *Air dispersion modelling*
- *Further environmental studies*
- *Crop damage fees payable*

- *Construction insurance*
- *Enhanced/Revised engineering drawings*
- *Engaging lawyers to finalise contractual terms with engineers and other parties*
- *Attaining international legal advice”*

IGP Project and IGES Funds

The payment to IGES of US\$7.5 million for module construction forms a critical part of the Camden, Indiana project. As previously disclosed, this US\$7.5 million payment is an initial payment related to the agreed value for the purchase of 24 modules to be utilised at the IGP site in Camden, Indiana. At an IGP board meeting held in December 2019 it was agreed that the 24 modules total value is US\$70 million. It was further resolved to make an up-front payment totalling US\$39.6 million. The initial US\$7.5 million is payable now and the balance of the up-front component of US\$32.1 million is due on or before Monday 24 August 2020. The final instalment of the module instalment is US\$30.4 million and is due 30 days after delivery of the modules.

IGES Utilisation of Funds

All funds provided to IGES will be utilised in the first instance to go towards the finalisation of the Amsterdam project. IGES will also utilise these funds to progress the UK (Northampton) site and the Thailand site where the Company has full environmental permits to operate a plastic to fuel facility that produces 70 million litres pa of road ready fuel by processing 200 tonnes per day of end of life non-recyclable plastics. Finally, these funds will be used to progress the roll-out of the 20-site international expansion plan. In undertaking that roll-out, IGES will necessarily be taking advantage of the opportunity to ensure territories reduce the level of end-of-life plastic waste whilst also assisting those territories to build up their own reserves of domestically sourced, road-ready fuel.

Structured Growth Capital Inc. (“SGC”) Update

SGC has advised today that they remain confident of funding IGES as advised in the abovementioned ASX release on 15 May 2020 and further detail will be provided closer to the communicated anticipated initial funding of 31 May 2020.

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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This announcement is authorised for release to the ASX by the Board of IGES.