



Emefcy Announces Planned First Commercial Deployment in China

MOU with Zhejiang Tiandi Brings Access to a Potential Market of 100,000 MABR Modules

May 16, 2017

Melbourne, Australia and Caesarea, Israel: Emefcy Group Limited (ASX: EMC), a global leader in energy-efficient wastewater treatment solutions, today announced it entered a Memorandum of Understanding ("MOU") with Zhejiang Tiandi Environmental Protection Technology Co., Ltd ("Zhejiang Tiandi") to develop a commercial wastewater treatment plant in Zhejiang Province over the next 90 days and deploy shortly thereafter. The plant is anticipated to be the first of many in a long-term cooperation agreement between the two companies. Over the longer term, Emefcy believes the potential market demand for MABR based solutions in Zhejiang province alone is up to USD \$1 billion.

The initial plant is expected to have a treatment capacity range of up to 500,000 liters per day.

Richard Irving, Chairman of Emefcy, commented: "We are excited to partner with Zhejiang Tiandi to build our first commercial deployment in China. Our breakthrough technology will enable them to achieve their growth goals, benefiting both companies. Together, we believe we can achieve great success in fulfilling the high demand in rural China for cost-effective wastewater treatment solutions. This partnership is an important step for us to capitalize on the enormous market opportunity in China."

Ilan Wilf, VP Sales noted: "Reliable operation of our Wuxi wastewater pilot plant has become an important local reference for our Chinese channel partners. Furthermore, the recent approval of our USVI commercial plant by the US Environmental Protection Agency brings further confidence to our partners that our flagship MABR product is ready for commercial deployment in China."

A spokesperson for Tiandi commented: "We are excited to have teamed up with Emefcy to deploy this innovative and highly efficient MABR-based wastewater treatment system, both in Zhejiang Province specifically and additional Provinces in the future. Zhejiang Tiandi is an innovative company which strives to be in the forefront of delivering the best technology and most cost effective system solutions to its clients. Partnering with Emefcy leverages the strengths and capabilities of both companies to address the rural wastewater market today and to bring new solutions for the upgrade of existing wastewater plants in the future. The first commercial project of the two companies is expected to be deployed before the end of the year in Zhejiang Province."



Update on Other China Deployments

Demonstration plants for each of Jinzi, CGGC and Sinorichen are scheduled to be deployed between June and August this year, with two other demonstration units currently in production.

In view of the number of demonstration units currently operating and planned to be deployed in China, the Company will shift its focus from establishing demonstration units to conditional sales of commercial scale systems.

About Emefcy Group Limited

Emefcy develops, manufactures and markets new, energy-efficient MABR based wastewater treatment solutions, aiming to change the economics of various markets and addressing the growing global demand for clean water in municipal and industrial plants.

With several global innovation awards and a strong scientific background, Emefcy is at the forefront of the next generation of MABR based wastewater treatment. Additional MABR based wastewater solutions out of Emefcy's extensive R&D operations are expected to be announced in the coming year.

Emefcy Group Limited (ASX: EMC) is a public company traded on the Australian Stock Exchange. Visit our website: www.emefcy.com

About Zhejiang Tiandi

Founded in 2002, Zhejiang Tiandi is an environmental protection company within Zhejiang Provincial Energy Group; estimated to be one of the six largest Provincial energy groups in China. Zhejiang Tiandi is diversifying its environmental operations to include wastewater treatment, especially in rural areas. The company now owns and operates several large treatment plants in the province.

Any forward-looking statements in this announcement are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management.

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