



ASX RELEASE | De.mem Limited (ASX:DEM)

## De.mem Signs \$2.6 Million Seawater Desalination Contract

**12 October 2020:** Australian-Singaporean water and waste water treatment company De.mem (ASX:DEM) ("De.mem" or "the Company") is pleased to announce that it has signed a new contract for the supply of a \$2.6 million seawater desalination plant.

### Showcasing De.mem's High Quality Industrial Water Treatment Solutions

Under the contract, De.mem will design, manufacture and commission a membrane based water treatment plant which will convert seawater into high quality treated water, substantially exceeding the specifications of Australian drinking water standards. The solution provided by De.mem integrates different treatment steps including Ultrafiltration and Reverse Osmosis membranes into a turn-key, fully automated system.

The system will be manufactured in Australia at De.mem's manufacturing site near Brisbane, Queensland. While project execution commences immediately, the majority of project revenues will be recognized in De.mem's CY 2021 accounts.

### De.mem is a Market Leader in the High Growth Seawater Desalination Segment

Seawater desalination is a high growth segment within the water treatment market. The global water desalination equipment market size was estimated at USD 12.8 billion in 2019, with forecast 9% compound annual growth from 2020 to 2027 (source: Grand View Research).

This contract further establishes De.mem as a supplier of seawater desalination systems for customers with strict quality requirements. It follows the supply of a seawater desalination plant to a resort in Queensland's Great Barrier Reef region (see ASX release, "*De.mem Secures \$2.8 million Desalination Project*"), dated 10 April 2019.

### High Quality Client Focused on Sustainable Agriculture

The client is Sundrop Farms ("Sundrop"), a global leader in sustainable agriculture, growing fresh fruits and vegetables using renewable inputs.

Sundrop's mission is to "*grow the most delicious and natural fruits and vegetables that are better for people, the planet and business*". Sundrop avoids genetically modified seeds, uses high quality water and adopts innovative technologies to help achieve its mission. The company actively focuses on optimizing and balancing economic, community and environmental benefits.



## CEO Commentary

De.mem CEO Andreas Kroell said: “With this project, De.mem further establishes itself as a supplier of decentralized seawater desalination systems for customers which have strict quality requirements. This is a substantial business opportunity for our company given that seawater desalination is considered one of the key growth segments within the water treatment industry.

Furthermore, we are very pleased to see our Company strengthen its position as a supplier into Australia’s food & beverage and agricultural sectors, which has been one of our key objectives for the ongoing calendar year. These sectors require highest quality standards for the water used in their production processes. This is often achieved with the deployment of membrane-based water treatment plants, which is De.mem’s core product domain.”

This release was authorized by the Company’s Chief Executive Officer, Mr. Andreas Kroell.

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**De.mem Limited (ASX:DEM)** is a decentralised water and wastewater treatment business that designs, builds, owns and operates turnkey water and wastewater treatment systems for some of the world’s largest companies in the mining, electronics, chemical, oil & gas and food & beverage industries. Its systems also provide municipalities, residential developments and hotels/resorts across the Asia Pacific with a reliable supply of clean drinking water.

De.mem’s technology to treat water and wastewater is among the most advanced globally. The Company is headquartered in Australia and has international locations in Singapore, Germany and Vietnam. It is commercialising an array of innovative proprietary technologies from its research and development partner, Nanyang Technological University (NTU) in Singapore, a world leader in membrane and water research. Technologies uniquely offered by De.mem include a revolutionary low-pressure hollow fibre nanofiltration membrane that uses less electricity and is cheaper to operate than conventional systems, as well as a new Forward Osmosis membrane deployed in de-watering applications or the concentration of liquids.



To learn more, please visit: [www.demembranes.com](http://www.demembranes.com)

#### **Forward Looking Statements**

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices or potential growth of De.mem Limited, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.