



Innovations that work.™

ACN 109 200 900

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

9 July 2018

Eden Signs Agreement with Korean Precast Concrete Manufacturer

HIGHLIGHTS

Eden signs Agreement with leading Korean Precast Concrete Manufacturer to develop EdenCrete® enriched concrete mix designs for its use in Korea.

DETAILS

Eden Innovations Ltd (ASX: EDE) (“Eden”) is pleased to announce that it has signed a binding Memorandum of Agreement (“Agreement”) with KC Industry Co., Ltd. (“KC”) (www.kccond.co.kr), a leading Korean precast concrete manufacturer, to jointly develop EdenCrete® enriched concrete, mortar and grout mix designs for use by KC in the Republic of Korea (“Korea”) and elsewhere, to improve their technical performance.

KC Industry Co., Ltd.

KC, listed on KONEX (Korea Exchange), is a Korean precast concrete group that uses technology and innovation to deliver world-leading products for all sectors of the Korean precast concrete market. It has a significant research, testing and development capability (that has developed a number of patented products) and upon which it has built its position as a leader in the Korean precast concrete market, with a strong emphasis on infrastructure including bridges, subways, and tunnels.

It services the whole of the Korean market, operating its own large pre-cast plant at Yeosu, as well as having five other plants that manufacture for it on a contract basis, using KC’s designs and under its quality control, that are spread across Korea. Additionally, KC owns two mobile precast manufacturing plants, with which it has also undertaken projects in the Philippines and Vietnam.

In addition to use in pre-cast concrete products, KC intends to use EdenCrete® in a broader range of target markets including new concrete highway pavement construction, repairs and road barriers.

Korean Concrete Market

The precast concrete and highway construction markets in Korea offer an exciting market opportunity for EdenCrete®. In addition to a flourishing construction industry which is also preparing for possible entry into the North Korean market, Korea has embarked on a significant number of new, major infrastructure projects that will impact both of these market sectors including the following:

- **Precast concrete** – Construction of the Great Line Express (“GTx”) subway project involving the construction of a 43.78 kilometres long, high speed underground subway main line and supporting infrastructure will commence in 2019 and take 5 years to complete.
This project will require large quantities of precast concrete segments to re-enforce the entire tunnel system as well as pre-cast concrete power boxes for the associated power and communications network; and

- **Highway construction and maintenance** – The highway network across Korea is being expanded from approximately 4,000 kilometres of roads in 2013 to a targeted 6,500 kilometres in 2020, including the construction of all the necessary additional bridges and tunnels. Approximately 40% of the highways in Korea are constructed with concrete.
Korea has cold winters that bring a significant amount of snow and ice, which necessitate the frequent use of salts and other de-icing road chemicals that in turn cause a breakdown in the concrete, requiring a significant ongoing maintenance programme in addition to the normal highway maintenance that is required due to abrasion and general wear from traffic usage.

The Agreement

Eden and KC entered into the Agreement to collectively undertake the necessary testing and development (the “Testing and Development”) to integrate EdenCrete® into KC’s existing precast concrete products as well as to develop other cement-based products, including mortars and grouts, that incorporate EdenCrete® for KC to use and market into the wider Korean market.

The material terms of the Agreement are:

1. The Testing and Development will be undertaken both in the USA and Korea and is expected to take between three to six months.

2. Subject to the successful completion of the Testing and Development program KC and Eden will negotiate to endeavour to conclude a mutually acceptable agreement for a long-term collaboration including pricing and terms of supply (the “Sales Agreement”).

3. For a period of twelve months from the date of execution of the Sales Agreement, Eden will not supply EdenCrete® products to any other party for sale or use in Korea provided that KC continues to purchase EdenCrete® products during this period.

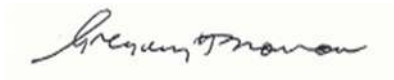
4. Each of the Parties, at its own cost, will contribute as follows:
 - a) Eden will:
 - Undertake testing in the USA of EdenCrete® with Korean cement, fly ash, blast furnace slag, silica fume and any other additives (“the Test Materials”); and
 - Provide reasonable support for KC from Eden personnel to KC in Korea.
 - b) KC will:
 - Supply to Eden in Colorado as soon as is reasonably practicable sufficient quantities of the Test Materials for Eden to undertake the initial testing and mix designs;
 - Undertake trials in Korea of the successful mix designs developed by Eden; and

- Obtain any Korean certifications or approvals required for the use of EdenCrete® products in Korea.
5. The Agreement will terminate upon:
- Eden and KC signing the Sales Agreement, or
 - Either party giving written notice of termination to the other at any time.

The Agreement supercedes a previously announced, non-binding memorandum of understanding that was entered into by Eden in June 2016 (see ASX: EDE- 12 June 2016), that has ended.

Background

EdenCrete® is Eden's 100% owned, proprietary carbon-strengthened concrete additive, one of the primary target markets for which is improving the performance of concrete used in the construction and maintenance of concrete roads, bridges and other infrastructure. Additionally, it has potential for use in a range of other concrete applications including high-rise building construction, marine and coastal applications, water storage and pipelines, and pre-fabricated concrete structures and products.



Gregory H. Solomon
Executive Chairman