

# SAVCOR GROUP LIMITED

Savcor ASX release

9 October 2015

Dear Shareholders

Update - Emefcy Limited acquisition

The Directors of Savcor Group Limited are pleased to advise that significant progress has been made in relation to the acquisition of Emefcy Limited, which was previously announced on 20 July, 2015. Emefcy is a leading, Israeli-based waste water technology solutions provider deploying technologies helping to transform the economics of wastewater treatment.

Steps completed to date include:

- Commercial due diligence has been successfully completed by all parties,
- A formal Share Sale and Purchase Agreement has been entered into, including the terms of the Redeemable Note in favour of True North Venture Partners LP.
- A Prospectus in respect of the upcoming capital raising has been prepared and lodged with ASIC and ASX.

Next Steps:

Through the Prospectus, Savcor is seeking to raise a minimum of A\$13 million and a maximum of A\$16 million, to support the full commercial rollout of Emefcy technologies as well as on-going research and development. Completion of the Capital Raising is a condition of the Share Sale and Purchase Agreement.

A Notice of Meeting will shortly be issued to seek Shareholder approval for a number of resolutions relevant to the acquisition.

Directors see the acquisition of Emefcy Limited as a very significant first step in creating a global water technology company with a commercial focus on deploying the latest and most innovative technologies to market.

In conjunction with the capital raising, a formal roadshow will commence shortly encompassing existing shareholders, as well as a broad cross section of new investors. It should also be noted that under the Prospectus Offer, existing Savcor shareholders will receive a Priority Entitlement to take up new shares in the Offer.

Further updates will be provided in the coming weeks.

Yours sincerely

Peter Marks  
Chairman.