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Company Announcements Office  
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## **ASX Waiver Granted**

As previously announced to ASX (refer 18 April 2016, 6 April 2016 and 23 December 2015), AnaeCo Limited (**AnaeCo** or **Company**) has a \$13.6 million loan facility with Monadelphous Group Limited (**Monadelphous**).

On 12 February 2015 the Company received a waiver of Listing Rule 10.1 from ASX. The waiver permitted the Company to grant security over the Company's assets up to a limit of \$4.6 million without the need to seek shareholder approval under Listing Rule 10.1, subject to certain conditions.

On 6 April 2016 the Company submitted an application for a waiver of Listing Rule 10.1 to permit the Company to grant security over the Company's assets up to a limit of \$13.6 million without the need to seek shareholder approval under Listing Rule 10.1.

On 22 April 2016 ASX granted the waiver for the \$13.6 million limit.

The terms of the new ASX waiver are in italics below:

1. *Based solely on the information provided, ASX Limited ("ASX") grants AnaeCo Limited (the "Company") a waiver from listing rule 10.1, to the extent necessary to permit the Company to:*
  - 1.1. *Grant security over the Company's assets in favour of Monadelphous Group Limited ("Monadelphous") ("Monadelphous Security") pursuant to an existing secured loan facility of \$7,600,000 ("Secured Funding Facility") and extensions of the Secured Funding Facility under which Monadelphous has provided a further \$6,000,000 (together "the Monadelphous Facility") to assist with expenditure in connection with the project to design and construct a DiCOM waste processing plant without obtaining shareholder approval on the following conditions:*
    - 1.1.1. *The Monadelphous Security document include a term that if an event of default occurs and Monadelphous exercises its rights under the Monadelphous Security, neither Monadelphous nor any of its associates can acquire any legal or beneficial interest in an asset of the Company in full or part satisfaction of the Company's obligations under the Monadelphous Facility, or otherwise deal with the assets of the Company, without the Company first having complied with any applicable listing rules, including listing rule 10.1, other than as required by law or through a receiver, or receiver and manager (or any other person acting on behalf of Monadelphous) appointed by Monadelphous exercising its power of sale under the Monadelphous Security and selling the assets to an unrelated third party on arm's length commercial terms and conditions and distributing the cash proceeds to Monadelphous in accordance with its legal entitlements.*
  - 1.2. *A summary of the material terms of the Monadelphous Facility and Monadelphous Security documents are made in each annual report of the Company during the term of the Monadelphous Facility and Monadelphous Security.*



- 1.3. *Any variations to the terms of the Monadelphous Facility or Monadelphous Security which is:*
  - 1.3.1. *not a minor change; or*
  - 1.3.2. *inconsistent with the terms of the waiver,*  
*must be subject to shareholder approval.*
- 1.4. *The Company must seek to discharge the Monadelphous Security when the funds under the Monadelphous Facility are repaid, or if it is not discharged, seek shareholder approval for the continuation of the Monadelphous Security for any further loan facility amount.*
- 1.5. *The Company immediately releases to the market an announcement which sets out the terms of the waiver, and the Company's plans with respect to the repayment of the funds advanced under the Monadelphous Facility and the discharge of the Monadelphous Security, including the timeframe within which it expects the repayment and discharge to occur.*
2. *ASX has considered listing rule 10.1 only and makes no statement as to the Company's compliance with other listing rules."*

In relation to item 1.5 of the ASX waiver the Company advises the following:

1. As announced on 18 April 2016 the loan is due for repayment on 30 June 2016.
2. In accordance with the terms of the loan facility the Company expects the loan to be repaid by debt to equity conversion, which will be subject to shareholder approval.
3. The loan security is intended to be discharged upon full repayment or conversion of the loan which, subject to receipt of shareholder approval, will occur immediately following the issue of shares for a debt to equity conversion.

ENDS

For further information, please contact:

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## **About AnaeCo**

AnaeCo delivers Alternative Waste Technology (AWT) facilities based on the AnaeCo™ System, incorporating the patented DiCOM™ bioconversion process. The AnaeCo™ System includes advanced sorting, recycling, anaerobic digestion and aerobic composting to recycle municipal solid waste (MSW) into renewable energy from biogas, organic fertiliser and recyclables such as steel, aluminium, glass and plastics, thus maximising diversion from landfill and ensuring social, economic and environmentally sustainable management of MSW.

The AnaeCo™ System enables resource recovery intervention closer to source, with enhancement of existing waste transfer stations now a viable waste management option. AnaeCo's experienced team provides design, and commissioning services for AnaeCo™ AWT facilities.

For further information go to [www.anaeco.com](http://www.anaeco.com)