



Emefcy Group Ltd (ASX: EMC) Update - Timing of Issue of Deferred Consideration Shares

Melbourne, Australia and Caesarea, Israel, 22 April, 2016

As previously advised to ASX in its announcement on 12 April 2016, following the achievement of the First Milestone with the shipping of SABRE modules to Ha-Yogev, the Company is required to issue a total of 22,500,000 ordinary shares (**Deferred Consideration Shares**) to the vendors of Emefcy Limited. This is as part of the consideration for the equity interests in Emefcy Limited under the share exchange and purchase agreement dated October 1, 2015 between the Company and those vendors.

11,199,501 of the Deferred Consideration Shares were issued to some of the Emefcy vendors on 12 April 2016. The remaining Emefcy vendors entitled to 11,300,499 of the Deferred Consideration Shares, have requested that these shares not be issued until certain Israeli tax exemptions are granted. The Company has been granted a waiver of ASX Listing Rule 14.7 to allow the Company to delay issuing these Deferred Consideration Shares until those Israeli tax matters have been completed (but no later than 12 June 2016).

Once issued, these Deferred Consideration Shares will be subject to escrow on the terms advised by the Company in its 12 April 2016 announcement.

For further information, please contact:

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About Emefcy Group Limited (EMC)

The Company offers a commercially-proven wastewater treatment solution potentially disrupting large existing markets and addressing the growing global need for clean water. Its initial technology, SABRE – The Spiral Aerobic Biofilm Reactor is a modular decentralised wastewater treatment solution using 90% less energy than conventional technology. Future generation SABRE2 and SUBRE are higher capacity solutions being developed for broader markets. The Company's future technology under development, EBR - The Electrogenic Bioreactor is being designed to harvest electricity from highly-loaded industrial wastewater that is typically very costly to treat. The energy's value has the potential to completely offset other treatment operating costs.

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.