



ASX ANNOUNCEMENT, 21st July 2016

VIVID INDUSTRIAL BUSINESS UPDATE FOLLOWING STRONG QUARTER

Greenearth Energy reported strong growth over the last quarter and continues to show further growth in the initial weeks of the 2017 financial year, underpinned by the successful execution of a number of key initiatives which will continue to provide solid foundations for further growth following the company's recent momentum.



VIVID INDUSTRIAL: INDUSTRIAL & COMMERCIAL ENERGY EFFICIENCY

Through its wholly owned subsidiary Vivid Industrial, Greenearth completed its 100% acquisition of Ilum-a-Lite with an effective transaction date of 31 March 2016. Consequently, consolidated group results and cash flows include those of Ilum-a-Lite from 1 April 2016 onwards.

The acquisition of Ilum-a-Lite delivered a significantly strengthened market reach together with an enhanced and diversified product and service suite for customers. Combined, the group has broadened its capabilities to now service both the Industrial and Commercial market segments. This will substantially improve the group's ability to boost revenue streams in the near and longer terms, through cross selling opportunities and by providing a wider range of products and services in the energy and lighting efficiency sectors.

Continued Growth with new orders received in 2017

With successful orders already won in July, the Company is following on from a range of successful orders for lighting systems sales from a diverse range of customers in various industry sectors in the prior quarter. The past months sales included securing orders from two significant blue chip companies, along with a pilot for external flood lighting for a major port operation in Western Australia, a significant LED site upgrade at a high profile consumer goods manufacturer in South Australia, an independent retail chain with operations in Tasmania & Victoria, and an initial order from a major metropolitan sports stadium.

Vivid Industrial also recently secured repeat business via the upgrade of a previously installed lighting system to its new Matrixx technology for a leading global drink manufacturer in NSW. This demonstrates the effective transition between generations of Vivid Industrial's systems as a logical and cost effective upgrade path, leveraging revenue opportunities in our existing customer base and proving the "future proof" capability of its core offering.

Ongoing delivery of Energy Performance Contracts (EPCs)

Illum-a-Lite, since being acquired effective 31 March 2016, has continued delivery of EPCs in nine locations ranging from Queensland to suburban Melbourne. The projects are complex and large and illustrate the Company's skills in coordinating complex logistics, large teams of contractors, client needs in very busy health care and education facilities and coordinating its activities with those of other EPC contractors. The result has been a strong contribution to the combined business.

Successful delivery of the EPC contracts positions Illum-a-Lite well for similar large infrastructure lighting improvements using its broad suite of commercial products. Importantly these products are all registered for NSW and Victorian Energy Efficiency Schemes, enabling large rebates to EPC customers and thereby substantially improving the financial outcome. Illum-a-Lite also supplies these products to contractors and wholesalers, further enhancing revenue opportunity.

New Innovative Lighting-as-a-Service: "Save-and-Share"

A notable achievement was the launch of the Company's unique Lighting-as-a-Service offering branded "Save-and-Share". The model provides an innovative and disruptive way by which consumption of energy and lighting efficiency is perceived in the market. The Save-and-Share model provides energy and maintenance savings to customers without the requirement for upfront investment in new lighting systems, in return for those savings being shared with Vivid Industrial over the contract term. This model is designed to generate a long term recurring revenue stream for Vivid Industrial, compared to traditional "one-off" supply and install projects.

International Expansion

As previously reported, the business is assessing a number of different partnership and distribution models with potential international partners. In particular, discussions with a potential partner in Latin America are progressing well, validating Vivid Industrial's technology and business model as a congruent fit in that market region. Consequently, a number of specific projects have been identified as potential pilot sites to further explore the viability of expansion into this market.

Vivid Industrial has also continued to build on establishing its presence in South East Asia through local representation, resulting in an invitation to demonstrate Vivid Industrial's Matrixx product through a trial at a large, global freight and logistics company. While still in the initial stages, access to this region again looks viable and promising, and if successful will give greater access to the broader South East Asian markets.

Vivid Industrial remains confident that its proprietary lighting and control systems, technical expertise in the energy and lighting efficiency sector combined with a disruptive commercialisation approach is representing a compelling global offering, providing the right level of staged engagement as Vivid Industrial's interests in the region grow. This continues to be positively received with its growing access to opportunities where relationships in Australia and abroad have been established.

Thought Leadership

Vivid Industrial recently showcased its products and services at CeMAT, a global event for the logistics and materials handling industry which was held in Melbourne. In addition, the company continued to present its thought leadership to the industry. This included a presentation by one of our key customers which was well received by those in attendance.

Illum-a-Lite and Vivid industrial will both continue to showcase products, services and thought leadership including at the upcoming Public Sector Energy Efficiency Forum in Sydney. The presentation will cover the rapid evolution of lighting technology and service models aimed to promote smart lighting and Lighting as a Service (Laas), which Vivid Industrial is at the forefront of.

About Greenearth Energy Limited

Greenearth Energy Limited is a diversified Australian-based renewable energy company with interests in technology-focussed solutions in the industrial energy efficiency and CO₂-to-fuel conversion markets.

Greenearth Energy Ltd - <http://www.Greenearthenergy.com.au>

About Vivid Industrial

Vivid Industrial is a subsidiary of Greenearth Energy Ltd, providing customised, intelligent and energy efficient cloud based solutions for our growing industrial and infrastructure client base. The "internet of lights" and "cloud based monitoring" delivers quantifiable efficiencies and significant cost savings with environmentally sustainable benefits for our customers.

The business' core technologies are designed for application in warehouses, distribution centres, cold storage facilities, ports, stadiums, car parks, roads and tunnels. Vivid Industrial is a trusted partner to our customer base of blue chip, industrial companies.

Vivid Industrial recently acquired Ilum-a-Lite, a business specialising in creating highly effective, energy-saving lighting solutions predominantly for commercial and government clients that generate significant cost savings and reduce environmental impact.

Vivid Industrial - <http://www.vividindustrial.com>

Ilum-a-Lite - <http://www.ilumalite.com/>