

30 August 2011

Australian Stock Exchange
Company Announcements Office
Exchange Centre
Level 1
20 Bridge Street
Sydney NSW 2000

AnaeCo Limited ABN 36 087 244 228
3 Turner Avenue, Technology Park
Bentley, Western Australia 6102
PO Box 1287, Bentley DC WA 6983
Ph: +61 8 9361 4777
Fx: +61 8 9361 4888
info@anaeco.com
www.anaeco.com

Update on Capital Raising Initiatives

AnaeCo Limited ('AnaeCo' or the 'Company') is pleased to announce it has finalised a short term funding facility with Bizzell Capital Partners Pty Ltd ('BCP') for \$1.445m.

The loan facility will be used to fund ongoing working capital requirements until further funding initiatives are completed.

This loan facility has been established following the Company and the global asset management company being unable to reach agreement on the convertible bond as previously announced to ASX on 30 June 2011.

Chairman Prof. Michael Dureau stated "We are disappointed not to have reached agreement on the convertible bond with the fund after signing the term sheet, but given the volatile state of international markets recently it is somewhat understandable. More importantly we are very pleased to have BCP's support via this loan facility which will meet our short term cash requirements, while we conclude longer term funding initiatives currently underway."

ENDS

For further information, please contact:

Michael Dureau, Chairman

0418 188 281

David Lymburn, CFO

(08) 9361 4777



About AnaeCo

AnaeCo delivers Alternative Waste Technology (AWT) facilities based on the patented DiCOM® bioconversion process. The system incorporates advanced sorting, recycling, anaerobic digestion and aerobic composting to recycle municipal solid waste (MSW) into renewable energy from biogas, agricultural grade compost and recyclables such as steel, aluminium, glass and plastics, thus ensuring maximum diversion from landfill and ensuring social, economic and environmentally sustainable management of MSW.

The DiCOM® process 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, construction, commissioning, operation and maintenance services for DiCOM® AWT facilities, as well as management of all outputs including renewable energy, compost, recyclable materials and non-recyclable residuals.

For further information go to www.anaeco.com