

2013: TIME TO CAPITALISE

A Pivotal Transition

From Technology Development

to Commercialisation



AnaeCo

AnaeCo Limited ABN 36 087 244 228

Investor presentation January 2013

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Executive Summary

1. WA based waste solutions provider with proprietary, patented DiCOM™ System.
2. Founded in 1998 and publicly listed in 2008 (ASX:ANQ).
3. Invented and developed a unique advanced waste treatment solution (the DiCOM™ System) for the \$400 billion global Municipal Solid Waste (MSW) market.
4. DiCOM™ treats municipal solid waste (MSW), diverting up to 90% from landfill, and produces renewable energy from biogas, and organic fertiliser.
5. Built first full-scale industrial demonstration plant in 2008/09.
6. Successful independent verification of the DiCOM™ System in 2010.
7. Full commercial plant processing 60,000 tpa of MSW to be commissioned and operational in the first half of 2013. R&D phase about to finish.
8. ~ \$120 million invested in the development of the DiCOM™ System over 14 years.
9. All IP owned by AnaeCo and technology competitive advantages protected by international patent portfolio.
10. Immediate next phase is commercialisation with a focus on both Australia and Asia.

AnaeCo's Strategies and Objectives

- Win, develop and build new DiCOM™ plants, leveraging on the success of first DiCOM™ plant in Perth.
- Develop and industrialise the DiCOM™ solution which can be rolled out to DiCOM™ licensees across the world.
 - Solution needs to be robust, complete, optimised, well documented and technically supported.
 - Accelerated global rollout through selected technology licensees.
- Seek to establish a partnership with an EPCM engineering business, to complete the technology transfer platform, and to complement AnaeCo's business model delivery.

AnaeCo Limited – An Overview

CAPITAL STRUCTURE

| | |
|-------------------------------|-------------|
| <i>Share Price (Jan 2013)</i> | \$0.032 |
| <i>Shares on issue</i> | 510,160,155 |
| <i>Market Capitalisation</i> | \$16.3M |
| <i>Net Debt</i> | \$5.9m |
| <i>Enterprise Value</i> | \$22.2m |

BOARD AND MANAGEMENT

| | |
|---------------------------|---------------------------|
| <i>Mr Patrick Kedemos</i> | Managing Director and CEO |
| <i>Mr Shaun Scott</i> | Chairman |
| <i>Mr Ian Campbell</i> | Non-Executive Director |
| <i>Mr Les Capelli</i> | Non-Executive Director |

SHARE PRICE PERFORMANCE LAST 12 MONTHS



Top shareholders

| | |
|---------------------------------------|-------|
| DR IAN CAMPBELL (Director) | 24.4% |
| MONADELPHOUS GROUP LIMITED | 8.6% |
| MR LES CAPELLI (Director) | 7.7% |
| MR SHAUN SCOTT (Director) | 2.7% |
| HSBC CUSTODY NOMS (AUSTRALIA) LIMITED | 2.9% |

| | |
|------------------------------|-----|
| % held by top 10 | 53% |
| % held by top 40 | 68% |
| % held by Board & management | 37% |

Managing Director and CEO Profile

Patrick Kedemos MBA INSEAD, MSc (Management)



- Mr Kedemos has over 18 years of managerial and professional experience, including 16 years in increasingly senior roles within the international industrial, medical and environmental gases industry. He joined AnaeCo in August 2011 from the Air Liquide Group, a Fortune 500 company and the world leader in gases for industry, health and the environment, within which he gained a wealth of experience in business and management roles in positions as General Manager, Sales and Marketing Manager, Strategy Manager in Healthcare and Financial Controller for a major efficiency programme. Most recently, Mr Kedemos was the General Manager of the industrial and medical gases joint-venture companies between Air Liquide and Wesfarmers. Before Air Liquide Group, Mr Kedemos started his career as the founder of Action Plus, a company providing Marketing Research to industrial and consumer goods customers.
- Mr Kedemos is the Honorary Consul for France in Western Australia.

Director Profiles

Chairman of the Board - Shaun Scott

- Mr. Scott is a chartered accountant with over 25 years of upstream and downstream management experience in the oil, gas and energy sector in Australia, Asia and the United States. He previously held the roles of CEO, COO and CFO with Arrow Energy Ltd, one of the largest integrated energy companies in Australia. Prior to joining Arrow in 2004, Mr. Scott has gained deep industry knowledge and rich commercial experience with career spanning appointments as Group Finance Manager at Energy Developments Limited, Project Finance Director at NRG and Manager of ARCO's International oil and gas M&A team. He also serves as a director of the following other listed companies; Acer Energy Ltd, Dart Energy Ltd, Site Group International Limited and Titan Energy Services Ltd.



Non-Executive Director - Dr Ian L Campbell

- Dr. Campbell embarked on his first technology venture in the early 1970's and has been continually investing in and directing IT businesses since then. As co-founder of the CPS Group of Companies (an Australian-owned group of private companies) he has overseen the development of award-winning innovations which have been commercialized both domestically and overseas. In 2005 Dr Campbell was awarded Entrepreneur of the Year award for Information Technology (NSW) as an acknowledgement of his achievements in this regard.

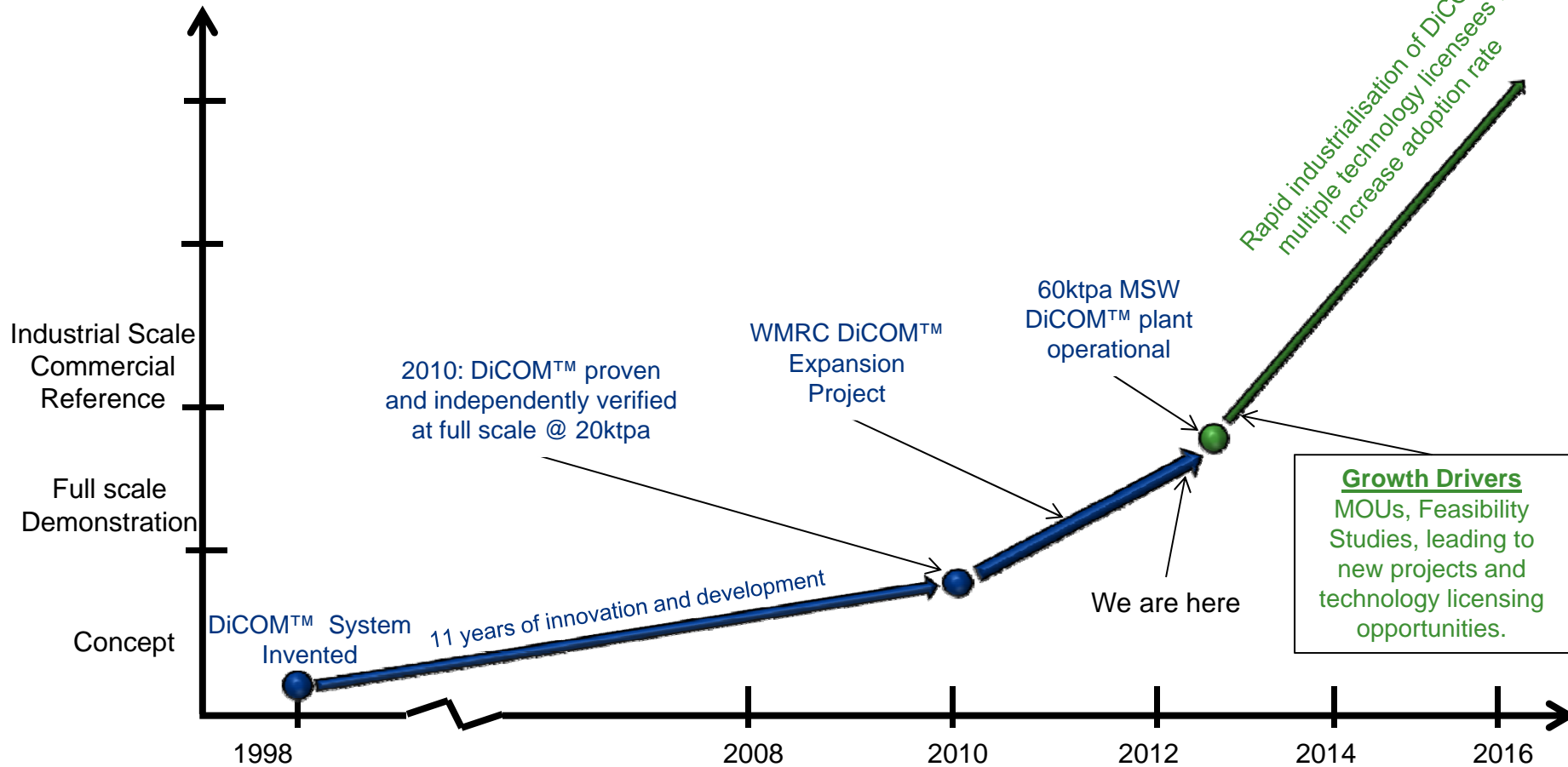


Non-Executive Director - Les Capelli

- In 1989 Mr. Capelli established Vector Lifting and has overseen its subsequent growth to become a major supplier of specialized lifting and railway maintenance equipment. Vector Lifting has designed and manufactured specialized equipment for a wide range of Australian and international clients including; BHP Billiton, Rio Tinto, Woodside Petroleum. Mr. Capelli brings to the AnaeCo Board his skills and experience in engineering design and manufacture as well as project management and customer service delivery.



Development Path: A 14 Year Technological Journey



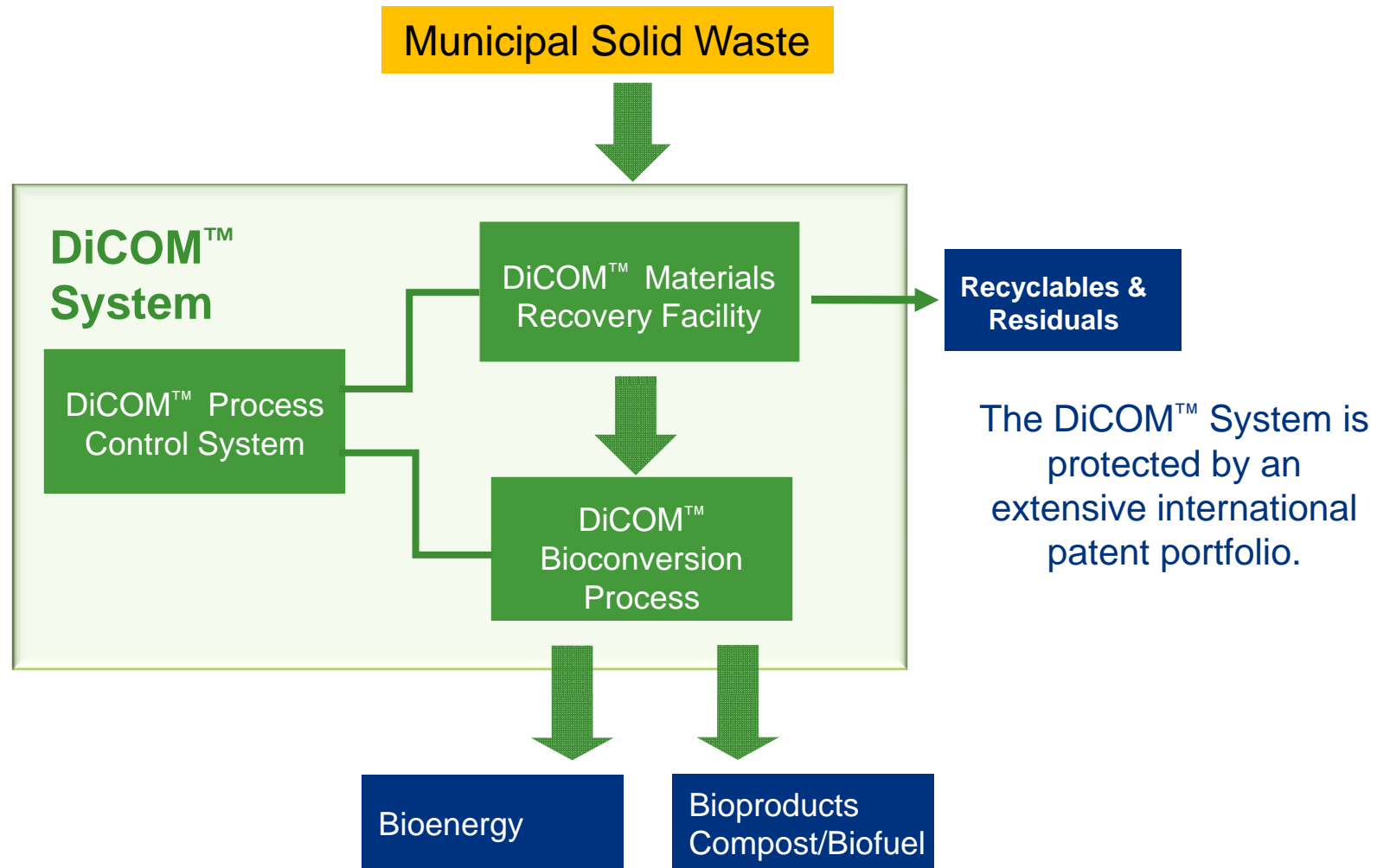
The Technology: DiCOM™ System

The proprietary and patented DiCOM™ System is an alternative waste treatment (AWT) solution for the treatment of mixed municipal solid waste (MSW).

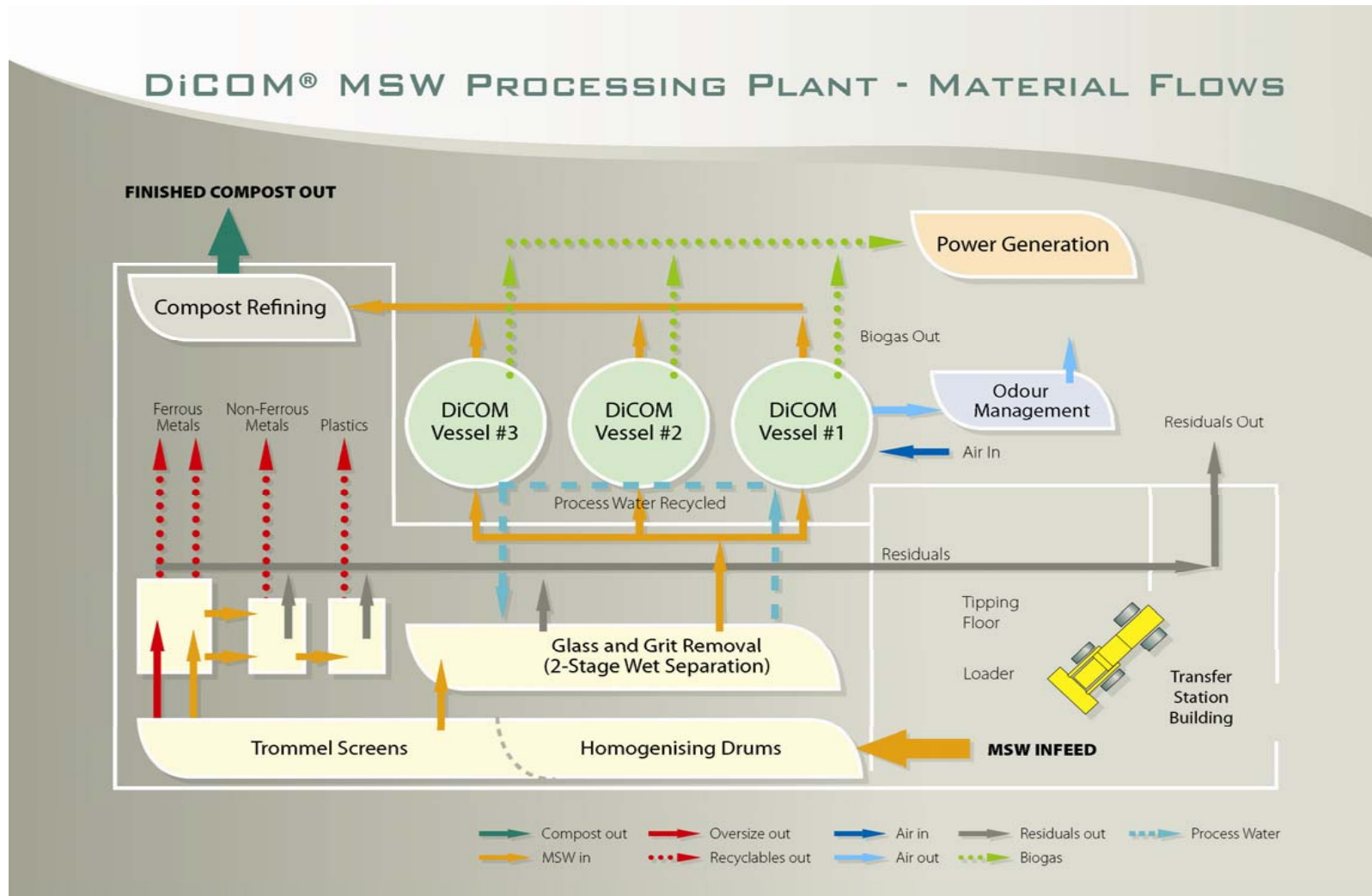
It has three parts:

- **DiCOM™ Materials Recovery Facility:** trommels, drums and sorting equipment to recover commercially valuable materials such as ferrous and non-ferrous metals, recyclable plastics and glass, leaving an uncontaminated feedstock for bioconversion.
- **DiCOM™ Bioconversion Process:** a hybrid (aerobic/anaerobic/aerobic) biological process inside a closed vessel that accelerates the natural bioconversion cycles for a highly efficient production of biogas and stabilised compost.
- **DiCOM™ Process Control System:** unique combination of software algorithms and hardware components to control the entire waste management and recovery system.

The DiCOM™ System: Modules



The DiCOM™ System: Material Flows



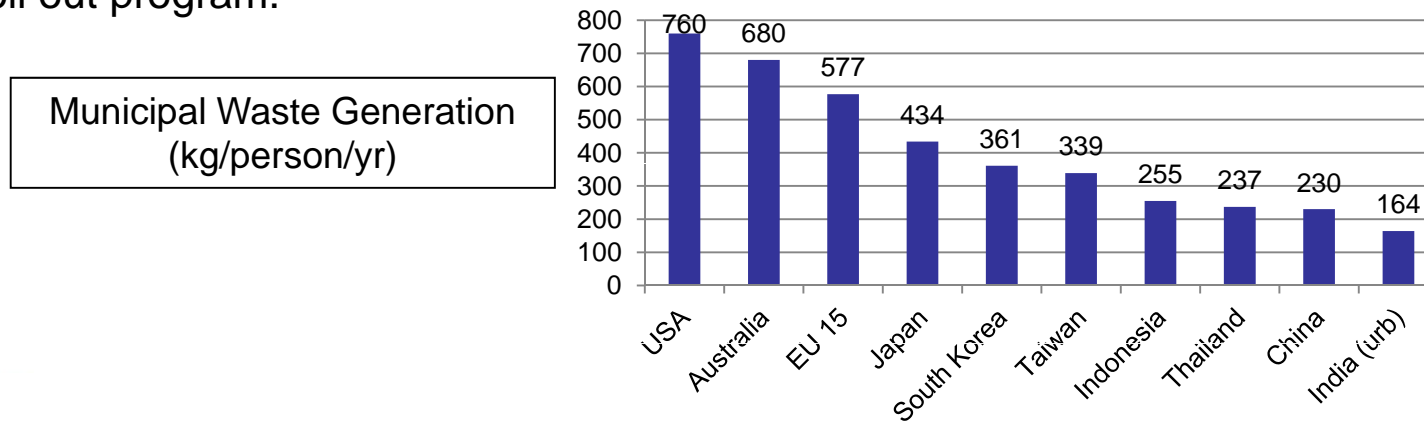
A Huge Market with Strong Drivers

The Waste Management Market:

- A global market > \$400 billion¹ with fast growth (7% annually).
- OECD estimate Municipal Solid Waste generated worldwide to be over 2 billion tonnes per annum.
- Majority of MSW is dumped in landfill or uncontrolled dumps with adverse environmental consequences e.g. contamination of groundwater and release of harmful greenhouse gases.
- Urgent needs for sustainable MSW management. Rapid urbanisation in Asia has created unprecedented growth in waste generation. Per capita waste disposal expected to approach EU levels within 20 years.
- Favourable government policies to sustainable MSW management practices
 - carbon tax/credits, landfill levies, recovery targets.
- Fundamental technological shift from landfill waste disposal to reuse, recycle and recovery of waste.

Opportunities for DiCOM™ in the Global Market

- Global legislation and commercial market forces will drive landfill diversion and ensure strong growth of the MSW management market.
- Advantages of DiCOM™ System offer significant financial benefits relative to next best alternatives.
- AnaeCo's value proposition creates "Game Changing" business opportunities for customers worldwide through licensing of the DiCOM™ System IP.
- Large multinational companies with complimentary assets and global presence can derive significant value by deploying the DiCOM™ System in a rapid global roll out program.



Competitive Advantages

1. Compact, industrialised bioconversion process enables lower capital and operating costs with valuable bio-products to provide bankable plant business model.
2. No chemicals or specialized microbial cultures utilised. The process operates using natural conditions and microorganisms.
3. Modular plant design with flexible capacity able to be integrated with existing waste management infrastructure. Easy integration with urban environment and reduced transportation costs.
4. Flexibility to process a variety of waste and residue streams.
5. All contaminants are removed from the recovered compostable organic material before DiCOM™ bioconversion.
6. Faster and efficient production of renewable energy from biogas, and stabilised compost.
7. No off-site environmental impacts such as odour and noise emissions.
8. The modular design of the DiCOM™ System enables global roll-out of scalable plants from 20,000tpa (80 tonnes/day), and upwards by increments of 20,000tpa.

DiCOM™ - Best Triple Bottom Line Outcome

- High degree of social acceptance.
- Environmentally sustainable – NO undesirable environmental impacts.
- In sync with philosophy of waste recycling and recovery.
- Attributes of the Ideal Waste Management Solution.
 - Economically viable.
 - Socially acceptable (health & safety) – Social license to operate.
 - Environmental sustainability.

| | Economics | Social | Environment |
|--------------|-----------|--------|-------------|
| DiCOM™ | ✓✓ | ✓✓✓ | ✓✓✓ |
| Landfill | ✓✓✓ | X | X |
| Incineration | ✓✓ | X | ✓ |

Our Business Model

Who are we?

- A world leading AWT (Alternative Waste Technology) solution provider.
- Providing a Technology solution for the treatment of MSW.

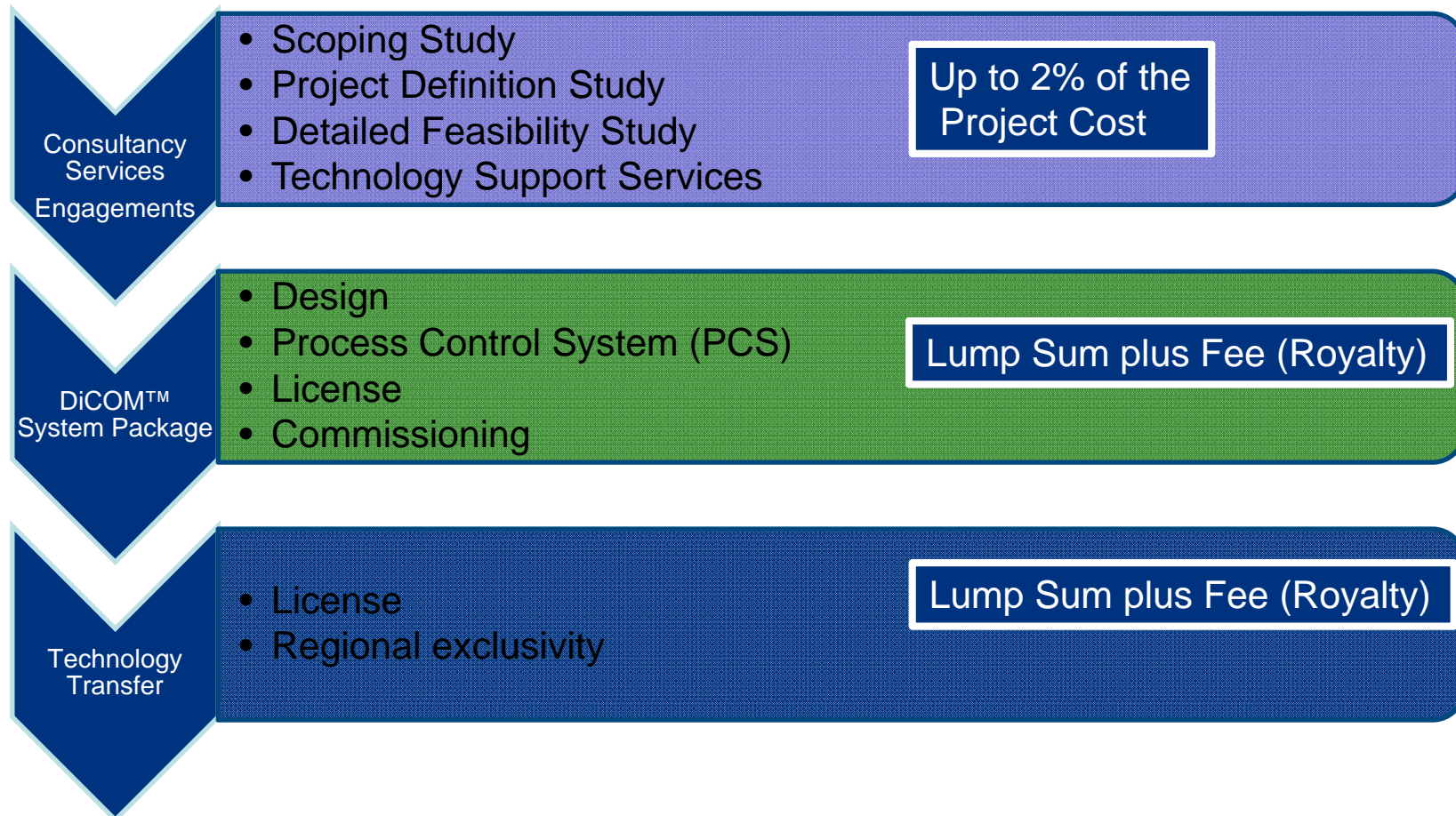
Who are our clients?

- Waste management companies.
- Government authorities.
- Environmentally focused organisations.

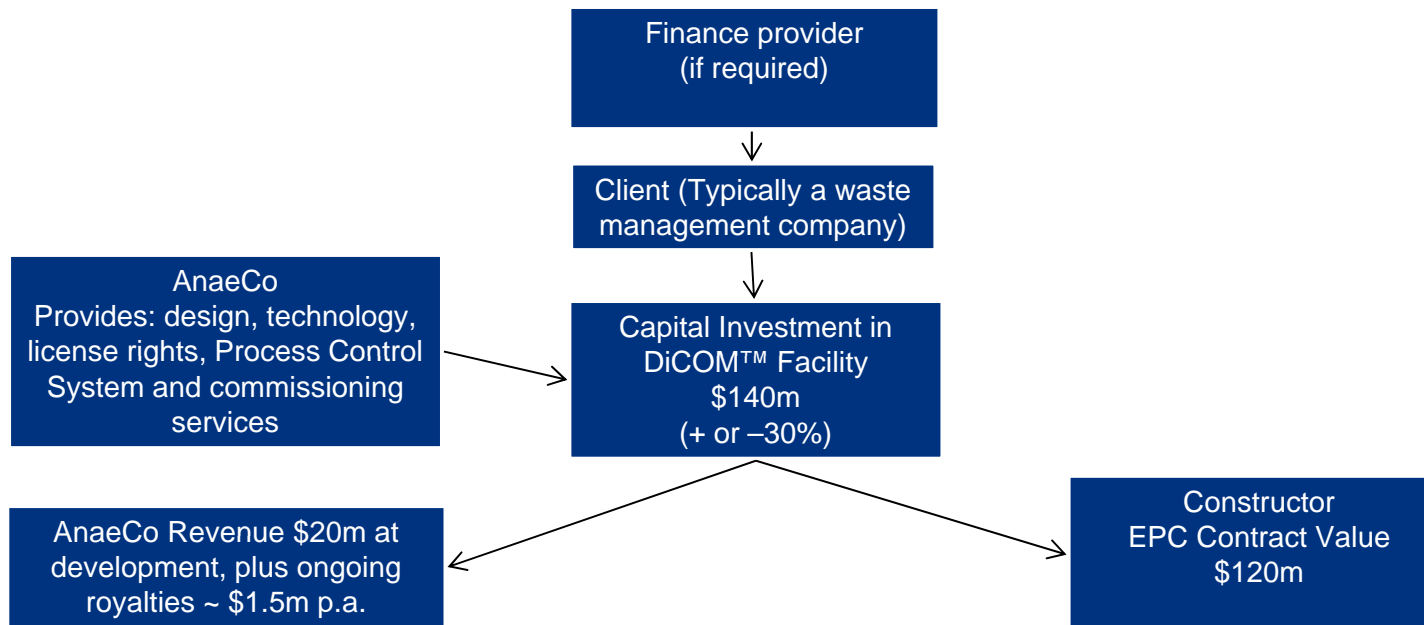
What do we offer?

- The DiCOM™ System Package.
- Technology Transfer / License.
- Consultancy Services.

Our Business Model



Illustrative Commercial Structure – Sale of DiCOM™ System Package to a Project in Australia



- A typical DiCOM™ facility in Australia treating 200,000 tpa of MSW will cost approximately \$140m, and with a gate fee of \$180/t, will provide an ungeared project internal rate of return of 17% to the owner (client/finance provider). IRR calculated over 20 years.

Value Proposition

- Focused on providing innovative waste management solutions incorporating the DiCOM™ System for waste stream owners, managers and operators.
- The DiCOM™ System – enables all parties in the waste value chain to make higher financial returns through :
 - Lower capital and operating costs,
 - Valuable bio-products and recyclable feedstock opportunities,
 - High efficiency industrial process with low emissions, and
 - Repeatable and bankable business model.

Financial Summary

- Funding to date has been sustained by shareholder loans, and R&D tax incentive refund.
- R&D Tax Incentive of \$4.9m claimed for 2012 year. Receipt expected Q1 2013.
- Successful completion of WMRC will be the catalyst for new orders, leading to positive cash flow in 2013/2014.
- New work on feasibility studies and new DiCOM™ System project package sales should be self funding almost immediately, with margins improving as regularity of work and order book fills.
- This creates the base for Technology Transfer & Licensing sales which provide high margin growth potential.

WMRC DiCOM™ Expansion Project (60,000tpa)

Commissioning in progress.

- Waste into plant: Q1 2013.
- Full operational processing: Q2 2013.
- Handover to client: Q4 2013.



Milestones Achieved

Technology / Intellectual Property

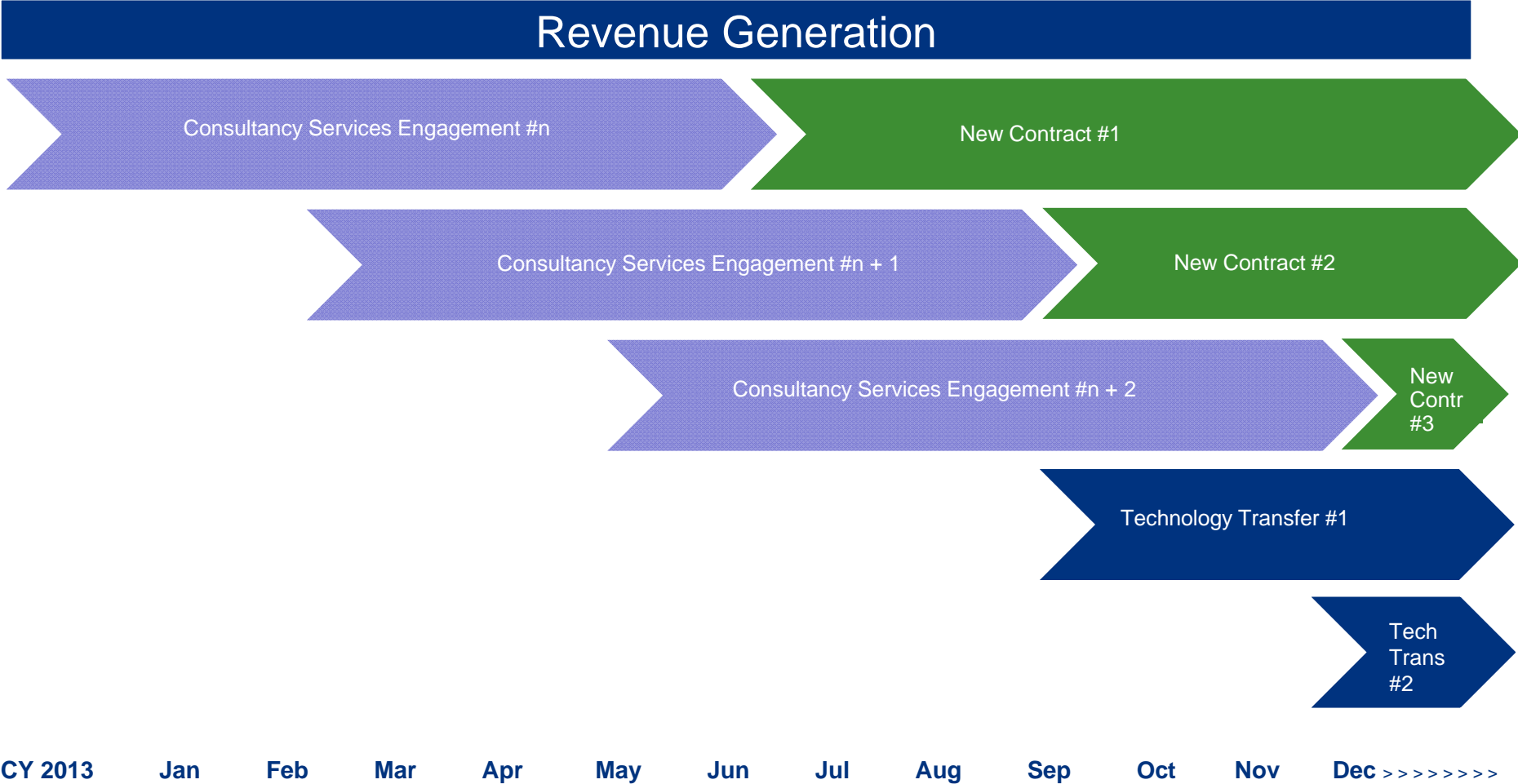
- Strong IP protection headlined by eleven international patents.

Business Development

Creating a pipeline of emerging project opportunities:

- MOUs signed with a number of Australian organisations,
- MOUs signed with a number of International organisations:
 - China (Dynagreen Environmental Protection Group Co., Ltd, a subsidiary of Beijing State-Owned Assets Management Co., Ltd)
 - India (Brisanzia Technologies Pvt Ltd)
 - Iraq (Repindo Resources Pty Ltd re Basra Governorate Council)

Business Development Timeline



Business Development Pipeline

Targets for 2013

- Sign additional MOUs with strategic partners.
- Conduct 2 – 4 consultancy services engagements.
- Close 1 – 2 new contracts for DiCOM™ System package.
- Close 1 – 2 new contracts for Technology Transfer/Licensing.
- Establish EPCM/engineering partnership.

Investment Highlights

- Unique technology sets the Company apart from competitors.
- MSW volumes continue to increase at a vast rate.
- This represents a huge market opportunity for companies who can adapt and offer an environmentally sustainable and commercially viable waste management solution.
- The DiCOM™ System helps forward thinking companies meet this challenge with the pedigree of 14 years of Research and Development.
- The WMRC Expansion Project will be the world's first commercial scale DiCOM™ System to go into operation.
- R&D phase soon to be complete, opening the door to new contracts and revenue.
- 2013 will be a pivotal year of transition from technology development to commercialisation for AnaeCo.

NOW IS THE TIME TO CAPITALISE!