

## Emefcy Group – Vision and Key Goals for 2016

### Highlights

- Emefcy articulates 5 year vision and key 2016 goals to enable this to be realised
- Pipeline of potential projects estimated at A\$13 million with 40 projects in North America, the Caribbean, Latin America, Australia, Europe, Africa and Israel
- Signed first commercial contract for municipal wastewater treatment in Ha-Yogev, Israel
- Modules are being manufactured and will soon ship to the Ha-Yogev construction site
- First revenue expected this quarter

The Directors of Emefcy Group Limited (ASX: EMC) (“**Emefcy**” or the “**Company**”) are pleased to provide the following update announcing a broader vision and key goals for the 2016 calendar year. This announcement follows the successful completion of the capital raising and listing of Emefcy in December 2015.

In 2016 Emefcy moves from its previous focus on R & D and product testing to full commercial rollout. The areas outlined below are all essential steps in the process of building of a long term, sustainable and successful business in the wastewater treatment industry, an industry that continues to grow rapidly in both the developed and developing countries.

### Emefcy’s Vision

Become the **market leader** for resource-efficient & energy-positive wastewater treatment within our target segments in municipal & industrial wastewater by 2020, a market estimated at over A\$8 billion.

*“2016 is expected to be a milestone year for Emefcy. Since our inception we have had over A\$21 million invested from top tier VC & corporate investors to get us to commercial readiness and have the infrastructure in place to fulfil its upcoming sales. We have a promising sales pipeline of prospects in North America, the Caribbean, Latin America, Australia, Europe, Africa, and Israel, all of whom are, looking for a low opex solution that fulfils their wastewater treatment needs.”*

**Richard Irving, Executive Chairman, Emefcy Group Limited**



*“At recent water conferences we have met many wastewater systems integrators that had a ‘light bulb’ moment when introduced to our cutting edge SABRE technology enabling simple, decentralized wastewater treatment. This consumes 90% less electricity than conventional technologies, produces 50% less sludge, is quiet enough to use in built up areas, is easy to install and very easy to operate. The high water quality enables re-use for irrigation. This combination has made Emefcy one of the most popular wastewater exhibitors in recent times.”*

**Eytan Levy, Managing Director & CEO, Emefcy Group Limited**



## Emefcy Goals – 2016

	Goals	Why This Matters
Revenue Goals	<ul style="list-style-type: none"> <li>Achieve first Emefcy revenue from the Ha-Yogev, Israel project in Q1 2016</li> <li>Successfully complete the first commercial deployment of SABRE modules at Ha-Yogev by the end of Q2 (June 2016)</li> </ul>	Proves SABRE technology on a <b><u>commercial scale</u></b> - an important reference site for future customers
Sales Goals	<ul style="list-style-type: none"> <li>Secure a minimum of two additional contracts for deployment of SABRE technology including at least one new geographic market by Q4 (December 2016)</li> <li>Establish operations in Australia</li> <li>Achieve cumulative signed contracts of at least A\$1 million in 2016</li> </ul>	With over 40 potential projects totalling over A\$13 million, Emefcy's current potential sales pipeline exceeds earlier expectations. Winning contracts beyond Israel will provide <b><u>further reference sites</u></b> to support the anticipated deployment of SABRE 2 in 2017, expected to yield <b><u>larger contracts &amp; higher margin</u></b> sales
Product Goals	<ul style="list-style-type: none"> <li>SABRE 2 market-ready by Q4</li> <li>Continue new product development – SUBRE, EBR</li> </ul>	Next generation product serves <b><u>markets estimated to exceed A\$2.5 billion</u></b> at <b><u>anticipated higher margins</u></b>
Market Goals	<ul style="list-style-type: none"> <li>Finalise the China business model for SABRE technology solutions and appoint a China business partner by Q4 to allow China market entry in the future once suitable product and market opportunities are secured</li> </ul>	Interest from several potential Chinese strategic partners indicate <b><u>substantial market opportunity</u></b> for distributed municipal wastewater treatment solutions – including many villages and small towns. A partner will help <b><u>expedite the roll out of SABRE</u></b> solutions to meet these needs
	<ul style="list-style-type: none"> <li>Finalise the business model to supply water ready for implementation by Q4</li> <li>Continue to aggressively build pipeline via key trade shows, partners &amp; other marketing initiatives</li> <li>Continue to build the profile of Emefcy in key geographies</li> </ul>	Emefcy's low-cost solution enables a <b><u>recurring revenue model by selling recycled water for irrigation</u></b> , replacing high-cost water and wastewater treatment. This benefits both the customer and Emefcy
Corporate Goals	<ul style="list-style-type: none"> <li>Establish a relationship with a North American capital markets communication advisor in Q1</li> <li>Make key sales and management hires</li> <li>Secure non-dilutive financing</li> </ul>	Assists Emefcy to <b><u>reach strategic investors</u></b> & communicate with investors Enables Emefcy to <b><u>execute on global plan</u></b> Minimises shareholder dilution

Further Progress Indicators					
Market-ready Products	Total Potential Value of Pipeline	Number of Projects in Current Pipeline	Number of Regions	Closed Contracts	Closed Contract Value
1 (SABRE)	A\$13 million	40	7	1	A\$380K

Updates to the Ha-Yogev project will be provided on the Emefcy website – [www.emefcygroup.com](http://www.emefcygroup.com)

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### About Emefcy Group Limited (ASX: EMC)

Emefcy offers a commercially-proven wastewater treatment solution 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. Emefcy’s future technology under development, EBR - The Electrogenic Bioreactor will 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.

*This announcement contains forward-looking statements as to the targets and goals of the Company based on an assessment of past and present operating conditions. Such forward-looking statements 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.*