

26 July 2010

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WMRC Project Update

Environmental approval to construct Stage 2

Commencement of construction of Stage 2 of the WMRC DiCOM facility has moved another step closer with the issuing of the environmental Works Approval by the WA Department of Environment and Conservation.

Tom Rudas, Managing Director of AnaeCo says: "The granting of the Works Approval for Stage 2 comes on the back of advice from the WA Environmental Protection Authority that overall environmental impact of the proposal is not so severe as to require formal assessment by the EPA. We believe this is largely due to the advanced design features of the DiCOM System and successful operation during Stage 1, where the environmental performance of the DiCOM System was subjected to high levels of performance review and significant operating data was gathered."

With Stage 2 essentially being an expansion of Stage 1, the Works Approval has been issued with general conditions in line with the approval for Stage 1. This means no requirement for modifications to the Stage 2 design and smooth progress towards commencement of construction.

Remaining matters to be ticked off before construction can commence are planning approval and finance approval.

Planning approval will be issued by the WA Planning Commission. An application was submitted in March 2010. Community consultation has been completed without issue and AnaeCo is forecasting planning approval coming through in August 2010.

Finance is being handled by majority equity owner, Palisade Regional Infrastructure Fund (PRIF). PRIF has advised AnaeCo that raising bank debt for this project in the current economic climate is proving challenging, and therefore



PRIF is evaluating financing the project during construction by applying its own equity resources.

Whilst the approvals and finance processes continue AnaeCo has been continuing with engineering design and other pre-construction activities.

Engineering design was completed in April 2010, following which all tender drawings and packages were prepared. Tenders are ready to go and will be issued immediately following notification of finance approval.

Given the above, AnaeCo and JV partner Monadelphous are forecasting commencement of construction in November 2010.

ENDS

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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