

A FOCUS ON COMMERCIALISATION

Investor Presentation
June 2012



AnaeCo

Disclaimer

This document has been prepared by AnaeCo Limited (“**AnaeCo**”) to provide a summary of the company’s activities as at the date this document was finalised, being 11 June 2012. None of AnaeCo, nor any of its related bodies corporate, their respective directors, partners, employees or advisers or any other person (“**Relevant Parties**”) makes any representations or warranty to, or takes responsibility for, the accuracy, reliability or completeness of the information contained in this document, to the recipient of this document (“**Recipient**”), and nothing contained in it is, or may be relied upon as, a promise or representation, whether as to the past or future.

The information in this document does not purport to be complete nor does it contain all the information that would be required in a disclosure statement or prospectus prepared in accordance with the Corporations Act 2001 (Commonwealth). It should be read in conjunction with AnaeCo’s other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au.

This document is not a recommendation to acquire AnaeCo shares and has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek appropriate advice, including financial, legal and taxation advice appropriate to their jurisdiction. Except to the extent prohibited by law, the Relevant Parties disclaim all liability that may otherwise arise due to any of this information being inaccurate or incomplete. By obtaining this document, the Recipient releases the Relevant Parties from liability to the Recipient for any loss or damage that it may suffer or incur arising directly or indirectly out of or in connection with any use of or reliance on any of this information, whether such liability arises in contract, tort (including negligence) or otherwise.

This document contains certain statements. The words “forecast”, “estimate”, “like”, “anticipate”, “project”, “opinion”, “should”, “could”, “may” and other similar expressions are intended to identify future earnings, financial position and performance of AnaeCo. You are cautioned not to place undue reliance on these statements. Although due care and attention has been used in the preparation of these statements, such statements, opinions and estimates are based on assumptions and contingencies that are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. There can be no assurance that any estimates, targets, projections or similar statements are attainable or will be realised.

Recipients of the document must make their own independent investigations, consideration and evaluation. By accepting this document, the Recipient agrees that if it proceeds further with its investigations, consideration or evaluation of investing in AnaeCo it will make and rely solely upon its own investigations and inquiries and will not in any way rely upon this document. In furnishing this document, AnaeCo does not undertake any obligation to update any of the information contained herein or to correct any inaccuracies which may become apparent.

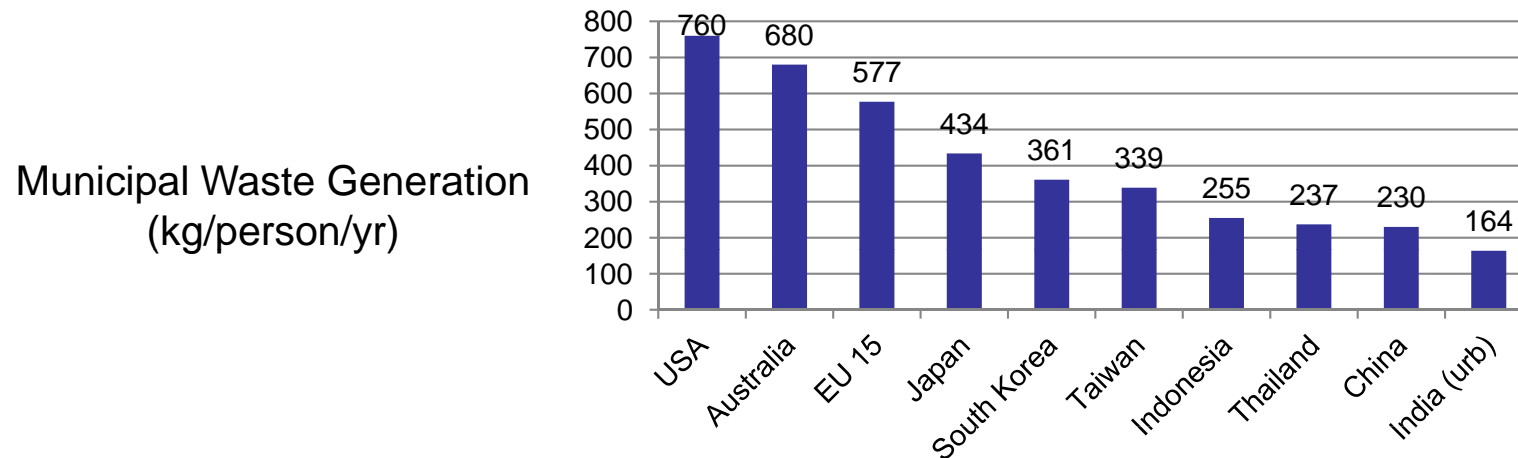
This document is not and should not be considered to form any offer or an invitation to acquire AnaeCo shares or any other financial products, and neither this document nor any of its contents will form the basis of any contract or commitment. Offers of shares will only be made in places in which, or to persons to whom, it would be lawful to make such offers. In particular, this document does not constitute any part of any offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of any “US person” as defined in Regulation S under the US Securities Act of 1993 (“Securities Act”) unless you are a “qualified institutional buyer” (as defined in rule 144A of the Securities Act) to whom an offer has been made by AnaeCo. AnaeCo shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any US person without being so registered or pursuant to an exemption from registration including an exemption for qualified institutional buyers (as defined above).

AnaeCo recommends that potential investors consult their professional advisors as an investment in AnaeCo is considered to be speculative in nature.

A Huge Market with Strong Drivers

The Waste Management Market:

- A global market > \$400 billion¹ with fast growth (7% annually)



- **Urgent needs for sustainable MSW management.** Rapid urbanisation in Asia has created unprecedented growth in waste generation.
- **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

A Proven Technology

WMRC Project: Landmark industrial-scale facility showcasing DiCOM™ System

- 20,000 tpa demonstration facility completed in 2008
- Upgraded to 55,000 tpa commissioning in Aug 2012
- Independently verified:
 - renewable energy
 - quality compost
 - rapid processing
 - compact footprint
 - automated process control

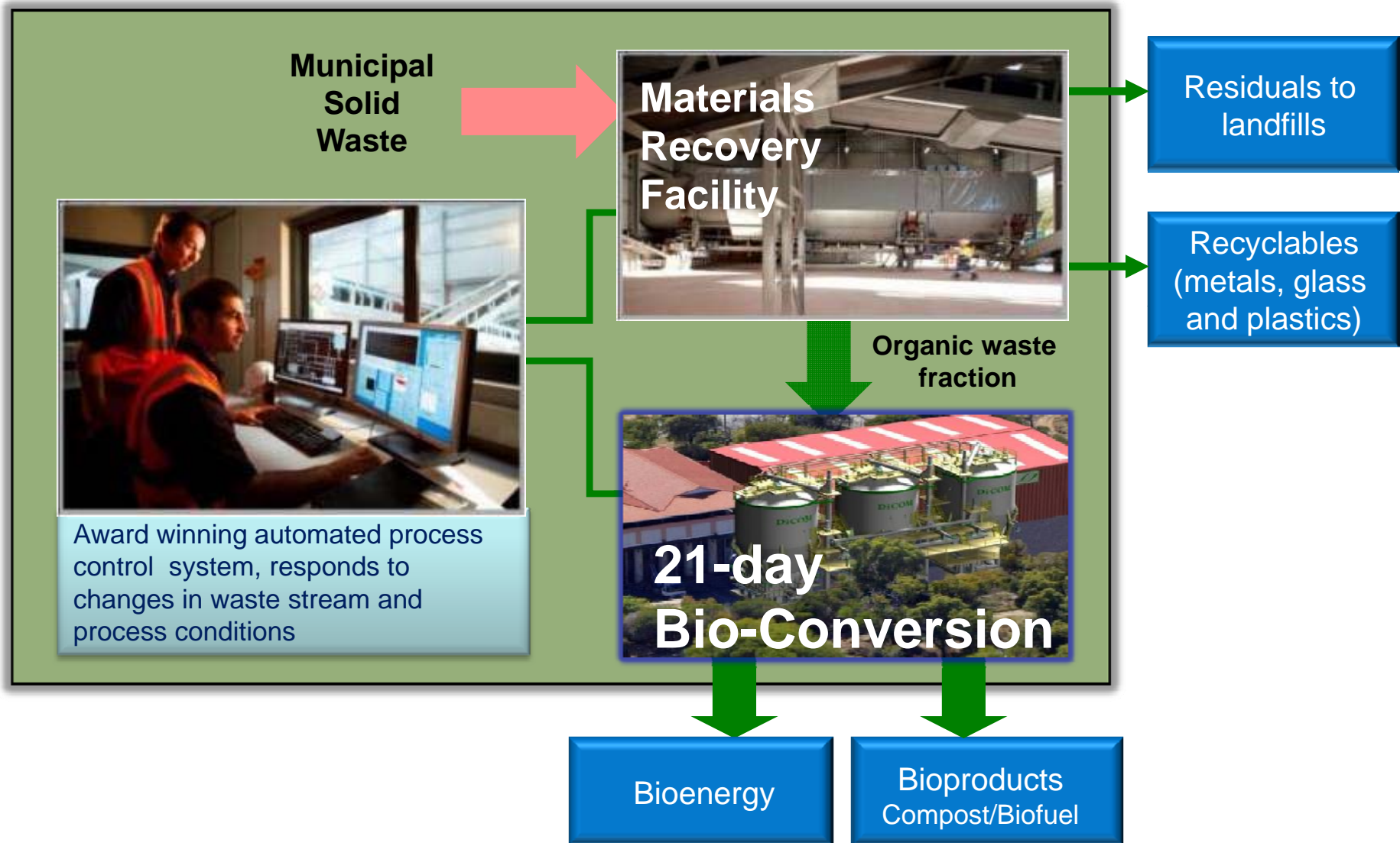


DiCOM™ System

The proprietary & patented DiCOM™ System: three key components:

- **Material Recovery Facility:** trommels, drums and sorting equipment to recover commercially valuable materials such as ferrous and non-ferrous metals, recyclable plastics and glass.
- **Bioconversion Facility:** 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.
- **Process Control System:** unique combination of software algorithms and hardware components to control the entire waste management and recovery system.

DiCOM™ System



Strong Value Proposition

DiCOM™ System: significant advantages over incineration and solid waste composting:

- **Lower operating and capital costs** compared to incineration (60% and 40% respectively)
- **Multiple revenue streams** (recyclables, compost, energy, gate fees)
- **Faster processing time** in 21-day cycle while composting takes 42 to 90 days
- **Compact footprint** (55,000 tpa plant occupies 4,000 m² which is 5x less space than for composting)
- **No hazardous emissions or pollutants** as opposed to incineration and composting
- **No need for expensive & energy intensive odour treatment** (closed vessels)
- **Net energy producer** (about 0.5 MW exported to grid in Shenton Park)
- **Highly scalable** (starting from 60,000 tpa in steps of 20,000 tpa)
- **Up to 90% landfill diversion** (only inert residuals to landfill)

Business Model

- **Positioning**
Technology solution provider to global waste management companies
- **Product and Service**
Licensing and Technology Transfer of DiCOM™ System
- **One Time Charge**
For a typical 200,000 tpa project, AU\$15m to AU\$20m in aggregate for Design & Commissioning fees, the Process Control System and DiCOM™ Licensing fees.
- **Recurring Profit**
Royalties and Technology Support fees of about AU\$1m per annum.

Development Strategy

- Strategically position AnaeCo as a **supplier to waste management companies**, (not a competitor).
- **Industrialise DiCOM™ technology** to enable the development of a licensing and technology transfer business model
- **Concentrate on core disciplines** of mechanical, biological and process engineering, and plant commissioning.



Key Business Highlights

- **Business development**
 - MOU with Transpacific Cleanaway (Australia's largest waste management company), signed in December 2011
 - Prospective 200,000 tpa DiCOM™ facility in NSW Australia, currently under evaluation
 - MOU with Dynagreen Environmental Protection Group in China, signed in May 2012
 - Establish collaborative relationship to exploit the commercial potential of DiCOM™ in China and other countries
- **WMRC expansion project update**
 - Construction completion expected in September 2012
 - Gearing up to commence commissioning of front-end Materials Recovery Facility (MRF) in August 2012

Revenue Targets

Following successful commissioning of WMRC expansion, AnaeCo is targeting revenue growth, from both sales to individual projects and sale of licensing and technology transfer rights.

FY	Revenue	Projects (new starts)	Licenses
2014	\$27.5m	2	4
2015	\$69.1m	3	7
2016	\$97.3m	3	11

Funding and Capital Raising

- \$10 million line of convertible loan from Dr Ian Campbell, director and largest shareholder of AnaeCo, finalised in April 2012
 - Intended to be a standby line of credit to fund WMRC expansion project and other working capital
- New capital raising of \$15 million in June 2012
 - To fund WMRC project commitment, ongoing operating cost and new business development activities

AnaeCo Limited – An Overview

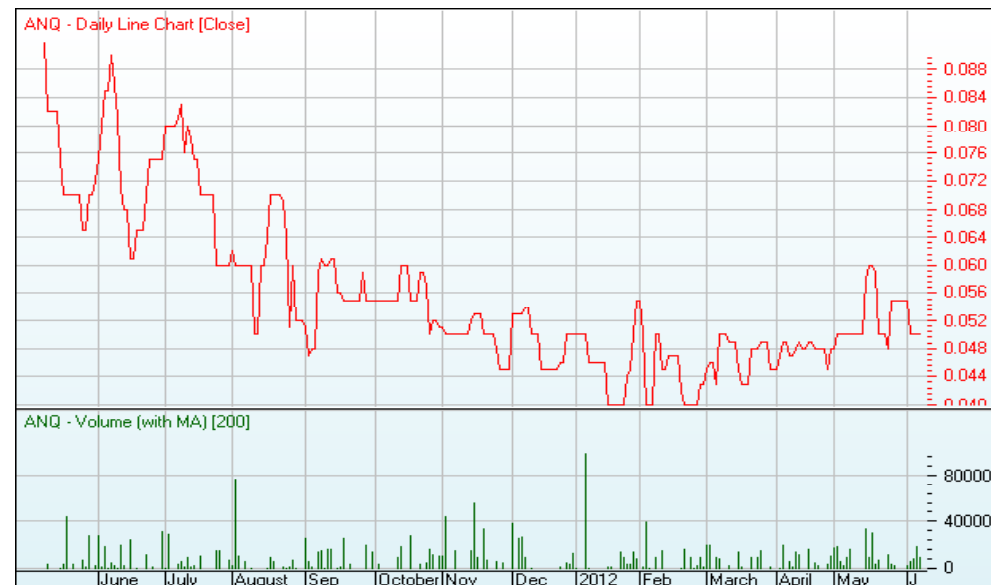
CAPITAL STRUCTURE

<i>Share Price (June 2012)</i>	\$0.05
<i>Shares on issue</i>	397,038,708
<i>Market Capitalisation</i>	\$19.9M
<i>Net Debt</i>	\$0.2m
<i>Enterprise Value</i>	\$20.1m

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)	19.6%
MR LES CAPELLI (Director)	10.8%
MR SHAUN SCOTT (Director)	3.9%
HSBC CUSTODY NOMS (AUSTRALIA) LIMITED	3.9%

% held by top 10	47.7%
% held by top 40	65.6%
% held by Board & management	37.4%

World-Class Management Team

- Technology inventor and scientist Tom Rudas was replaced in August 2011 by a very experienced CEO, Patrick Kedemos, former General Manager at Fortune 500's Air Liquide.
- A new Board was appointed under the guidance of Chairman Shaun Scott, former CEO of one of Australia's largest integrated energy companies.
- 28 permanent staff with strong competencies in biology, process engineering, control systems and waste management.
- The Corporate Secretary and CFO is David Lymburn, a chartered accountant with more than 20 years experience with listed companies.

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.



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.

