



## **SEPTEMBER QUARTERLY REPORT TO SHAREHOLDERS**

The Directors of Integrated Green Energy Solutions Ltd (“IGES” or “the Company”) are pleased to provide Shareholders with an update of activities for the Company.

### **Amsterdam Project**

#### **Construction**

The construction of the 100 tonne per day (“TPD”) Amsterdam facility is progressing well. As relayed in previous announcements, all piling work has been completed and all form work for the foundation concrete beams is also now complete, with the pouring into the trenches to be finalised by 2 November 2018. Once complete, these will provide support for the fuel production and plastic processing buildings. Final excavation work around pile tops is then completed, after which the concrete slab is scheduled to be poured, allowing the fuel production and plastic processing buildings to be erected.

Structural steel for the fuel production and plastic processing buildings is on schedule, with over 300 tonnes due to be delivered to site.

#### **Feedstock secured**

As announced on 27 August 2018, the Company executed a 10-year feedstock agreement with PARO Amsterdam BV (“PARO”).

PARO are The Netherlands leaders in waste logistics, waste processing and waste recycling. They are ideal partners for IGES, as they have a strong focus on innovation and a commitment to the circular economy.

As part of its agreement with PARO to supply 24,000 tonnes of waste plastics per annum, IGES will be paid up to €20 per tonne to accept these plastics at its Amsterdam facility.

### **United Kingdom**

As previously announced, IGES is in the process of acquiring a site located in Grimsby, United Kingdom. IGE propose to develop this site into a 200TPD facility. IGES is on due to settle on the land by 30 November 2018.

The facility will initially process 200 tonnes per day of waste plastics to fuel. Meetings with local regulators, the planning department and the UK Environmental Agency have been positive to date, and planning for the project is already well progressed, with extensive site investigations having already been undertaken.

### **Singapore Headquarters**

IGES continues to strengthen its management team, with several key hires announced for its Singapore global headquarters, including Global Chief Financial Officer Mr Kian Hong, Global Procurement Manager Mr Paulo Tanure De Almeida Rafael, Director of Marketing and Communications Ms Hazlinda Bte Mohd Nuron and Director of Global Projects Mr Corey Budd.

These key roles will assist in driving the board's global growth strategy, whilst providing experienced support in managing an expanding international business through the implementation of appropriate strategies, procedures and controls in the key areas of finance, operations, construction and marketing.

### **China**

In August 2018, the Company sent a contingent of IGES executives to China and Hong Kong to progress the Beautiful China Holdings Company Limited ("**BCH**") project.

This group included Executive Chairman Mr Paul Dickson, newly appointed Director of Global Projects Mr Corey Budd and Director of Operations and Quality Mr John Sneddon. The trip included an inspection of the site for the proposed 200TPD BCH joint venture facility, in addition to meeting with local planning and environmental regulators. After positive discussions with these parties, IGES and BCH are now well advanced in finalising submissions for environmental and planning approval.

As previously announced, IGES will hold a 51% equity position in the joint venture and will control 3 out of 5 board positions.

### **Hong Kong**

In addition to advancing the BCH project, this trip also included a site visit with Hong Kong based recycling company Hong Kong Telford Envirotech Group Limited ("**Telford**") to the location for the proposed facility to be constructed by a joint venture between IGES and Telford. After constructive discussions were held between IGES representatives, Telford and the Environmental Protection Department of Hong Kong, IGES is now investigating applying for a lease on an adjacent site in the Hong Kong EcoPark to that already secured by Telford which will provide the joint venture with the potential to expand operations once the planned 200TPD facility is operational.

As announced on 2 July 2018, IGES will hold a 70% equity stake in the joint venture company with Telford and will control 3 seats of the 5-seat board, in addition to controlling the appointment of all key management personnel.

### **About IGES**

IGES is a company focused on converting waste plastic that is destined for landfill or discarded into the environment, into valuable fuels. The company has a patented waste plastic to fuels process that results in a range of fuels and products, including Naphtha, Marine fuel and Marine Diesel Oil (MDO). The specific products we provide from our range are determined by the territory requirements for each individual site location. The Company believes that utilising its technology will inevitably reduce the amount of plastic entering the environment. It will also help to create circular economies, serving to provide a cleaner planet for the next generation while bringing value to shareholders.

### **FOR FURTHER INFORMATION CONTACT:**

**Joshua Herbertson, Company Secretary      +61(0) 438 771 846**

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

INTEGRATED GREEN ENERGY SOLUTIONS LTD

**ABN**

23 003 669 163

**Quarter ended ("current quarter")**

30 September 2018

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing		
(d) leased assets		
(e) staff costs	-709	-709
(f) administration and corporate costs	-801	-801
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-34	-34
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	483	483
1.8 Other (GST/VAT refunded)	1,503	1,503
<b>1.9 Net cash from / (used in) operating activities</b>	<b>442</b>	<b>442</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-3,152	-3,152
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:	-	-
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-3,152</b>	<b>-3,152</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	1,604	1,604
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-33	-33
3.5	Proceeds from borrowings	629	629
3.6	Repayment of borrowings	-	-
3.7	Transaction costs and funds held in escrow related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>2,200</b>	<b>2,200</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	1,298	1,298
4.2	Net cash from / (used in) operating activities (item 1.9 above)	442	442
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-3,152	-3,152
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,200	2,200

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>788</b>	<b>788</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	788	788
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (proceeds from sale of property)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>788</b>	<b>788</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter  
\$A'000**

236

-

Directors Fees

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter  
\$A'000**

-

-

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	3,831	3,831
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		


Unsecured loans from unrelated and related parties. Interest rate of 12% per annum.

9. <b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Research and development	-
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	874
9.6 Administration and corporate costs	947
9.7 Other (Construction of Amsterdam Facility)	2,581
<b>9.8 Total estimated cash outflows</b>	<b>4,402</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	<b>Acquisitions</b>	<b>Disposals</b>
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

### **Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:   
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(Company secretary)

Date: 31 October 2018

Print name: Joshua Herbertson

### **Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.