



Integrated Green Energy Solutions Ltd

ABN 23 003 669 163

And Controlled Entities

HALF YEAR REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2018

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2018 and any public announcements made by Integrated Green Energy Solutions Ltd during the interim reporting period in accordance with the continuous disclosure requirements of the Australian Corporations Act 2001.

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CORPORATE DIRECTORY

DIRECTORS

Paul Dickson	(Executive Chairman)
Stuart Clark	(Managing Director)
Bevan Dooley	(Executive Director)
Kilroy Genia	(Non-Executive Director)
David McIntosh	(Non-Executive Director)

SECRETARY

Joshua Herbertson

REGISTERED OFFICE

Suite 202
60 Archer St
Chatswood, NSW, 2067
Ph: (02) 8920 2300

SHARE REGISTER

Boardroom Pty Limited
Level 12, 225 George St
Sydney, NSW, 2000
Ph: 1300 737 760

AUDITOR

Hall Chadwick
Level 40, 2 Park Street
Sydney, NSW, 2000
Ph: (02) 9263 2600

SOLICITOR

Thomson Geer
Level 25, 1 O'Connell Street
Sydney, NSW, 2000

BANKERS

Westpac Bank Limited
275 George Street
Sydney, NSW, 2000

STOCK EXCHANGE LISTING

Integrated Green Energy Solutions Ltd shares are listed on the Australian Securities Exchange.
ASX Code: IGE

WEBSITE ADDRESS

www.igesolutions.org

Chairman's message

Dear Fellow Shareholder,

Your investment and interest in Integrated Green Energy Solutions Ltd is appreciated and has allowed us to make significant progress over the last year. Our patented technology that allows us to convert end-of-life non-recyclable plastics into road ready fuel is being embraced across the globe by people and communities that share our vision for the future: a future where end of life non-recyclable plastic is given a value instead of consuming landfill and polluting our environment through its inland waterways and magnificent oceans. This progress has gained momentum with China's policy to cease receiving the worlds waste and making each country accountable for the management of its domestic waste.



I am pleased to share that the construction of our flagship facility in Amsterdam is progressing well and remains on track. We have completed several major milestones on the path towards the installation of the first 50 tonne per day module.

The steps completed are:

- Piling and installation of foundation;
- Concrete beams with reinforced trenches filled with concrete;
- Excavation work around pile tops;
- Tank pit foundation;
- Electric Switchroom (2MW); and
- Module construction: 1st 50 tonne per day ("TPD") set.

In addition, the preparation for the concrete slab pour for the production area is 90% complete. Also, the first set of IGES patented plastic to fuel processing modules are past the half-way mark in their journey around the world to Amsterdam. Pouring of the concrete slab is due to commence in the first week of March, while the modules will arrive later in March and thereafter we will have the key components in place to allow construction to progress rapidly.

We remain focused on maintaining a high level of corporate governance and ensuring we fulfil our obligations as a good neighbour. As we progress the construction, the Company continues to work closely with the Dutch Competent Authority and other permitting authorities to ensure that the site be fully compliant with all relevant regulations and requirements prior to operations commencing.

China's ban on import of foreign waste continues to offer new growth opportunities for IGES. The specific impact for our Amsterdam facility is that, end of life plastic feedstock now becomes a source of income for our plant, which translates to a revenue stream of \$4 million a year. Clearly, as previously communicated to the market, the China ban has a profound, positive impact on our global expansion plans, and more importantly cemented a path to dealing with end of life non-recyclable plastic in jurisdictions around the world.

The IGES global strategy to develop previously announced sites in key locations with local partners in China, Hong Kong, United Kingdom and USA continues unabated as we remain clearly focused on completion of our cornerstone Amsterdam plant. As part of this global

expansion strategy, I am pleased to note that new partnerships have also been formed in Spain, Thailand and Australia. Further details are provided on each opportunity in our director's report but fundamentally, it adds up to meaning we are on track to meet our 2020 goal, as announced at our recent AGM, of having 7 plants running at full capacity, 7 plants in construction and 7 plants in development.

We continue to look at ways to enhance our current technologies, to stay ahead of the pack and also to explore new technologies that fit within our company ethos. IGES will continue to increase its investment in R & D as the company grows. One of the new innovations progressing to commercial benefit is utilising plastic sourced from end-of-life automobiles. The by-product is known as automotive shredder residue (ASR) and the plastic component of this ASR will be used as the feedstock for our facility in Camden, Indiana. This will be the world's first plant to convert plastic from cars to road ready fuel, opening a new source of plastic feedstock for IGES to pursue in other countries.

Independent testing continues to support our initiatives. Recent results of independent testing of IGES fuel blend produced using our patented technology by ERP Engineering Pty Ltd, has shown a significant reduction of emissions as compared to conventional diesel. In another independent analysis of the carbon footprint lifecycle, by SCS Global Services, it is concluded that the IGES plastic to fuel process offers a 38% reduction in greenhouse gas emissions throughout the production cycle over petroleum-based diesel and 31% over petroleum-based gasoline. Both test reports are available on our web-site and prove that the IGES chemical recycling of end-of-life plastic into liquid fuels produces a cleaner fuel and positively benefits our environment.

IGES remains committed to our goal of utilising the best available technologies to improve our world's environment and making a real difference to all communities that we partner with. Our major focus currently is utilising end of life non-recyclable plastic that is either destined for landfill or destined to leak into our waterways and oceans. This environmental benefit also creates a range of commercial benefits making our solution self-perpetuating. In every market we enter, IGES will:

- Employ local people through our policy of "local first" when engaging contractors and suppliers;
- Generate profit and positive cash-flow;
- Invest in training and scholarships for local people;
- Create a market for plastics, previously considered worthless;
- Create a safe, clean attractive workplace;
- Create an economic multiplier effect that boosts local businesses; and
- Provide tax revenue to the local government.

IGES delivers a positive commercial impact as well as value to the society and a positive environmental impact wherever we operate.

Here's to a cleaner planet and making a real difference by helping communities across the globe!



Paul Dickson
Executive Chairman

DIRECTORS' REPORT

The Directors present their report together with the financial report of the consolidated entity consisting of Integrated Green Energy Solutions Ltd (“IGES” or the “Company”) and the entities it controlled, for the half year ended 31 December 2018 and Auditor’s report thereon.

DIRECTORS

The names of Directors in office at any time during or since the end of the half year and up to the date of their report are:

<u>Name of Director</u>	<u>Role</u>	<u>Appointed</u>
Paul Dickson	Executive Chairman	24-10-14
Stuart Clark	Managing Director	25-08-16
Bevan Dooley	Executive Director	24-10-14
David McIntosh	Non-Executive Director	15-12-14
Kilroy Genia	Non-Executive Director	21-01-15



Paul Dickson



Stuart Clark



Bevan Dooley



David McIntosh



Kilroy Genia

REVIEW OF OPERATIONS

The Board of IGES is pleased to provide shareholders of the company with the current detail regarding some of our major initiatives.

Amsterdam Project

Construction

The construction of the 100 tonne per day Amsterdam facility continues to progress to plan. As announced on 29 January 2019, the first set of these modules has been completed and is now on the water and expected to be onsite in March 2019. This a key milestone in the project, as the modules contain the patented plastic to fuel technology owned and developed by the Company. Concurrently, site preparation for acceptance of the IGES modules is almost complete, with the production area slab to be completed in the first week of March, readying the site to accept delivery of each module immediately as they arrive on site.

Funding

As announced on 14 November 2018, IGES began the initial drawdowns of its loan funding in the second quarter. The Company has successfully deferred and minimised its funding and managed available cash reserves. This has been with a view to link repayment of its debt funding with the plant being operational and also to meet its obligation from cash flows

generated from the initial 100 TPD plant capacity. That is, we have looked to minimise debt drawdowns in order to minimise our liabilities as activities ramp up.

Partnerships

Whilst the Company's strong focus continues to be the completion of the Amsterdam facility, IGES has continued with its global strategy of establishing sites in key locations.

Existing Projects

China

IGES continues to work closely with its local joint venture ("JV") partner, Beautiful China Holdings Company Limited ("BCH") and has lodged various approval documents for the project with a range of local government agencies. The Company expects preliminary approvals by the end of March 2019, at which point it will progress to full design and environmental approvals.

Hong Kong

IGES has engaged international engineering consulting firm Meinhardt to provide a full range of reports required to progress to the design and construction of the proposed 200 TPD facility to be located in EcoPark, Hong Kong. As previously announced, the Company has secured approval from the Environmental Protection Department of Hong Kong ("EPD") to lease a site in EcoPark.

Grimsby, United Kingdom

IGES has 2 employees on the ground in Grimsby, who are progressing the project. A site has been selected and the Company continues to work with the local government and regulatory bodies to gain planning and environmental approval.

Northampton, United Kingdom

The Company has been pleased with the very positive feedback received to date from local approval bodies, and expects to have full approval in the short term. When these approvals are received, IGES will move to construct a 200 TPD facility on the selected site, which is expected to be operational in the first half of 2020.

US

IGES continues to progress this proposed facility with its JV partner GEP Fuel & Energy LLC ("GEP"). As announced on 19 December 2018, a joint submission between IGES and GEP to have the proposed site for its 1,500 TPD facility permanently rezoned to Heavily Industrial (I-2) has been unanimously approved by the local government body, the Carroll County Board of Commissioners. This is a key development, as the absence of any time restrictions provides a strategic advantage to IGES, as it aligns with the Company's intention of operating from this site in the long term. IGES has also been informed that town utilities from Camden, including electricity and water services, will also be made available to the site.

New Partnerships

Consistent with its global expansion strategy, on 2 November 2018 the Company announced it had executed term sheets with new partners in Spain, Thailand and Australia for the proposed construction and operation of plastic to fuel plants in those jurisdictions.

Spain

IGES executed a term sheet with Ecology Management Waste, S.L ("EMW"). The management of this company has over 20 years' experience in waste collection, aggregation and recycling in Spain. The agreement locks in local assistance in IGES in the achievement of government approval and the supply of 200 TPD feedstock respectively for two plants. That is, the combined feedstock capacity for the two planned facilities is 400 tonnes per day and

therefore, the initial outlay capacity from the two Spanish plants combined is expected to produce 140 million litres of fuel per annum.

IGES and EMW have agreed to have detailed contractual terms executed by 31 March 2019 for this project.

Thailand

IGES has executed a term sheet with Infinite Recycling Co. Ltd (“IRC”). IRC has expertise with respect to the expansion of pre-established waste to energy projects as well as assisting clients to successfully leverage their technology in Thailand. IRC’s experience is clearly relevant in assisting IGES to expand into Thailand. Under the agreement, IRC will be responsible for the supply of plastic feedstock to the 200 TPD plastic to fuel plant and provide full assistance in obtaining governmental approval for the site.

IGES and IRC have agreed to have detailed contractual terms executed by 31 March 2019 for this project.

Australia

A memorandum of understanding (“MOU”) has been signed between IGES and Acacia Green Energy Pty Ltd (“AGE”) to construct a plastics to fuel facility in Victoria. The proposed location for the facility is near Shepperton in Central Victoria, where this will be a much-needed facility as it will enable recycling of agricultural plastic which is currently being sent to landfill.

Under the terms of the MOU, AGE must produce all submission and commission of any reports required to receive operating and construction approvals from the relevant local and state government authorities. AGE will be responsible for overseeing and funding this approval process.

Corporate Governance

During 2nd quarter, IGES sought to strengthen its corporate governance by expanding its relationship with its share registry, Boardroom Pty Ltd. In addition to the share registry services currently provided, Boardroom has now been tasked with providing corporate secretarial advice and corporate governance consultancy services, including:

- Corporate Governance support;
- Corporate Secretarial;
- Legal;
- ASX disclosure and compliance;
- AGM preparation;
- Organisation of board meeting; and
- Minutes of all board meetings.

Financial Result

Due to the expenditure in the Amsterdam project and other project development activities, the Group has incurred a net loss of \$3,823,995 for the six months ended 31 December 2018 (HY 2017: net loss \$4,343,656).

As the Company has gained stability, it has successfully negotiated its finance costs down. This has allowed IGES to invest in consulting and employee resources as we grow the Company, shown in the Company’s Consolidated Statement of Profit or Loss.

In addition, as part of the transition from its pre-relisting activities the Company has taken the decision, as part of good governance and good housekeeping, to isolate and remove the

accumulated losses relating to exploration activities prior to relisting. This allows our balance sheet to properly reflect current activities and reduces accumulated losses by \$112,222.023.

Going Concern Basis of Accounting

Notwithstanding the loss incurred, the financial statements of the Group have been prepared on a going concern basis, which indicates continuity of business activities and the realisation of assets and settlement of liabilities in the normal course of business. Please refer to Note 1: "Going concern basis of accounting".

Dividends Paid, Recommended or Declared

No dividends were paid, declared or recommended during the half year and up to the date of this report.

Auditor's independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set up on page 9.

This report is made in accordance with a resolution of the Directors.



Paul Dickson
Executive Chairman
28 February 2019

HALL CHADWICK  (NSW)

**INTEGRATED GREEN ENERGY SOLUTIONS LIMITED
AND CONTROLLED ENTITIES
ABN 23 003 669 163**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF INTEGRATED GREEN ENERGY SOLUTIONS LIMITED**

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia
Ph: (612) 9263 2600
Fx: (612) 9263 2800

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2018 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner
Dated: 28 February 2019

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An Association of Independent
Accounting Firms



**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**
FOR THE SIX MONTHS ENDED 31 DECEMBER 2018

	Note	Consolidated	
		31/12/2018 \$	31/12/2017 \$
Revenue from continuing operations			
Other revenue			
Finance income		27	4,575
Other income		-	-
Expenses			
Administrative expenses		(823,307)	(552,372)
Consultants expenses		(1,021,880)	(659,624)
Corporate expenses		(51,605)	(341,263)
Depreciation and amortisation		(15,907)	-
Due diligence and transaction costs		-	(202,589)
Employment expenses		(1,003,607)	(402,348)
Finance costs	4	(731,239)	(1,868,622)
Insurance expenses		(26,635)	(28,306)
Impairment Expense		-	(155,425)
Occupancy expenses		(149,843)	(137,682)
Loss before income tax expense		(3,823,995)	(4,343,656)
Income tax benefit		-	-
Net loss for the period		(3,823,995)	(4,343,656)
Other comprehensive income			
Items that may be subsequently be classified to profit or loss			
Exchange differences arising in translation of foreign operations		(290,450)	-
Total comprehensive income for the period, net of tax		(4,114,445)	(4,343,656)

	Cents / Share	
	31/12/2018 \$	31/12/2017 \$
Basic and diluted loss per share	(0.01)	(0.05)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

	Note	Consolidated	
		31/12/2018 \$	30/06/2018 \$
Current assets			
Cash and cash equivalents	3	1,365,147	1,346,711
Trade and other receivables	5	78,209	729,301
Other current assets	6	176,853	54,230
Funds held in escrow		2,921,286	2,921,286
Total current assets		4,541,495	5,051,528
Non-current assets			
Property, plant and equipment	7	18,417,492	6,712,004
Intangible Assets		70,286	68,689
Total non-current assets		18,487,778	6,780,693
Total assets		23,029,273	11,832,221
Current liabilities			
Trade and other payables	8	15,445,977	8,435,738
Loans and other borrowings	9	6,988,153	3,197,437
Total current liabilities		22,434,130	11,633,175
Total liabilities		22,434,130	11,633,175
Net assets		595,143	199,046
Equity			
Issued capital	10	62,528,474	170,239,954
Share reserve	10	3,927,894	3,927,894
Foreign currency reserve	10	(511,363)	(220,913)
Non-controlling interest		(101,181)	(101,181)
Accumulated losses		(65,248,680)	(173,646,708)
Total equity		595,143	199,046

The Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2018

	Consolidated					
	Issued capital	Foreign currency reserve	Share reserve	Accumulated losses	Non-Controlling Interest	Total equity
	\$	\$	\$	\$		\$
Balance 1 July 2017	110,296,989	(9,949)	2,101,201	(115,972,305)	-	(3,584,064)
Net loss for the year	-	-	-	(4,343,656)		(4,343,656)
Other comprehensive income	-	-	-	-		-
Total comprehensive expense for the period	-	-	-	(4,343,656)	-	(4,343,656)
Transactions with owners in their capacity as owners:						
Shares issued net of transaction costs	4,073,809	-	-	(100,000)		3,973,809
Shares to be issued to related parties	-	-	-	-		-
Total transactions with owners recorded directly in equity	4,073,809	-	-	(100,000)	-	3,973,809
Balance 31 December 2017	114,370,798	(9,949)	2,101,201	(120,415,961)	-	(3,953,911)

	Consolidated					
	Issued capital	Foreign currency reserve	Share reserve	Accumulated losses	Non-Controlling Interest	Total equity
	\$	\$	\$	\$		\$
Balance 1 July 2018	170,239,954	(220,913)	3,927,894	(173,646,708)	(101,181)	199,047
Net loss for the year				(3,823,995)		(3,823,995)
Other comprehensive income		(290,450)				(290,450)
Total comprehensive expense for the period	-	(290,450)	-	(3,823,995)	-	(4,114,445)
Transactions with owners in their capacity as owners:						
Share based payments	1,200,000					1,200,000
Shares issued net of transaction costs	3,310,542					3,310,542
Shares to be issued to related parties						-
Cancellation of share capital	(112,222,023)			112,222,023		-
Total transactions with owners recorded directly in equity	(107,711,481)	-	-	112,222,023	-	4,510,542
Balance 31 December 2018	62,528,474	(511,363)	3,927,894	(65,248,680)	(101,181)	595,144

The Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS **FOR THE SIX MONTHS ENDED 31 DECEMBER 2018**

	Consolidated	
	31/12/2018	31/12/2017
	\$	\$
Cash flows from operating activities		
Profit / (Loss) before income tax	(3,823,995)	(4,343,656)
Adjustments for:		
- Depreciation / Amortisation expense	15,907	-
- Shares based compensation	733,951	
- Finance costs	731,239	1,868,622
Operating cash flows before working capital changes	(2,342,898)	(2,475,034)
Changes in:		
- Trade and other receivables	528,473	(11,811)
- Trade and other payables	(1,533,934)	111,784
- Provision	872,322	
Net cash from operating activities	(2,476,037)	(2,375,061)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(3,875,951)	-
Acquisition of intangible assets	(1,598)	-
Net cash from investing activities	(3,877,549)	-
Cash flows from financing activities		
Proceeds from the issue of shares net of transaction costs	1,559,587	3,973,810
Proceeds from Share provisions	-	-
Proceeds from shares subscription in advance	-	6,409,000
Net proceeds / (payment) from borrowings	4,968,895	2,269,055
Payment of funds held in escrow	-	(1,921,353)
Payment of Finance costs	(156,460)	(1,868,622)
Net cash from financing activities	6,372,022	8,861,890
Net inflow / (outflow) in cash and cash equivalents	18,436	6,486,829
Cash and cash equivalents at the beginning of the period	1,346,711	30,411
Cash and cash equivalents at the end of the period	1,365,147	6,517,240

The Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS **FOR THE HALF YEAR ENDED 31 DECEMBER 2018**

NOTE 1. Basis Of Preparation Of The Interim Financial Report

(a) Statement of compliance

This consolidated financial report for the half year reporting period ended December 31, 2018 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

(b) Basis of preparation

The interim financial report does not include all the notes of the type normally included in an annual financial report.

Accordingly this report is to be read in conjunction with the annual report for the year ended June 30, 2018 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The interim consolidated financial statements have been presented in Australian dollars unless otherwise stated.

The accounting policies adopted were consistent with those of the previous financial year and corresponding interim reporting periods.

Going concern basis of accounting

During the half year ended 31 December 2018, the Group incurred an operating loss before tax of \$3,823,995 and had deficiency in current assets of \$3,823,995 and a deficiency in group cashflow of 3,076,849 as disclosed in the statement of profit or loss, statement of financial position and statement of cashflows respectively.

The continuing viability of the Group and its ability to continue as a going concern and meet its debts and commitments as they fall due are dependent upon the Group being successful with respect to the following factors:

- a) The Company continuing to carefully manage its funding drawdowns to exploit the non-recyclable plastics to fuel technology on a global scale, while effectively minimising liabilities and debt repayments; and
- b) Operating facilities at a profit to enable the Company to pay creditors and funding commitments as they fall due.

The above factors give rise to material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

However, the Directors believe the Group will be successful in achieving favourable outcomes on the above matters and that it will have sufficient funds to pay its debts and meets its commitments from the date of this financial report, and accordingly, have prepared the financial report on a going concern basis. At this time, the Directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report dated 31 December 2018. As such, no adjustments have been made to the

financial statements relating to the recoverability and classification of the asset carrying amounts or classification of liabilities that might be necessary should the Group not continue as a going concern.

NOTE 2. Critical Accounting Estimates and Judgement

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the consolidated entity.

NOTE 3. Cash and Cash Equivalents

	Consolidated	
	31/12/2018	30/6/2018
	\$	\$
Cash at bank	1,346,730	1,279,305
Rental bond	18,417	67,406
	1,365,147	1,346,711

NOTE 4. Finance Costs

	Consolidated	
	31/12/2018	31/12/2017
	\$	\$
Interest expense	156,460	798,942
Share discount on shares issued to retire debt	574,779	1,069,680
	731,239	1,868,622

NOTE 5. Trade and Other Receivables

	Consolidated	
	31/12/2018	30/6/2018
	\$	\$
Trade receivables	-	-
Other receivables	78,209	729,301
	78,209	729,301

NOTE 6. Other Current Assets

	Consolidated	
	31/12/2018	30/06/2018
	\$	\$
Interest Receivable	679	679
Prepayments	176,174	53,551
	176,853	54,230

NOTE 7. Property, Plant & Equipment

	Consolidated	
	31/12/2018	30/06/2018
	\$	\$
Property, Plant and equipment - at cost	19,550,322	7,828,927
Less: Accumulated depreciation and impairment	(1,132,830)	(1,116,923)
	18,417,492	6,712,004

NOTE 8. Trade and Other Payables

	Consolidated	
	31/12/2018	30/06/2018
	\$	\$
Trade payables	10,622,844	2,988,426
Accrued expenses and sundry creditors	4,835,135	5,447,312
	15,457,979	8,435,738

NOTE 9. Loans and Other Borrowings

	Consolidated	
	31/12/2018	30/06/2018
	\$	\$
Loan from IGE	97,648	1,652,689
Loans from unrelated parties	5,012,002	176,865
Loans from related parties	1,267,756	779,891
Interest on loans	590,048	534,796
Loan and interest payable to TVI Pacific Inc.	-	24,081
Capital promissory notes and interest payable	20,699	29,116
	6,988,153	3,197,437

Loan from related parties

During the period, IGES received a net amount of \$487,865 from related parties. The total outstanding loans from related parties are \$1,267,756.

NOTE 10. Equity – Issued Capital and Reserves

	Period Ended		Period Ended	
	31/12/2018 Shares	30/06/2018 Shares	31/12/2018 \$	30/06/2018 \$
<i>Ordinary shares</i>				
Ordinary shares - authorised and fully paid	392,139,989	361,555,294	62,528,474	170,239,954
	392,139,989	361,555,294	62,528,474	170,239,954

Movements in ordinary share capital

Opening balance 1 July 2018
Share placement – cash paid
Share placement - debt conversion
Share placement - in lieu of directors fees
Share placement - in lieu of payables
Share placement - expenses
Transaction costs
Cancellation of share capital #
Balance at 31 December 2018

	Consolidated No. of shares	Consolidated \$
Opening balance 1 July 2018	361,555,294	170,239,954
Share placement – cash paid	16,748,177	1,604,316
Share placement - debt conversion	7,390,014	2,217,004
Share placement - in lieu of directors fees	2,200,000	660,000
Share placement - in lieu of payables	246,504	73,951
Share placement - expenses	4,000,000	1,200,000
Transaction costs	-	(1,244,730)
Cancellation of share capital #		(112,222,023)
Balance at 31 December 2018	392,139,989	62,528,474

Section 258F of the Corporations Act allows a company to reduce its share capital by cancelling any paid-up share capital that is lost or is not represented by available assets. Given the long history of the consolidated entity and changes in the principal activity in recent years, the Directors believe that \$112,222,023 of the parent entity's share capital satisfies the criteria in Section 258F of the Corporations Act and accordingly this amount of the ordinary share capital has been cancelled.

The Company has taken the decision as part of the transition from its pre-relisting activities, to isolate and remove the accumulated losses relating to exploration activities prior to relisting.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up the Company in proportion to the number of shares held. The fully paid ordinary shares have no par value.

	Period Ended	
	31/12/2018 \$	30/06/2018 \$
<i>Share reserve</i>		
(i) Nature and purpose of reserve		
This reserve is used to record the fair value of converting redeemable preference shares and options.		
Balance at beginning of year	3,927,894	2,101,201
Options issued for acquisition of IGE assets	-	1,826,693
Balance at end of year	3,927,894	3,927,894
<i>Foreign currency reserve</i>		
(i) Nature and purpose of reserve		
This reserve is used to record the exchange differences arising on translation of a foreign entity.		
Balance at beginning of year	(220,913)	(9,949)
Foreign currency movements	(290,450)	(210,964)
Balance at end of year	(511,363)	(220,913)

NOTE 11. Event Subsequent to Reporting Date

On 8 February 2019, IGES released 94,283,320 fully paid ordinary shares from escrow. On 8 February 2019 as well, IGES released 65,758,950 options from escrow and these options are exercisable at \$0.40, each expiring on 31 December 2020.

DIRECTORS' DECLARATION

The Directors of Integrated Green Energy Solutions Ltd declare that:

- (a) the attached financial statements and notes thereto comply with the Corporations Act 2001, Australian Accounting reporting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional requirements;
- (b) the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the financial half-year ended on that date; and
- (c) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.



Paul Dickson
Executive Chairman
28 February 2019

**INTEGRATED GREEN ENERGY SOLUTIONS LIMITED
AND CONTROLLED ENTITIES
ABN 23 003 669 163
INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS
INTEGRATED GREEN ENERGY SOLUTIONS LIMITED**

SYDNEY
Level 40
2 Park Street
Sydney NSW 2000
Australia
Ph: (612) 9263 2600
Fx: (612) 9263 2800

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Integrated Green Energy Solutions Limited, which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Integrated Green Energy Solutions Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of Integrated Green Energy Solutions Limited's financial position as at 31 December 2018 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Integrated Green Energy Solutions Limited ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Integrated Green Energy Solutions Limited is not in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of Integrated Green Energy Solutions Limited's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(b) in the financial report, which indicates that the group has incurred a net loss after tax of \$3,823,995 during the half-year ended 31 December 2018 and as of that date the group's current liabilities exceeded its current assets by \$17,892,635. As stated in Note 1(b), these events or conditions, along with other matters as set forth in Note 1(b), indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.



HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner
Dated: 28 February 2019

Integrated Green Energy Solutions Ltd (ASX Code: IGE)
ASX APPENDIX 4D - RESULTS FOR ANNOUNCEMENT TO THE MARKET
For the half-year ended 31 December 2018

			6 months 31 Dec 2018 \$'000	6 months 31 Dec 2017 \$'000
Revenue from ordinary activities	Revenue decreased	(99%)	-	5
(Loss)/profit from ordinary activities after tax attributable to members	Loss decreased	(14%)	(3,823)	(4,344)
Net (loss)/profit for the period attributable to members	Loss decreased	(14%)	(3,823)	(4,344)

Dividends

No final dividend was paid in relation to the year ended 30 June 2018.

No interim dividend will be paid in relation to the half-year ended 31 December 2018.

Net Tangible Assets

	31 Dec 2018	31 Dec 2017
Net tangible asset backing per ordinary share: \$ per share	(0.001)	(0.001)

Details of Controlled Entities

Name of entity	Country of Incorporation	Equity holding %	
		31/12/2018	31/12/2017
Integrated Green Energy Singapore Pte Ltd	Singapore	100	100
Integrated Green Energy UK Ltd	UK	100	100
Integrated Green Energy USA, Inc	USA	100	100
Integrated Green Partners, LLC	USA	50	50
Integrated Green Energy Amsterdam B.V.	Netherlands	90	-
New Guinea Iron Pty Limited	Australia	100	100
GAMAS Magnesium Technology Pty Limited	Australia	100	100
Titan Metals Limited	Australia	100	100
Magnesium Holdings Pty Ltd	Australia	100	100
Magnesium Developments Pty Limited	Australia	100	100
Magnesium International (No.1) Pty Limited	Australia	100	100
Magnesium International (No.2) Pty Limited	Australia	100	100
FOY Australia Pty Ltd	Australia	100	100
FOY Technology Pty Ltd	Australia	100	100
FOY (H.K.) Group Limited	Hong Kong	100	100
Titan Metals Limited	PNG	100	100
Titan Mines Limited	PNG	100	100
Fairway Resources Limited	PNG	100	100

Review of Results

Refer to Review of Operations and Results included in the Directors' Report