



15 January 2020

ASX: IGE

FUNDING UPDATE: US\$300 MILLION FOR USA PROJECT

- **Total contracted funding US\$300 million**
- **Fees of US\$39.6 million to IGES for module construction in January 2020**
- **Initial IGES fees to be immediately used for acceleration of the Amsterdam construction**

Purpose:

The board of Integrated Green Energy Solutions Ltd ("IGES" or "the Company") is pleased to provide further details relevant to the announcement of 31 December 2019 regarding the funding of the USA facility.

Background:

Integrated Green Partners LLC, ("IGP"), the USA entity jointly owned on a 50/50 basis between IGES and its USA partners GEP Fuel and Energy Indiana, LLC ("GEP"), has finalised its funding of US\$300 million for the construction of the IGP Camden project that will be capable of processing 1,200 tonne per day of auto shredder residual ("ASR") into a range of fuels and products, including EN590 ("Road Ready Diesel"), EN228 ("Road Ready Petrol"), Naphtha, Marine fuel and Marine Diesel Oil ("MDO").

The source of the funding provided to IGP is the Abu Dhabi Investment Authority ("ADIA"). ADIA is a sovereign wealth fund owned by the Emirate of Abu Dhabi and was founded for the purpose of investing funds on behalf of Abu Dhabi's Government. ADIA holds in excess of US\$850 million in assets under management.

ADIA is managing its investment in the US through its USA partners, Tangier Service Enterprises, Inc ("Tangier"). Under the investment agreement with Tangier, the first US\$80 million of which is anticipated to be drawn down within 10 days, Tangier will be entitled to a 5% equity stake in IGP, a seat on the board and non-voting preferred stock paying an annual dividend of 3.5% of the funding balance less any repayments made.

It is intended for this US\$300 million to be repaid over a 5-year period to reduce the annual dividend payment required to be made to Tangier over the course of the investment.

Use of funds:

As outlined on 31 December 2019, IGES will be paid a down-payment for initial module construction costs. The upfront-payment agreed is USD\$39.6 million and forms part of the USD\$70 million that will ultimately be paid to IGES for the 24 modules. IGES will generate an arm's length negotiated profit margin on the construction and supply of the modules to the IGP partnership. It is scheduled that this initial payment to IGES will be received by the Company in January and in the short term will be utilised to expediate the construction of Amsterdam and accelerate the other permitted projects in Thailand and Northampton whilst providing all deliverables for the Camden project on a timely basis.

About IGES

IGES is focused on creating a cleaner planet for the next generation through the conversion of end of life plastic into valuable fuels. Plastic used in the process would otherwise be sent to landfill or be discarded into the environment. The Company has a patented plastic to fuels process that results in a range of fuels and products, including Road Ready Diesel (EN590), Naphtha (EN228 derivative) for Petrol, 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 develop circular economies, thereby creating a cleaner planet for the next generation, while bringing value to shareholders.

FOR FURTHER INFORMATION CONTACT:

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