



## **JUNE 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**

The Amsterdam construction continues to progress, with the first 50 tonnes per day (“TPD”) module installed on site and the second 50 tonnes per day module has arrived in Amsterdam and is scheduled to be installed in line with the project plan that will see production in November, 2019.

The access roads for trucks are now being prepared. These new roads are essential for operations and will also assist during the finalisation of the construction phase.

The recruitment of operational staff is now well progressed. The site office is being expanded to accommodate these new recruits and in preparation for the commencement of operations.

Delivery dates with builders and major suppliers have been confirmed and are in compliance with the target of producing EN 590 standard fuel in November 2019.

### **United Kingdom**

On 14 June 2019 the Company announced that the final Environment Agency (“EA”) Permit for the Northampton site had been received, providing IGES full environmental and development permission to construct and operate a 200TPD plastics to fuel facility at Northampton that will produce 70 million litres per annum of road ready diesel (EN590 compliant) and petrol (EN228 compliant).

With the EA Permit in place IGES is now finalising the purchase of the Northampton land which is envisaged to occur as of the 30<sup>th</sup> August 2019. This was previously agreed with a term of the land purchase contract being that there must be an associated full and unencumbered EA Permit for the property.

Planning for this facility is already well underway. Now that this final EA permit has been received, IGES will begin the remaining design and construction phase of the facility, which when completed will be capable of producing the 70 million litres of road ready fuel per annum.

### **Thailand**

Only 27 May 2019, IGES advised the market of the progress it had made in relation to its Thailand project. The proposed site, a joint venture with local partner Infinite Recycling co.,Ltd (“IRC”) which will process 200 tonnes of plastic per day to produce 70 million litres of road ready fuel annually. There is also sufficient space on the site to scale up to much greater volumes in the future.

IGES was officially notified that the Thailand project has been approved by the Thailand Board of Investment for promotion under category 1.16.2 Manufacture of Fuel from Waste. This provided the Company with authorisation to own land in Thailand, utilise foreign skilled workers and experts to progress the project and transfer funds internationally. In addition, it provides exemptions on import duties for machinery, corporate income tax on the initial net profit and dividends derived from the promoted activity (to the extent of the capital investment).

During the quarter, IGES has:

- Formed a company, IGE (Thailand) Company Limited, in Thailand;
- Executed a Land Reservation Agreement with 304 Industrial Park 7 Company Limited for a 32,000 square metre site located at 304 Industrial Park 7, Thatoom, Srimahaphot, Prachinburi; and
- Set up local bank accounts with the Bangkok Bank.

IGES expects to settle on the land shortly and commence initial site works in the coming months, with extensive planning for the project already completed.

### **Global Expansion**

IGES continues on its path of global expansion with plans to expand across more than 19 sites in the coming years.

### **Funding**

IGES entered a loan agreement on 7 June 2017 with their funders Structured Growth Capital Inc (“SGC”) for a loan facility of US\$90 million. The US\$90 million must be drawn-down in regular bi-monthly instalments on the 7th and 22nd of each month. The drawn down of SGC loan funds was initiated in April 2019 with the initial 2 instalments scheduled to be USD7.5 million on the 7th and the 22nd of each monthly cycle with the subsequent 15 bi-monthly instalments being USD5 million each. That is USD90 million must be drawn-down over a 9-month period,

### **IAPH 2019 World Ports Award**

As announced on 16 May 2019, the IGES-Port of Amsterdam Project was announced the winner in the Climate and Energy category at the main gala dinner of the recent IAPH 2019 World Ports Conference held in Guangzhou, China. Winning this international award serves as an objective endorsement that IGES’s solution has a positive impact to the environment and greater community. In addition, the increased exposure provided by this success raises the profile of the Company in a key area of infrastructure – international ports.

## **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 EN590 (Road Ready Diesel), EN228 (Road Ready Petrol), 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 develop circular economies, thereby creating 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 June 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 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	-	-1
(d) leased assets	-	-
(e) staff costs	-932	-3,429
(f) administration and corporate costs	-503	-4,225
1.3 Dividends received (see note 3)	-	
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	-1	-810
1.6 Income taxes paid	-	
1.7 Government grants and tax incentives	-	1,346
1.8 Other (BAS/VAT)	1,308	3,059
<b>1.9 Net cash from / (used in) operating activities</b>	<b>-128</b>	<b>-4,059</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-2,559	-13,948
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 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 Net cash from / (used in) investing activities</b>	<b>-2,559</b>	<b>-13,948</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	5,375
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	-	-1,246
3.5 Proceeds from borrowings	1,227	14,180
3.6 Repayment of borrowings	-434	-526
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>793</b>	<b>17,783</b>

<b>4. 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	3,016	1,346
4.2 Net cash from / (used in) operating activities (item 1.9 above)	-128	-4,059
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-2,559	-13,948
4.4 Net cash from / (used in) financing activities (item 3.10 above)	793	17,783

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>1,122</b>	<b>1,122</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,122	1,122
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,122</b>	<b>1,122</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

<b>Current quarter \$A'000</b>
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235
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Directors fees
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**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

<b>Current quarter \$A'000</b>
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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	125,000	12,500
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.		

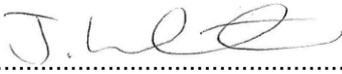
Interest rate is 8.5% on funds drawn down. Funding is secured by real property and equipment.

9. <b>Estimated cash outflows for next quarter</b>	\$A'000
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	953
9.6 Administration and corporate costs	1,350
9.7 Other (Construction of Amsterdam Facility)	16,700
<b>9.8 Total estimated cash outflows</b>	<b>19,003</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
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:  ..... Date: ....31 July 2019.....  
(Director/Company secretary)

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.