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## Annual General Meeting 30 November 2015

Managing Director's Presentation  
Mr David Lymburn

# AnaeCo Snapshot

- Australian designer of advanced resource recovery and recycling systems for mixed municipal solid waste based on patented AnaeCo™ System.
- Founded in 1999 and publicly listed in 2008 (ASX:ANQ).
- Around \$150 million invested in technology development over 15 years.
- All intellectual property is owned by AnaeCo and protected by an international patent portfolio.
- A commercial scale (60,000 tpa) AnaeCo™ AWT Plant in Shenton Park, WA, is nearing completion.
- Immediate next phase is commercialisation with a focus on both Australian and International markets.

# AnaeCo Limited – An Overview

## CAPITAL STRUCTURE

<i>Share Price (27 Nov 2015)</i>	\$0.002
<i>Shares on issue</i>	2,673m
<i>Market Capitalisation</i>	\$5.3m
<i>Cash at bank 30 Nov 2015</i>	\$0.8m
<i>Borrowings at 30 Nov 2015</i>	\$8.2m
<i>Net Cash at 30 Nov 2015</i>	\$ -
<i>Undrawn borrowing facility at 30 Nov 2015</i>	\$2.85m

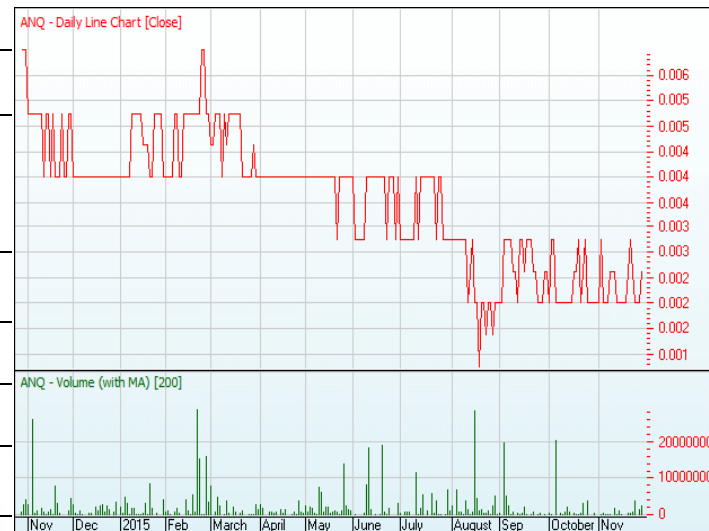
## BOARD AND MANAGEMENT

<i>Mr David Lyburn</i>	Managing Director & CEO
<i>Mr Shaun Scott</i>	Chairman
<i>Mr Les Capelli</i>	Non-Executive Director

## Top Shareholders

1. MONADELPHOUS GROUP LIMITED	14.7%
2. LES CAPELLI (AnaeCo Director)	4.6%
3. THIRTY FIFTH CELEBRATION PTY LTD	4.3%
4. HSBC CUSTODY NOMINEES (AUSTRALIA) LTD	4.3%
5. LIPPO SECURITIES LTD	1.6%

## Daily share price chart over 12 months



# Strategic Objectives

- Provide technology and design by applying the AnaeCo™ System to new waste plants.
- To become a provider of technology and services to the major players in solid waste management sector.
- Meet the demand of customers who seek to maximise diversion of MSW from landfill, as a clear alternative to thermal treatment processes.
- Develop and industrialise the AnaeCo™ System as a technology transfer package which can be licensed across the world.
- Accelerate growth through alliance partnerships and technology transfer.

# WMRC Project (60,000tpa)



- The WMRC Project involves the retro-fit of the AnaerCo™ AWT Plant on to an existing waste transfer station operated by the Western Metropolitan Regional Council (WMRC).
- Location: Shenton Park, Perth, Western Australia.



# WMRC Project – 2014/15

- June 2014 : commencement of biological process activity, initiating Biological Ramp-up (a stepped batch process to build biological capability).
- Aug 2014 : reported biogas leak in process water storage tanks. Rectified Dec 2014.
- Nov 2014: discovered manufacturing faults in DiCOM™ bioconversion vessel conveying systems. Rectified Feb 2015.
- Feb 2015: Biological Ramp-up recommences fully. Together the process water tank leaks and manufacturing faults caused approximately 7 month delay to the Biological Ramp-up schedule.
- Biological Ramp-up was completed in July 2015.
  - 21 batches of MSW comprising 6,300t.
  - Biological activity and biogas generation continuous for 12 months.
  - All DiCOM™ bioconversion phases completed as intended.
  - 484t of methane rich biogas produced and flared. 3,625t of CO<sub>2e</sub> abated.
  - Net energy positive. Grid connected.
  - MRF passed throughput test at 115% of design capacity.
  - Wet Density Separation system performing well, removing 99.5% of glass & grit >2mm, and 97% of all glass & grit.
- **The patented DiCOM™ bioconversion process is proven.**

# WMRC Project – current status

- Aug 2015: the plant entered an extended maintenance shutdown period. Work undertaken in this term includes:
  - Completed punch list jobs identified during Biological Ramp-up. Tested completed work by operating MRF for 7 weeks.
  - Installed two replacement gas analysing sensors (oxygen and methane).
  - Analysed bioconversion vessel conveying system, in particular dewatering screw presses. Concluded with a decision to upgrade these screw presses. This work is now in progress.
  - Made decision on water treatment equipment (centrifuge) required for discharge of surplus process water to meet requirements of local Water Corporation (residential) treatment works. Detailed design and procurement of centrifuge equipment now in progress.
- Dec 2015: planned re-start of whole plant.
- Contractual completion now under discussion between Design & Construct Contract parties.

# WMRC AWT Plant Main Facilities

1. WMRC Weighbridge
2. WMRC Transfer Station
3. Material Recovery Facility

## BCF Bioconversion Facility

4. DiCOM Vessels (x3)
5. Process Water Tanks (x2)
6. Continuously Stirred Reactor Tank (CSTR)

## ASA Ancillary Services Area

7. Nitrogen storage
8. Odour Management System (OMS)
9. Backup OMS
10. Bulk Chemical Enclosure
11. Gas Power Generation System
12. Gas Flare
13. H<sub>2</sub>S Scrubber
14. Laboratory





# Pathway to Commercialisation

- AnaeCo maintains a **pipeline of emerging project opportunities**:
  - South Australia - potential 200,000tpa facility.
  - New South Wales, Australia - selected as a tenderer for the Shoalhaven Project (~65,000tpa). Expecting tender release in 2016.
  - Western Australia – recently participated in a regional council’s industry consultation process, prior to the anticipated Expression of Interest phase for a 150,000tpa facility. Expecting EOI phase in 1<sup>st</sup> half 2016.
  - International interested parties.
- A strategic decision has been taken to develop a Technology Transfer platform.
- Requires further development of the engineering design platform and systems and additional resources (capital, engineering capability, business alliances).

## Current Priority Objective

- Need to move beyond WMRC Project as soon as possible.
- Need to secure new financial and commercial resources.
- On 2<sup>nd</sup> September 2015 announced a potential corporate transaction involving a Chinese based company becoming a major shareholder by purchasing the major portion of a loan owing by AnaeCo to Monadelphous Group Limited, and conversion of this loan to equity in AnaeCo.
- The parties are in the final stages of agreeing documentation. The next phase will be Board approvals of all three parties, to be followed by AnaeCo shareholder approval.

# Intellectual Property

Strong IP protection headlined by fourteen patent families will underpin Technology Transfer and Licensing. These patents cover method and apparatus across a range of unique aspects of the AnaeCo™ System.



## Summary of patents at various stages

Provisional patent filed	1
PCT application filed	2
National patent registrations filed	54
Granted patents (increased from 9 at same time last year)	31
<b>Total patents pending and granted</b>	<b>88</b>

End of presentation  
Questions?