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Australian Stock Exchange
Company Announcements Office
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Update – XEPT Completion

As previously reported Completion of the XEPT transaction*¹ was scheduled to occur by 31 December 2016 if all conditions precedent were satisfied by that date. AnaeCo completed all matters required of it under the relevant agreements within the scheduled timeframe. However all conditions precedent were not satisfied and Completion has not yet occurred.

The parties have agreed a revised date by which all conditions precedent shall be satisfied, which is 31 March 2017. If the conditions precedent are not satisfied by 31 March 2017, or waived by the party or parties receiving the benefit of any condition precedent, any party may terminate the Tripartite Deed of Sale and Cooperation.

Whilst the Tripartite Deed of Sale and Cooperation remains current AnaeCo's funding requirements will be met through the Loan Agreement with Monadelphous Group Limited.

*¹ "XEPT transaction" means the purchase by Xiaoqing Environmental Protection Technology Co Ltd (XEPT) of the major portion of a loan owed by AnaeCo to Monadelphous Group Limited and the conversion of that loan, and the residual loan owed to Monadelphous, into equity, as is more fully described in the Notice of General Meeting of AnaeCo shareholders dated 15 September 2016. The transaction agreement is the Tripartite Deed of Sale and Cooperation dated 4 August 2016.

ENDS

For further information, please contact:

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About AnaeCo

AnaeCo delivers Alternative Waste Technology (AWT) facilities based on the AnaeCo™ System, incorporating the patented DiCOM™ bioconversion process. The AnaeCo™ System includes advanced sorting, recycling, anaerobic digestion and aerobic composting to recycle municipal solid waste (MSW) into renewable energy from biogas, organic fertiliser and recyclables such as steel, aluminium, glass and plastics, thus maximising diversion from landfill and ensuring social, economic and environmentally sustainable management of MSW.

The AnaeCo™ System enables resource recovery intervention closer to source, with enhancement of existing waste transfer stations now a viable waste management option. AnaeCo's experienced team provides design, and commissioning services for AnaeCo™ AWT facilities.

For further information go to www.anaeco.com