



ASX ANNOUNCEMENT, 27th October 2016

APPENDIX 4C QUARTERLY CASH FLOW REPORT

- **\$1.5 million receipts from customers (up 1,214% from previous corresponding period)**
- **Cash on hand of \$2.5 million at end of quarter**
- **Growing pipeline of intelligent lighting systems sales opportunities**

Greenearth Energy Ltd (ASX: GER) (“the Company”) attaches its Appendix 4C (cash flow report) for the quarter ended 30 September 2016.

Cash receipts of \$1.5 million (up 1,214% compared to previous corresponding period) represents a solid start to the financial year, driven by the Company’s growing base of intelligent lighting customers, including new and existing customers in the financial services, health, education, retail, and logistics sectors.

Net operating cash outflows of \$1.6m are consistent with the business’s investment in growth during the quarter. The pipeline of opportunities is strengthening and includes intelligent lighting systems installations and retrofits for large format warehouses, multi-site property portfolios and other lighting systems sales.

During the quarter, the Company received net cash proceeds of \$3.6m from a share placement, and repaid \$0.5m of borrowings, leaving the company free of external debt at the end of the quarter.

Cash on hand at the end of the quarter was \$2.5m, up from \$1.3m at the end of the previous quarter.

Greenearth’s Managing Director Samuel Marks commented: *“FY2017 has commenced well, underpinned by favourable cash receipts and growth in new intelligent lighting systems opportunities domestically and in some international markets.*

“The pipeline of intelligent lighting systems opportunities is now building steadily across multiple sectors. This further validates our technology and illustrates the continuing trend for businesses to install lower cost intelligent lighting systems in their premises. There is a very large addressable market and we are intent on capitalising on it.

“The company’s revenue streams are diversifying and strengthening. Our sales pipeline contains a good mix of smaller contracts and higher value installations for large format logistics and warehousing sites in Australia and some international markets, and converting these opportunities to orders will result in continued revenue growth.

“Particularly encouraging is the growing demand in international markets, and we look forward to reporting on new international orders in the near term.”

During the quarter, the Company announced that NewCO2Fuels (“NCF”) had signed a Letter of Intent with Sinopec Engineering (Group) Co Ltd and Hong Kong ECO/Blooming (Beijing) Technology Co Ltd, to further progress NCF’s technology to commercialisation. The parties are currently progressing towards a binding commercialisation agreement and the Company expects to be able to update shareholders shortly in this regard.

- ENDS -

About Greenearth Energy Limited

Greenearth Energy Limited is a diversified Australian-based renewable energy company with interests in technology-focussed solutions in the industrial energy efficiency and CO₂-to-fuel conversion markets.

Greenearth Energy Ltd - <http://www.greenearthenergy.com.au>

About Vivid Industrial

Vivid Industrial is a subsidiary of Greenearth Energy Ltd, providing customised, intelligent and energy efficient cloud based solutions for our growing industrial and infrastructure client base. The "internet of lights" and "cloud based monitoring" delivers quantifiable efficiencies and significant cost savings with environmentally sustainable benefits for our customers.

The business' core technologies are designed for application in warehouses, distribution centres, cold storage facilities, ports, stadiums, car parks, roads and tunnels. Vivid Industrial is a trusted partner to our customer base of blue chip, industrial companies.

During the 2016 financial year Vivid Industrial acquired Ilum-a-Lite, a business specialising in creating highly effective, energy-saving lighting solutions predominantly for commercial and government clients that generate significant cost savings and reduce environmental impact.

Vivid Industrial - <http://www.vividindustrial.com>

Ilum-a-Lite - <http://www.ilumalite.com>

About NewCO2Fuels

NewCO2Fuels (NCF) is an Israeli start-up company which was formed in 2011 by a group of scientists and entrepreneurs with the support of Greenearth Energy Ltd and the Erdi Group. NCF was formed to develop and commercialise an innovative system to profitably produce fuels from CO₂ and water, using renewable high temperature heat from solar or excess heat from industry. The system is based on a technology previously developed at the Weizmann Institute of Science and exclusively licensed to NCF.

NCF won the World Technology Network award for Energy in November 2014, and has received numerous grants and accolades from governments around the world. Its technology has also been independently validated by several major international engineering and technology consultancy firms.

Having developed its unique technology, NCF's current focus is commercialisation (via deployment of modular systems to several pilot plants).

Review video at the attached link for further information:

https://www.youtube.com/watch?v=vH-YZdqB_SE

NewCO2Fuels Website - <http://newco2fuels.co.il/>

Greenearth's 33.33% effective economic interest in NCF is represented by its 50% ownership of NCF Global, a company that owns 66.67% of NCF. The other 50% of NCF Global is owned by the Erdi Group, which is also a shareholder in Greenearth.

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

GREENEARTH ENERGY LTD

ABN

60 120 710 625

Quarter ended ("current quarter")

30 September 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,472	1,472
1.2 Payments for		
(a) research and development	(106)	(106)
(b) product manufacturing and operating costs	(1,268)	(1,268)
(c) advertising and marketing	(72)	(72)
(d) leased assets	-	-
(e) staff costs	(1,161)	(1,161)
(f) administration and corporate costs	(446)	(446)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	4
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,577)	(1,577)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(23)	(23)
(b) businesses (see item 10)	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(c) investments	-	-
(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	(345)	(345)
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(368)	(368)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	3,815	3,815
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	(206)	(206)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(458)	(458)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	3,151	3,151

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	1,325	1,325
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,577)	(1,577)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(368)	(368)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,151	3,151
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	2,531	2,531

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,531	1,325
5.2	Call deposits	-	54
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,531	1,379

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

**Current quarter
\$A'000**

231

-

Directors' salaries \$181,527
Directors' fees \$49,475

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

**Current quarter
\$A'000**

-

345

Loans advanced to NCF Global Pty Ltd \$344,995.

8. Financing facilities available <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	-	-
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.		

Not applicable.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	43
9.2 Product manufacturing and operating costs	1,495
9.3 Advertising and marketing	44
9.4 Leased assets	5
9.5 Staff costs	838
9.6 Administration and corporate costs	455
9.7 Other (final payment for acquisition of business)	964
9.8 Total estimated cash outflows	3,844 *

* The company is an operating business that generates cash inflows each quarter, including receipts from customers. The above summary of anticipated cash outflows does not fully reflect the anticipated net cash flows for the following quarter, as it excludes cash inflows (such as receipts from customers).

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	Not applicable	Not applicable
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:
(Director)



Date: 27 October 2016

Print name: Samuel Marks

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.