



ASX ANNOUNCEMENT, 18th July 2016

APPENDIX 4C QUARTERLY CASH FLOW REPORT

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

Greenearth posted a significantly positive quarter, underpinned by ongoing successful execution across its industrial energy efficiency business, which now includes Ilum-a-Lite (a recently acquired wholly-owned subsidiary).

The most significant item impacting the quarterly cash flow statement was an increase in receipts from customers to \$3.3m (up from \$59k in the previous quarter).

This increase was driven primarily by:

- A large increase in receipts in the existing Vivid Industrial business, from current and previous quarter lighting upgrade sales; and
- A significant contribution to receipts from Ilum-a-Lite lighting upgrade projects, following the acquisition of Ilum-a-Lite by Vivid Industrial on 31 March 2016.

These outcomes show the realisation of successful contract wins by Vivid Industrial, along with reaffirming the positive impact of the Ilum-a-Lite acquisition. The opportunity pipeline continues to grow, as does our conversion into sales to multi-site customers. This is now further supported by our strengthened offering of the combined product ranges to the expanded customer base accessible to the combined business.

Cash on hand increased to \$1.3m at the end of the quarter.

As noted above, through its wholly owned subsidiary Vivid Industrial, Greenearth completed its 100% acquisition of Ilum-a-Lite with an effective transaction date of 31 March 2016. Consequently, cash flows of Ilum-a-Lite are included in consolidated group cash flows from 1 April 2016 onwards.

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.

Vivid Industrial recently 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:

http://www.youtube.com/watch?v=vH-YZdgB_SE

NewCO₂ Fuels 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 admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

GREENEARTH ENERGY LTD

ABN

60 120 710 625

Quarter ended ("current quarter")

30 June 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from customers	3,320	3,849
1.2 Payments for (a) staff costs	(678)	(2,050)
(b) advertising and marketing	(21)	(51)
(c) research and development	(29)	(212)
(d) leased assets	-	-
(e) other working capital	(2,133)	(4,348)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (Research and Development income tax rebate)	-	575
Net operating cash flows	462	(2,231)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	462	(2,231)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5) (see note 1 below)	(434)	(434)
(b) equity investments	-	(1,848)
(c) intellectual property	-	-
(d) physical non-current assets	-	(50)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	(6)	(6)
1.12 Loans repaid by other entities	-	-
1.13 Other (cash acquired on acquisition of business (see note 1 below)	-	76
Net investing cash flows	(440)	(2,262)
1.14 Total operating and investing cash flows	22	(4,493)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	2,804
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	450	450
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Net financing cash flows	450	3,254
Net increase (decrease) in cash held	472	(1,239)
1.21 Cash at beginning of quarter/year to date	852	2,572
1.22 Exchange rate adjustments to item 1.20	1	(8)
1.23 Cash at end of quarter	1,325	1,325

Note 1: During the quarter, Vivid Industrial Pty Ltd (a wholly-owned subsidiary of the entity) completed the acquisition of Ilum-a-Lite Pty Ltd, with an effective date of 31 March 2016. The cash component of purchase consideration paid during the quarter is shown in item 1.9. The cash acquired at the effective date is shown in item 1.13.

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	138
1.25	Aggregate amount of loans to the parties included in item 1.11	6

1.26 Explanation necessary for an understanding of the transactions

Payments to the parties included in item 1.2:

- Directors' salaries \$62,500
- Directors' fees and consulting fees \$75,125

Loans to the parties included in item 1.11:

- Loans advanced to NCF Global Pty Ltd \$6,185

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Acquisition of Ilum-a-Lite Pty Ltd:
During the quarter, 15,534,375 new shares in Greenerth Energy Ltd were issued at 8 cents per share, as non-cash purchase consideration in connection with the acquisition of Ilum-a-Lite Pty Ltd (refer note 1 on page 2).

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Not applicable.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	450	450
3.2	Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	1,325	852
4.2 Deposits at call	54	54
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	1,379	906

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	Illum-a-Lite Pty Ltd (see note 1 on page 2)	N/A
5.2 Place of incorporation or registration	New South Wales, Australia	N/A
5.3 Consideration for acquisition or disposal	Anticipated to be in the order of \$3m, of which \$1.66m settled during the quarter (comprising \$0.41m cash and \$1.24m non-cash)	N/A
5.4 Total net assets	\$1.71m	N/A
5.5 Nature of business	Lighting solutions provider	N/A

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 18 July 2016
 (Director)

Print name: Samuel Marks

+ See chapter 19 for defined terms.

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.