

ASX ANNOUNCEMENT AND MEDIA RELEASE, 18th APRIL 2016

VIVID INDUSTRIAL COMPLETES ACQUISITION OF ILUM-A-LITE

- Acquisition expected to make positive EBIT contribution to combined group's FY16 results
- Complements organic opportunities as part of Vivid Industrial's growth strategy
- Consideration (anticipated to be in the order of \$3m) will be based on FY16 EBIT, and comprise a combination of cash and new Greenearth shares at 8 cents per share
- Ilum-A-Lite currently well into delivering on its \$5 million project order book
- Co-founder and CEO to continue in current role, with 24 month escrow on his equity component of consideration

Greenearth Energy Limited (ASX: GER) (Greenearth, the Company) is pleased to announce that its wholly owned subsidiary, Vivid Industrial, has now completed its 100% acquisition of Ilum-a-Lite Pty Ltd (Ilum-a-Lite), with an effective transaction date of 31 March 2016.



Founded in 1996, Ilum-a-Lite specialises in creating highly effective, energy-saving lighting solutions predominantly for commercial and government clients that generate significant cost savings and reduce environmental impact. The business derives the majority of its income by delivering large scale and multi-site lighting upgrades on a supply and install basis as part of Energy Performance Contract upgrades in partnership with leading global energy efficiency technology leaders, and an innovative lighting sales division.

The acquisition was announced to ASX on 15 December 2015, and complements organic opportunities as part of Vivid Industrial's growth strategy. The combined group now has a unique range of product and service offerings for commercial and industrial clients.

Key transaction highlights include:

- Expected to make a positive EBIT contribution to group FY16 results
- Currently well into delivering on its \$5 million project order book
- Increases Vivid Industrial's customer count and diversifies revenue base
- Provides immediate Sydney operating footprint
- Ilum-a-Lite co-founder and CEO to continue in current role, with 24 month escrow on his equity component of consideration

Consideration for the acquisition (anticipated to be in the order of \$3m) comprises:

1. An initial amount totalling \$1.66m (being \$0.41m in cash and \$1.24m by way of 15,534,375 new Greenearth shares at 8 cents per share); and
2. A final amount, which will be determined based on the EBIT of Ilum-a-Lite for the 2016 financial year, and settled by way of a combination of cash and new Greenearth shares at 8 cents per share (expected to be settled in the first half of the 2016/17 financial year).

Both the cash and share components of the initial consideration amount have been settled.

The new Greenerth shares are subject to voluntary escrow arrangements (subject to the usual exceptions) as follows:

- 11,250,000 fully paid ordinary shares will cease to be subject to voluntary escrow after 18 October 2016; and
- 4,284,375 fully paid ordinary shares will cease to be subject to voluntary escrow after 18 April 2018, of which 3,281,348 shares are also subject to an exception to allow disposal in certain circumstances in order to meet contractual warranty claims.

Mark Rutherford, co-founder of Ilum-a-Lite who will be continuing in his role of CEO, said: *"We are pleased to be part of the Vivid Industrial group and look forward to working with them to deliver what is a unique and compelling offering. The synergies and benefits for both Ilum-a-Lite and Vivid Industrial are clear, and the combined group is firmly placed to strongly grow our share of the rapidly growing energy and lighting efficiency segment. My confidence in the combined group's prospects is clearly evidenced by all vendors taking the majority of consideration in GER shares."*

Sam Marks, Managing Director of Greenerth, added: *"The addition of Ilum-a-Lite to Vivid Industrial significantly strengthens our product and service offering, enabling our participation in the very large commercial and government segment alongside our growing large scale and multi-site industrial business. We are also excited by the opportunities provided to our existing business with our new operating footprint in the large NSW market. I look forward to working closely with Mark and his team to deliver profitable and innovative lighting and energy solutions to our growing list of clients in Australia and overseas."*

– ENDS –

Samuel Marks

Managing Director
Greenerth Energy Limited

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About Greenerth Energy Limited

Greenerth 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.

Greenerth Energy Ltd - <http://www.greenerthenergy.com.au>

About Vivid Industrial

Vivid Industrial is a subsidiary of Greenerth 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 – <http://www.vividindustrial.com>