

Emefcy Group Limited (ASX: EMC) Signs Second Ethiopia Contract for Wastewater Treatment and Reuse

--Residential Installation will be a Model and Reference Site as Company Expands into Africa—

--Estimated Addressable Market over USD \$1 billion in Ethiopia Alone--

February 13, 2017

Melbourne, Australia and Caesarea, Israel: Emefcy Group Limited (ASX: EMC), a global leader in energy-efficient wastewater treatment solutions, today announced the signing of its second contract in Ethiopia. In collaboration with its local partner TodayTomorrow Ventures Inc. ("TTV"), the company will supply its proprietary technology for a new wastewater treatment plant for a large residential compound in Addis Ababa. When complete later this year, the plant will replace the existing septic systems with an energy-efficient, reliable, and neighbourhood-friendly treatment and reuse system. The contract will generate revenue of approximately US\$400,000 to Emefcy.

The plant will utilize Emefcy's proprietary Membrane Aerated Biofilm Reactor ("MABR") wastewater treatment system, an ideal solution for medium-sized applications in developing markets. The Emefcy MABR solution is anticipated to appreciably improve the quality of life for residents and serve as a strategic reference site for customers in Ethiopia, Africa and throughout the developing world.

"This Emefcy plant is a model for the benefits we can deliver for the people of Ethiopia. At a low cost, untreated sewage can be turned into high-quality recycled water," said Ilan Wilf, Emefcy's Vice President of Sales. "Existing septic systems throughout the country are often unreliable, overflowing and not environmentally friendly. In Addis Ababa alone, existing plants treat less than 10% of the estimated wastewater, resulting in the discharge of much untreated sewage. The Emefcy MABR solution can improve quality of life by protecting the local living environment while creating a low-cost supply of water for non-consumption uses."

Emefcy and TTV will build the plant at the EPRI 1 condominium complex in Addis Ababa. The plant will treat half the wastewater from this complex of 32 buildings and 7,000 residents, replacing the current unreliable septic tanks with onsite wastewater recycling to irrigate the neighbourhood's landscaping. TTV and Emefcy are also working together on the previously announced wastewater treatment plant at Ayder Hospital, Mekele University in Tigray, Ethiopia, which is now under construction.

"We are excited to win this second contract with Emefcy to bring their innovative, reliable and highly efficient wastewater treatment system to Ethiopia's capital," said Mark Gelfand, TTV's lead investor. "We expect this to showcase how Emefcy's technology can address the urgent need for modern, cost-effective and energy-efficient wastewater treatment in Addis Ababa and all over the country, thereby improving people's lives by ensuring high-quality, odourless wastewater treatment and allowing safe reuse of the treated water."



Based on the current design specification, the MABR-based system will treat 185,000 litres per day; and is scheduled to be commissioned in Q3 this year.

"We expect the EPRI 1 plant to become an excellent reference site for customers in Ethiopia, throughout the continent and indeed the developing world," said Richard Irving, Executive Chairman of Emefcy. "We are pleased that our technological innovation can improve people's lives at a low cost while driving our growth."

Forward –Looking Statements

Any forward-looking statements in this announcement are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management.

About Emefcy Group Limited

Emefcy develops, manufactures and markets new, energy-efficient MABR based wastewater treatment solutions, aiming to change the economics of various markets and addressing the growing global demand for clean water in municipal and industrial plants. Compared to traditional aeration-based treatment technology, Emefcy's system uses 80% less energy and reduces sludge by up to 50%. The modular design requires less space and less upfront capital cost. With several global innovation awards and a strong scientific background, Emefcy is at the forefront of the next generation of MABR based wastewater treatment. Additional MABR based wastewater solutions out of Emefcy's extensive R&D operations are expected to be announced during the year.

Emefcy Group Limited (ASX: EMC) is a public company traded on the Australian Stock Exchange.

Visit our website: www.emefcy.com

About TTV

Today Tomorrow Ventures ("TTV") is a frontier investment and incubator fund with the mandate of effecting positive change in emerging African countries through sustainable economic growth and socially responsible investing. TTV's partners have years of hands-on operational and industry experience in the agriculture, manufacturing and technology. TTV has offices in Addis Ababa, Ethiopia and Boston, MA USA.

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