

## Lignol to invest \$1 mn in largest Aus biodiesel plant

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**Singapore:** Lignol Energy, a leading technology company in the advanced biofuels and renewable chemicals sectors, will invest up to \$1 million in Territory Biofuels Limited (TBF), which is the owner of the largest biodiesel plant in Australia. Upon completion, LEC will increase its majority holding to up to approximately 66 percent of the issued and outstanding shares of TBF and up to approximately 68 percent on a fully diluted basis.

"We are excited to be increasing our ownership in such a large scale biofuels project. This investment represents the opportunity for our company to have a substantial majority equity interest in potentially a very profitable business", said Mr Ross MacLachlan, CEO and chairman of LEC.

"Our goal remains to work with TBF with a view to restarting the plant in late 2013 with an appropriate project funding package in place. Once operational, we plan to incorporate plant upgrades to process lower cost feedstocks that should further enhance margins in 2014," he added.

LEC has agreed to provide TBF with equity funding of up to \$1 million over the course of the next several months. The first tranche of \$500,000 is payable in two instalments: the first instalment of \$200,000 has now been made and the second instalment of \$300,000 is due on or before September 15, 2013.

The opportunity to subscribe for the remaining \$500,000 worth of shares of TBF will be offered to existing shareholders of TBF (other than LEC) who may subscribe on the basis of their proportionate entitlement and LEC has agreed to fund any amounts not subscribed by those existing shareholders and to close this round of financing no later than October 31, 2013. The closing of this entire transaction is subject to regulatory approval.