

India Energy News

HD TVI's Amazon Bay **Iron** Sands Joint Venture Partner to Enter into Deal for Plastics to Fuel Conversion Technology

CR Distributed by Contify.com

WC 614 words

PD 11 November 2014

SN India Energy News

SC ATENER

LA English

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Nov. 11 -- Canada-based TVI Pacific Inc. issued the following news release:

TVI Pacific Inc. (TSX: TVI) (OTCQX: TVIPF) (TVI or the **Company**) announces that Foyson Resources Limited ("Foyson"), a **company** in which TVI holds a 20.04% **equity** interest and is TVI's joint venture partner on the Amazon Bay **Iron** Sands Project in Papua New Guinea, has entered into an agreement with Integrated Green **Energy** Limited ("IGE") to acquire exclusive licenses to commercialize initially IGE's plastics to fuel technology and then its biomass to both fuel and **energy** conversion technologies. As announced by Foyson, this agreement reflects their strategy of acquiring a cash flow project to assist in funding development activities at the Amazon Bay Project.

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Clifford James, President and Chief Executive Officer of TVI, stated: "Given that TVI holds a significant **stake** in Foyson, we are pleased to see their intention to enter into a potential cash flowing business with IGE, which could increase the value of our investment and represent a potential source of funding for our Amazon Bay **Iron** Sands joint venture project."

IGE is an Australian **company** with a focus on the development of its waste conversion technologies to produce sustainable **energy** resources. The technologies are applicable to both processing non-recyclable and waste plastics-to-fuels and for power generation in remote locations by processing a hybrid biomass. IGE currently operates a semi-commercial demonstration plant producing industry standard diesel suitable for use in conventional diesel engines.

As set out in the non-binding term sheet signed between Foyson and IGE in September 2014, Foyson intends to acquire exclusive licenses to use IGE's waste conversion technology in Australia, New Zealand, **China**, North America, India, South East Asia, Papua New Guinea and Fiji. Secondly, Foyson intends to acquire non-exclusive licenses to use IGE's technology in other jurisdictions globally, with IGE to grant no more than three licenses to any party in any jurisdiction. Thirdly, Foyson intends to acquire IGE's existing pilot-scale plastics to fuel conversion plant at Berkeley Vale on New South Wales' central coast. The intention of the term sheet is that Foyson will be required to construct and operate new plants based on the existing Berkeley Vale plant over the next four years.

The term sheet also required Foyson to carry out two private placements with parties associated with IGE for a total of 235 **million** shares. The first of these placements, involving a placement of 135 **million** shares at \$0.0025 per share, was completed in October 2014, resulting in TVI's original **equity** interest of 23.01% being diluted to 20.04%.

The term sheet states that the remuneration to be paid by Foyson for IGE will be performance based. To obtain the maximum remuneration in terms of Foyson shares and options, the operating facilities utilizing the IGE technology must earn annual EBITDA in excess of \$20 **million**.

In order to complete the arrangement, Foyson plans to undertake a consolidation of its share capital and issue 70 **million** convertible performance shares and 70 **million** convertible performance options to IGE. The performance securities will be issued to IGE in tranches, with the vesting conditions for each tranche linked to each plant or new plant generating \$5 **million** EBITDA per annum. The first tranche will be linked to the existing plant and has a performance period of two years from completion of the IGE transaction. Each multiple of \$5 **million** EBITDA generated will result in the vesting of another tranche of performance securities.

Source: TVI Pacific Inc.

CO travv : TVI Pacific Inc | wndbul : Foyson Resources Ltd.

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AN Document ATENER0020141112eabb0003a