



ASX Announcement | 12 December 2019

## **OPERATIONS UPDATE**

M8 Sustainable Limited (ASX:M8S) (“M8S” or “the Company”) is pleased to provide the following operations update on the Company’s portfolio of waste management assets.

The Company has a portfolio of high-growth assets underpinned by the established Maddington waste processing facility (“Maddington”). The Maddington facility, which has an approved annual licensed capacity of 500,000tpa, is strategically located to service one of Perth’s major metropolitan corridors.

Maddington has been in a ramp-up phase since re-opening to the public in August 2019, with M8S focused on two key workstreams:

1. the ramp-up of the capacity of Commercial and Industrial (C&I) and Construction and Demolition (C&D) waste streams
2. production of high-quality recycled products for sale to the civil construction sector, such as recycled road base, aggregates and clean fill material.

M8S has experienced significant growth in the Maddington customer base, with more than 50 individual customers, including skip bin operators, demolition contractors and civil construction contractors, using the facility to dispose of waste. Waste volumes are growing toward an initial target of 210,000tpa while the sale of recycled civil products continues to increase.

The other high-growth asset in M8S’ portfolio is the development of a new landfill facility at Gingin. The Gingin development is a fully permitted bioreactor landfill facility that will have an annual capacity of 150,000tpa. Gingin will focus on Municipal Solid Waste (MSW) and organic waste. Gingin is perfectly placed to benefit from an expected shortage in supply of waste disposal facilities in Perth’s northern corridor. Currently waste disposal from the surrounding region is diverted to distant landfills.

Development activities at Gingin continue including site survey of the works areas and commencement of construction of internal roads and lay down areas. M8S is targeting completion of construction of the landfill cell by the first quarter of FY2021

M8S also has an operation & maintenance contract with Star Shenton Energy Pty Ltd (“Star”) to operate its Brockway facility when it enters production in the future. In the meantime, M8S provides management support services to Star for a monthly management fee.

After successfully raising \$19.5 million through the Company’s oversubscribed Initial Public Offering and through the guidance of its new expanded Board, which includes ex-Toxfree directors Bob McKinnon (Non-Executive Chairman) and Dick Allen (previous Managing Director & Non-Executive Director), the Company is well positioned to focus on the continued growth of operations at Maddington and construction and development of Gingin.

M8S Managing Director Tom Rudas said:

*“Today marks a major milestone for M8 Sustainable.*

*We have developed an exciting portfolio of waste management operations and assembled an incredibly strong and proven Board that understands what it takes to build a profitable and successful waste management operation.*

*Importantly, we are hitting the boards at the right time. WA waste generation continues to increase and there is a growing requirement to provide sustainable waste management solutions.*

*We have created a business model and strategy that is perfectly suited to the growing demands of the WA waste management sector. The Company is well-positioned to deliver on the strategy and grow the business into a significant waste management operation.”*

**ENDS-**

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