Global Opportunity In Industrial Wastewater

De.mem Limited (ASX:DEM)

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A Global Opportunity

"De.mem has a multi-billion dollar opportunity in the wastewater treatment sector, driven by environmental trends and regulatory changes around the world"

To watch the Executive Interview
Click Here

The global water and waste water solutions market has an estimated annual capital expenditure of

AUD$240 billion*

Trend towards **de-centralised units** and **recycling of waste water**

** Source: Frost & Sullivan*


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Innovative Wastewater Solutions

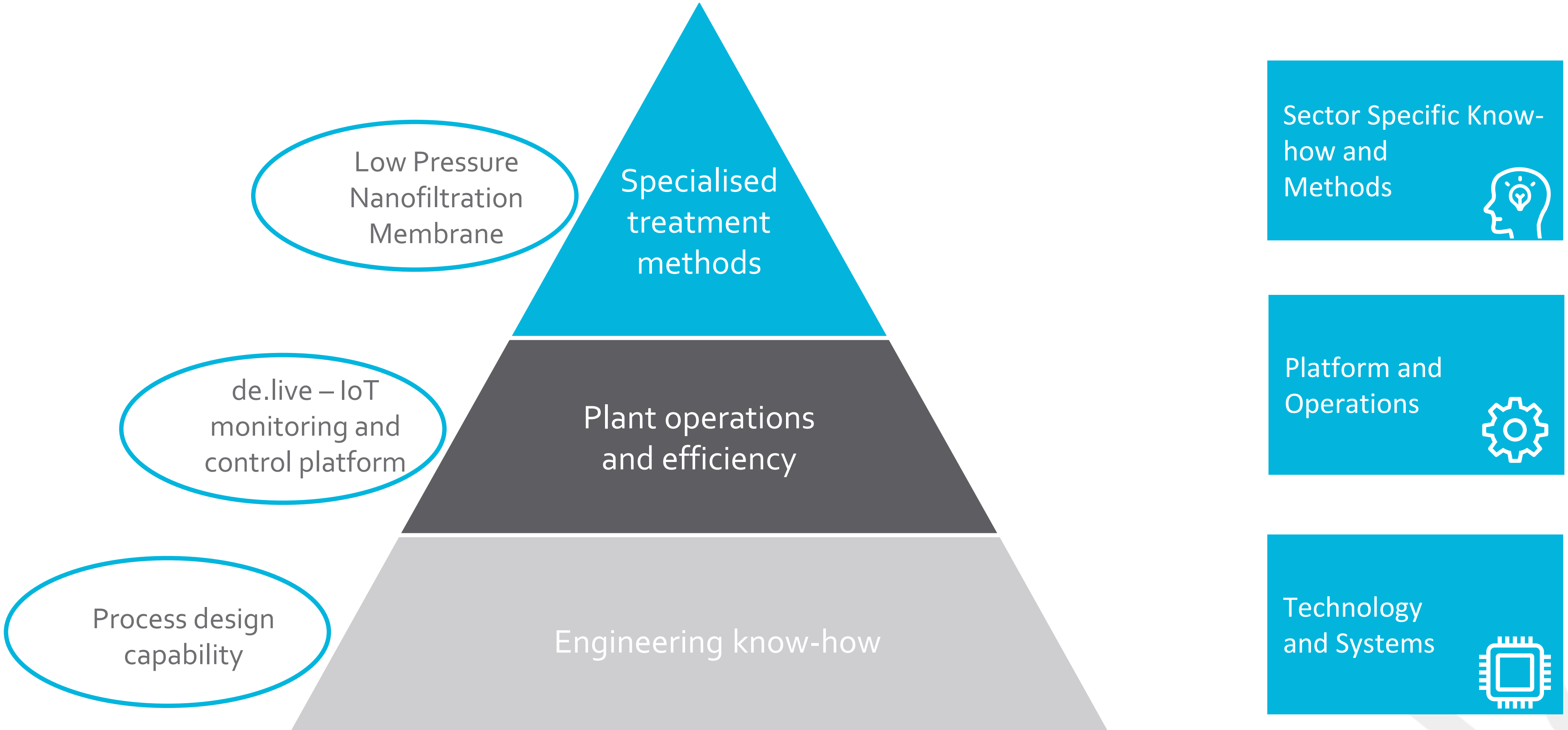
De.mem designs, builds, owns and operates de-centralised wastewater treatment systems

Innovative membrane based wastewater filtration technology – Industrial waste water focus

Licensed proprietary technologies from Nanyang Technological University (NTU) in Singapore

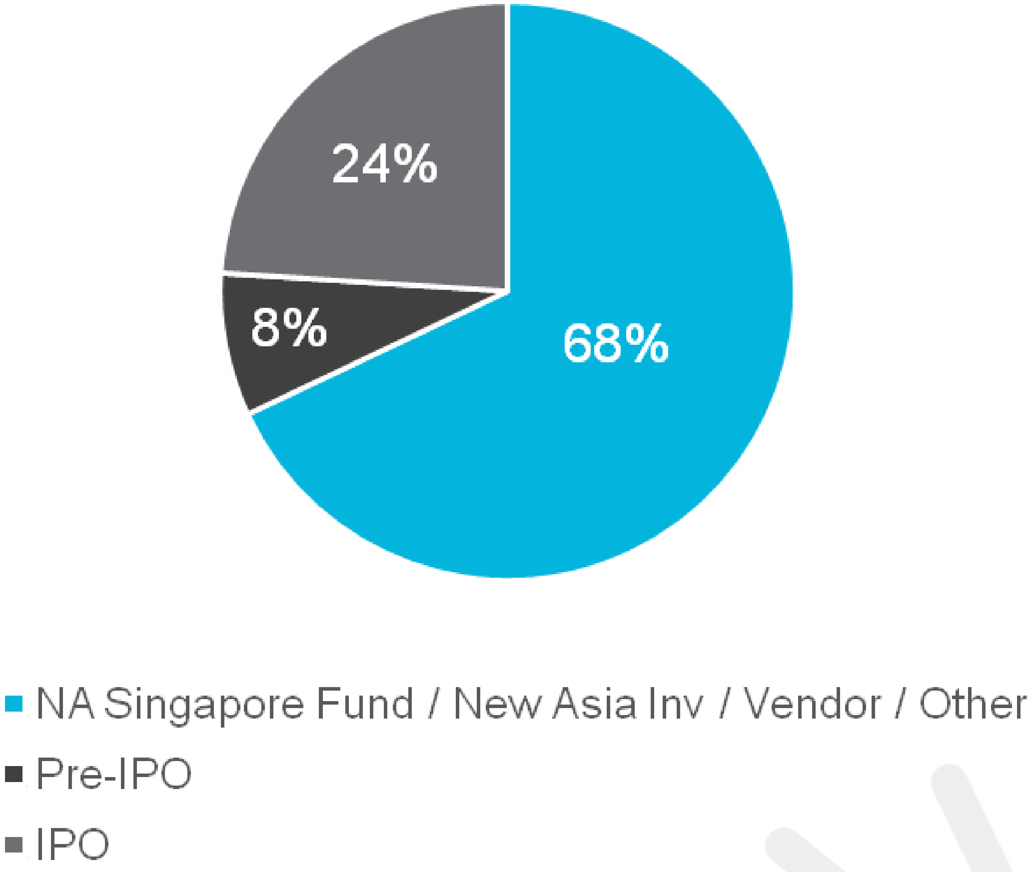
Revenue generating and positioned for growth

Leading Technology & Engineering Knowhow



Corporate Overview

ASX code	DEM
Ordinary shares	95.8m
Market capitalisation	$30m
Cash on hand (31.3.17)	$4.9m
Listed on ASX	7 April 2017
Issue price	$0.20
Last price (22.5.17)	$0.31
52 week high	$0.50
52 week low	$0.31
Average daily volume	198,000
GICS classification	Utilities



Targeting High Growth Industrial Sectors

Food & Beverage
- Water and wastewater
- High turbidity, solid and oil & grease removal
- Discharge & recycling

Oil & Gas
- Wastewater
- High turbidity, oil & grease removal
- Discharge & recycling

Electronics
- Water and wastewater
- Heavy metals removal
- Ultra pure water
- Discharge & recycling

Palm Oil Industry
- Wastewater
- High organic and oil content
- High temperature
- Discharge

Mining
- Wastewater
- Environmentally friendly
- Remote operations
- Discharge, recycling and recovery

Municipal & Residential
- Potable and wastewater
- Off the shelf products
- Using river or well water
- Meeting required quality

De.mem has partnered with Nanyang Technological University (Singapore), one of the leading water universities in the world

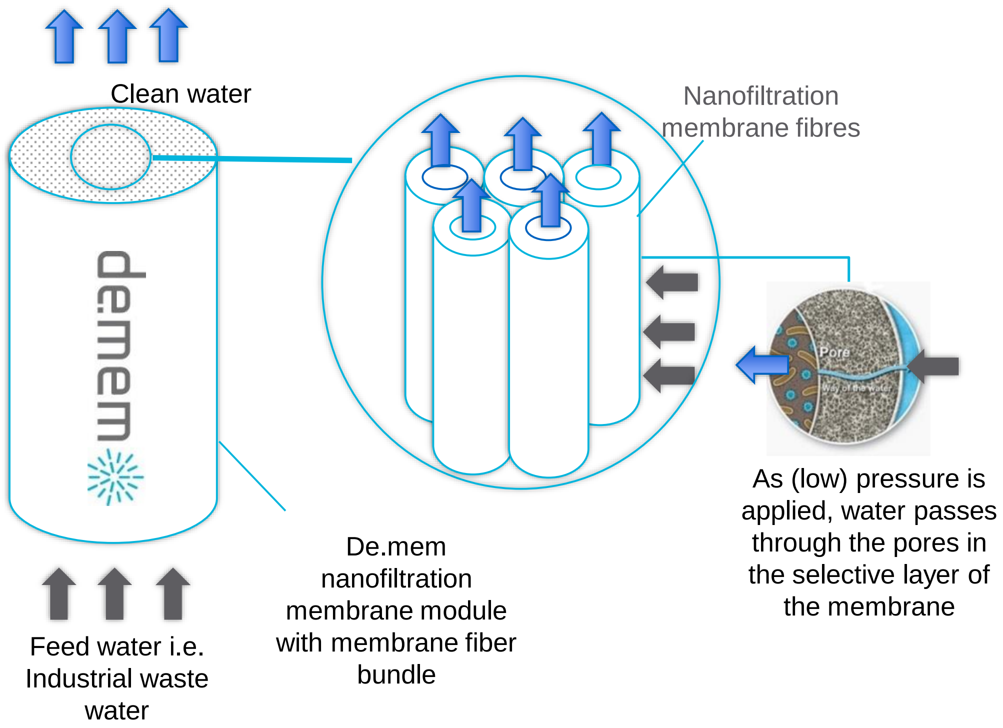
Unique Proprietary Low Pressure Membrane

- De.mem commercialises a novel low pressure hollow fibre nanofiltration (NF) membrane developed at NTU in Singapore

- The membrane can reduce power consumption by up to five times

- Significant reduction in operating cost and investment relative to traditional technologies

- De.mem plans to expand its portfolio of proprietary technologies in the coming months



NF Membrane Ready For Infield Validation

- Successfully tested on different types of water / wastewater streams since 2015
- First industrial sized module produced in April 2017
- Production of the NF membrane in pilot factory in Singapore to commence shortly
- Infield validation and implementation from Q3 2017 onwards

Professor Wang, Nanyang Technological University

Integrated Business Model

Proprietary Products & Technologies	Process Expertise	Operations Expertise	Customer

• Low pressure, hollow fibre nanofiltration membrane
• De.live monitoring system
• New technologies (planned)
	• Engineering
	• Process design
	• System integration
		• Operations
		• Monitoring
		• Maintenance
			• Specialised products
			  ○ Containerised
			  ○ Modular
			  ○ Compact
			  ○ Customised, high quality, efficient
			• Build, Own, Operate (BOO)
			• Build, Own, Transfer (BOT)

De.mem's business model includes proprietary technology, engineering and system integration as well as ongoing operations & maintenance

Highly Scalable Revenue Model

Build-Own-Operate or Build-Own-Transfer	Equipment sales	Pricing	Customer base
• De.mem owns the equipment • Long term contract with the customer • Stable recurring revenue stream • High margin	• Customer driven • Opportunity for ongoing maintenance revenue	• Flexible pricing structure • De.mem's pricing model allows the company and its customers to share those savings – providing a genuine win-win outcome	• Multi-national corporations operating in high growth markets & high volume sectors • Clients with manufacturing presence in many countries

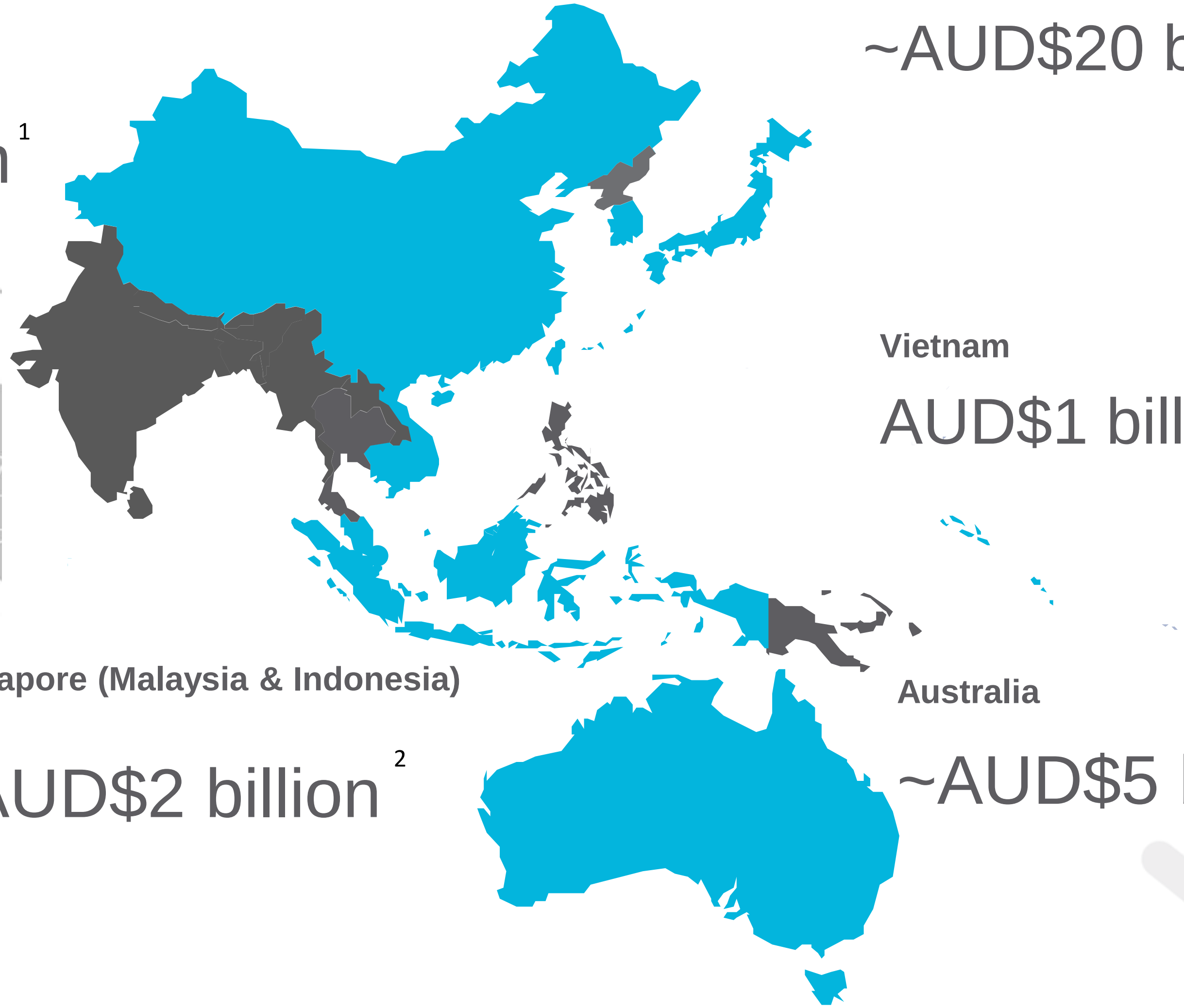
Expanding Into Growth Markets

Germany

~AUD$13 billion[1]

China

~AUD$20 billion *1



Vietnam

AUD$1 billion[3]

Singapore (Malaysia & Indonesia)

~AUD$2 billion[2]

Australia

~AUD$5 billion[4]

Sources: 1. Global Water Intelligence 2. The Singapore EDB 3. Frost & Sullivan 4. IBIS

85% of the total wastewater generated in urban areas in China should be treated and **20%** of the treated wastewater should be reused

(China's Water Development Plan 2011-2015)

De.mem’s pipeline of opportunities is growing rapidly and currently stands at

AUD$10m+

and includes opportunities in China, Germany and Australia

Global Commercial Validation

Impressive pedigree of clients & completed projects in 2015 & 2016

NOVA LAND

Givaudan

American multinational corporations, oil sector,

GROOMWERKZ

euvipharm

Hanoi University of Agriculture 1956, 55th Anniversary of Establishment

Japanese multinational corporations, electronics sector, Singapore

Robust $10m+ pipeline of opportunities for 2017 & 2018

China
Currently evaluating partnership options

Germany
Pipeline projects in agriculture, food & beverage sectors, resort & spas

Australia
Pipeline projects in municipal & residential sector, food & beverage, agriculture, mining

Vietnam
Pipeline projects in municipal & residential sector, food & beverage

Singapore
Extensive pipeline in petrochemical, oil & gas, food & beverage, electronics sectors

Significant Leverage Play

Company	FY16 Revenue	Market Capitalisation (22.5.17)	Technology	Market Focus
Emefcy (ASX:EMC)	A$0.8m (12 months to 31/12/16)	A$220m	Aeration	Municipal waste water
Phoslock Water Solutions (ASX: PHK)	A$1.9m (6 months to 31/12/16)	A$67m	Chemicals that bind dissolved phosphate	Prevention of algae growth
De.mem (ASX:DEM)	A$0.3m (12 months to 31/12/16)	A$29m	Membranes	Industrial (across many sectors) & Municipal/ Residential Water and Waste Water

Experienced Board & Management Team

Cosimo Trimigliozzi | Chairman
COO of Wild Flavors International
Managing Director Givaudan Asia
MBA, University of Basel, Switzerland

Andreas Kroell | CEO and Director
Director New Asia Investments
Deutsche Bank
Deloitte Corporate Finance
MBA, University of Frankfurt, Germany

Nicanor Suarin | Chief Engineer
Hyflux
Doosan
Bachelor of Engineering, MBA, Philippines

Bernd Dautel | Non-Executive Director
Director New Asia Investments
Managing Director Wieland Metals Asia Pacific
Master of Chemical Engineering, Karlsruhe University of Technology, Germany

Stuart Carmichael | Non-Executive Director
Partner & Director Ventnor Capital
Executive Vice President UGL Limited (ASX:UGL)
KPMG Corporate Finance
Bcom, CA

Michael Edwards | Non-Executive Director
CEO Latitude Consolidated (ASX:LCD)
Non-Executive Director Norwood Systems Limited (ASX:NOR) & Dawine Limited (ASX:DW8)
BBus (Economics / Finance), BSc (Geology), Grad Dip (Oen)

Key Milestones

- Award of customer contracts
- Expansion into key growth markets
- M&A / Partnerships / JV's
- Access to new technology / intellectual property

Why Invest?

Substantial market opportunity: global expenditure in wastewater sector expected to reach AUD$125bn by the end of 2016 [1] and the membranes market in particular forecast to be worth AUD$43bn by 2020[2]

Established revenue generating business with a strong presence in emerging Asian markets (Singapore and Vietnam)

Patented technology licensed from a leading water technology university, software development and extensive know how providing significant barriers to entry

Strong activity pipeline with expansion into Australia, Germany and China during 2017 & further product development in progress including innovative NF membrane technology

Flexible revenue model and a low cost base: Existing projects providing stable cash flow and recurring service revenues

Significant customer pipeline throughout Singapore and Vietnam and new markets of Australia, Germany and China

Appendix

Select Project Experience (Build-own-operate)

Factory of Swiss Multinational, Flavours Industry, Singapore

- Capacity: Up to 50 m3 per day
- Industrial waste water with high and varying COD content
- Limited availability of space requires containerised solution
- Currently in pilot phase

Factory of French Multinational, Electronics/Plating, Singapore

- Capacity: Up to 50 m3 per day
- Industrial waste water with high content of chemicals from plating process
- Using a customised treatment process designed by De.mem
- Operational in April 2016

Factory of Japanese Multinational, Electronics, Singapore

- Capacity: 1 m3 per day
- Industrial waste water with extremely high COD and ethanol content
- Using a customised treatment process designed by De.mem
- Operational in March 2016

Vinh Water Treatment Plant, Nghe An Province, Vietnam

- Project description: See previous slide
- De.mem operates the plant and sells water under a long term supply agreement
- Water is used for drinking by municipality and by nearby textile factory
- Commenced in January 2015

Select Project Experience (Equipment Sales)

Hanoi University of Agriculture Water Tr. Plant, Hanoi, Vietnam

- Capacity: Up to 2,000 m3 per day
- Using UF membranes
- Supplies the campus of the university
- Operational in December 2015
- System sales agreement worth approx. 170 k USD (2015)

Factory of Multinational Corporation, Oil & Gas, Singapore

- Capacity: Up to 10 m3 per day
- Industrial waste water with high oil content
- Using a customised treatment process designed by De.mem
- Operational in Dec 2015
- System sales agreement worth approx. 20 k SGD (2015)

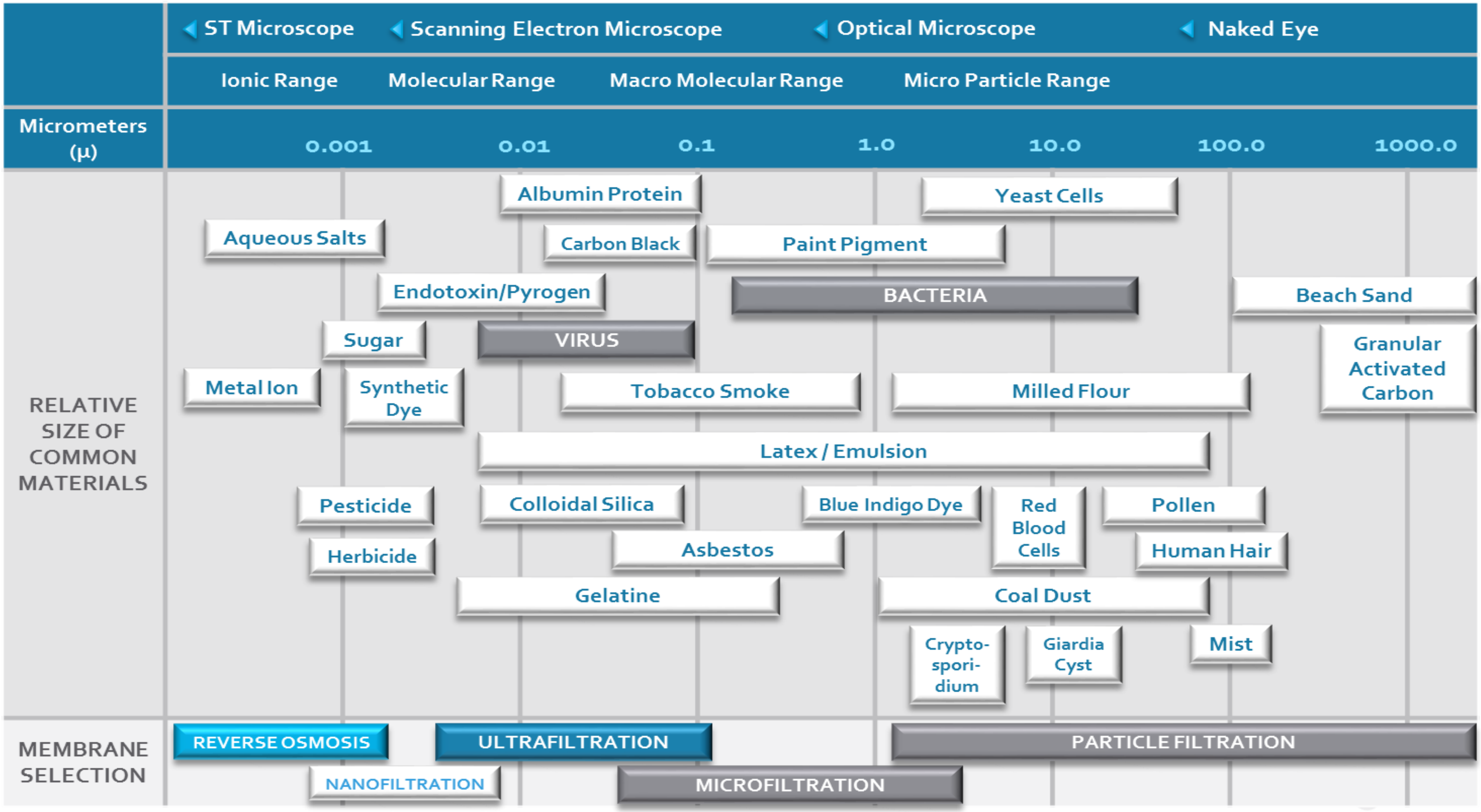
Duc Hoa Water Treatment Plant, near Saigon, Vietnam

- Capacity: Up to 1,000 m3 per day
- Using UF, RO and advanced pre-filtration processes
- Supplies a nearby industrial park
- Operational in January 2015

Vinh Water Treatment Plant, Nghe An Province, Vietnam

- Capacity: Up to 1,000 m3 per day
- Using UF membranes
- Supplies a municipality outside Vinh City with currently about 2,000 households connected
- Operational in January 2015
- EPC contract worth approx. 330 k USD (2014)

Filtration Spectrum



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Competitively Positioned in a Fragmented Market

De.mem covers all aspects of the value chain in a fragmented market, providing end users with a cost effective, full service solution to manage their wastewater production capacity

Products & Equipment Focus

Systems Integration Focus

Operations & Service Focus

Distribution Focus

Worldwide Press

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