



DECEMBER 2015 QUARTERLY REPORT TO SHAREHOLDERS

The Directors of FOY Group Limited (“**FOY** or “**Company**”) are pleased to provide Shareholders with a summary of the activities for the December 2015 Quarter.

BSA COMPLETION STRATEGY

Encouraged by the support received by the Wyong Shire Council both FOY and Integrated Green Energy Limited (IGE) continue to work closely with the NSW Environment Protection Authority (EPA) in order to secure the required licensing. Management of both companies have met with senior representatives of the EPA from both the Energy from Waste and Resource Recovery divisions.

As this process is taking longer than anticipated the Board continues to explore sites external to NSW in order to obtain value for shareholders from its revolutionary waste plastics to road ready fuels technology.

PNG STRATEGY

The Company has continued to progress its PNG strategy and the future development of the Amazon Bay Project.

During the quarter, the Company had extensive dialogue with the PNG Mineral Resources Authority (MRA) regarding both the upcoming renewal of its 3 Exploration Licenses and the application of the Biomass to Energy Technology being acquired as part of the IGE transaction. The MRA and PNG Government continue to show great interest in the Biomass technology, both as part of the Amazon Bay project and as a key plank of the Government’s commitment to deliver power to 70% of the PNG population by 2030.

In November, FOY sent a delegation to PNG to represent the company at the annual PNG Mining and Petroleum Conference held in Port Moresby, where the Biomass technology was presented to the Mining community as a viable alternative to diesel powered plants in remote locations. The delegation was led by FOY’s PNG based Director and Country Manager Mr Kilroy Genia. Positive feedback was received from PNG Power Limited, and consequently meetings have been held with the company’s CEO and senior management. FOY will look to progress discussions with PNG Power going forward with a view to commercialising its Biomass technology in PNG.

As part of the PNG trip, a site visit to the Amazon Bay project area was organised. Over 400 community members travelled to the site, including senior zone representatives. FOY reiterated its commitment to the Amazon Bay project, and discussions with landowners are progressing to secure 70 ha of land suitable for growing Bana Grass, the feedstock used for the generation of electricity through the Biomass technology.

In December, FOY lodged its renewal application for EL1396, which emphasised the revised pre-feasibility study on the project incorporating the Biomass technology. In a positive step, the MRA has agreed to hold all three Warden's Hearings for the tenements over a 2 day period, March 8 & 9 2016, and FOY will be pushing strongly to continue its exploration activities in the region with strong support from the local communities.

SUMMARY OF PNG TENEMENTS

The Company's focus in PNG continues to be on the Amazon Bay Project.

Project	Tenement	Interest
Amazon Bay	EL 1396	90% interest (TVI Pacific Inc. FOY substantial shareholder holds 10%)
Amazon North	EL2149	100% interest
Maruta	EL 2281	100% interest

ANNUAL GENERAL MEETING

All resolutions voted on at the AGM held on 30 November 2015, were approved by Shareholders, including:

- Approval for the issue of the Consideration Securities for the IGE transaction.
- Approval for the issue of the Performance Right, whereby the IGE Shareholders will receive Milestone Securities if the Performance Target of \$5 million in EBITDA per annum from operating the IGE Technologies or applications of the Technologies during any 6 month period ending on either 30 June or 31 December (pro-rata) between Completion of the Business Sale Agreement and 30 June 2018.
- The re-election of Bevan Dooley as a Director of the Company.
- To appoint Hall Chadwick as the Company's auditor to replace BDO.

ONGOING DISCUSSIONS WITH POTENTIAL JOINT VENTURE PARTNERS

Following the signing of the Term Sheet with GEP Fuel & Energy LLC (GEP), FOY has been looking to leverage the technology through Joint Ventures with both domestic and international companies. Discussions with entities based in Australia, China and North America are continuing.

Further information:

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