



JUNE 2016 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 June 2016 Quarter

Shareholder Highlights

- The Company is well advanced in its submission to the Australian Capital Territory (ACT) for an end of life plastics to fuel plant.
- The Berkeley Vale (BKV) facility ramps up co-mingled fuels processing.
- Relisting and capital raising.
- The Company has formally applied for the renewal of its PNG tenements.

ACT Project

The Company intends to construct a 200 tonnes per day (TPD) end of life plastic to fuel facility in the ACT. This facility, located in the Hume West industrial estate will be capable of producing 170,000 litres/day of diesel and petrol.

The Company has selected this site for the following attributes:

- Located in an existing industrial area with like industries surrounding;
- Located within 3 km of the Monaro highway and allows 24/7 B-Double truck access; and
- Existing support infrastructure.

FOY embarked on extensive discussions with relevant domestic government entities external to NSW and following a review of financial projections and regulatory frameworks it was decided that the ACT is the most promising location.

To date the following progress has been made:

- Site has been selected;
- Preliminary engineering is complete;
- Environmental Impact Study (EIS) Scoping document has been applied for and received from the Environment and Planning Directorate (EPD);
- The EIS is in the final stages of internal review and will be ready for submission to the EPD shortly; and
- The company has formally tendered for a 99-year lease of the site.

The company will shortly submit the EIS to the EPD and looks forward to the government and community feedback / consultation process. Once approval is received, the company will then submit a full Development Application to the ACT government in order to develop the site.

BKV Comingled Fuel Processing

The Integrated Green Energy’s (IGE) BKV Facility received consent from Wyong Shire Council to process up to 2 million litres of co-mingled fuels per year. To date, the asset continues to process co-mingled fuels and is now generating revenue, as well as providing invaluable experience in plant operation for the operation and management team. The

company envisages that the operational skills honed by processing the comingled fuels on the BKV site will be instrumental as IGE commissions and trains the operations team for the ACT project.

Relisting and Fundraising

FOY is currently in consultation with the ASX regarding its upcoming EGM to approve the new Business Sale Agreement as announced on 9 February 2016, and the subsequent fundraising and relisting. The Company anticipates issuing its Notice of Meeting to shareholders in the near future. The Company will be seeking to raise funds to construct the first stage of the ACT Facility at 50 TPD. Cashflow generated from this first stage at the ACT and the BKV's co-mingled operations will provide the funding to expand the ACT plant to its full capacity of 200 TPD.

PNG STRATEGY

The Company has continued to progress its PNG strategy and the future development of the Amazon Bay Project and has undertaken the following activities:

- Continued active dialogue with the PNG Mineral Resource Authority (MRA) regarding its renewal application for the Company's existing tenements;
- Delivered presentations to the PNG Mineral Resource Authority regarding green energy and the iron sands development; and
- Continued to explore alternative processing techniques for the iron sand deposits.

The Mining Advisory Council have made a recommendation to the Minister and the Company awaits the minister's determination.

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	EL 2149	100% interest
Maruta	EL 2281	100% interest

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