

De.mem adds new membrane technology with large market potential to proprietary technology portfolio

Highlights

- DEM exclusively licenses new hollow fiber Forward Osmosis membrane for applications in industrial waste water
- Technology has the potential to provide substantial cost savings for customers
- Large worldwide market for respective products estimated at A\$400 million per annum

8 March 2018: Water and waste water treatment company De.mem (ASX:DEM) (“De.mem” or “the Company”) is pleased to advise it has secured the exclusive rights for a new hollow-fiber Forward Osmosis (“FO”) technology originally developed by Nanyang Technological University, Singapore (NTU), for applications in industrial waste water treatment, in particular, the de-watering of reject/concentrate from membrane based water treatment plants.

FO is an osmotic process that uses a semi-permeable membrane to effect separation of water from dissolved solutes. The hollow fiber FO membrane developed by NTU promises to deliver high flux (=high concentration of feed), low salt back flux (=low draw solution leakage) and is easy to be manufactured and scaled up.

The FO technology substantially reduces the volumes of concentrated liquid (“reject”), which is generated by membrane based water treatment plants. The disposal of such reject is an enormous cost factor for the operators of these plants and represents significant costs of up to \$400 per tonne.

De.mem has demonstrated that the FO technology can reduce the volumes of reject by up to two thirds, providing substantial cost savings for clients. The technology can be utilised in place of current ‘Zero Liquid Discharge’ processes and evaporators, which are expensive to purchase and operate, leaving De.mem well positioned to capitalise on the market, which is cited to be worth approximately A\$400 million per annum (source: ForwardOsmosis Tech).

The rights in the technology have been sub-licensed to De.mem by Aromatec Pte Ltd, Singapore, which commercialises the same technology for other applications, in particular in the food & beverage industry. Under the agreement, De.mem acquires exclusive global rights for the technology and associated patents for the above-mentioned applications against a favourable fee of 4% on all sales generated.

De.mem CEO Andreas Kroell said: “We are excited that this new technology is now exclusively part of De.mem’s growing product suite as it provides additional competitive advantage for the Company.

We are poised to enter an additional multi-million dollar section of the market with this highly innovative product and believe there is strong market need for the technology.

The demand in our existing customer base alone provide significant opportunity for revenues to be realised through this offering and we look forward to aggressively marketing it throughout Asia and Australia.



The technology is currently entering the commercial phase and the Company looks forward to updating shareholders as this progresses.”

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About De.mem Limited

De.mem Limited (ASX:DEM) is a Singaporean-Australian decentralised water and waste-water treatment business that designs, builds, owns and operates water and waste water treatment systems for its clients. De.mem operates in the industrial segment providing systems and solutions to customers from the mining, electronics, chemicals, oil & gas and the food & beverage industries and in the municipal and residential segments. De.mem has licensed proprietary technologies from its partner in research & development Singapore’s Nanyang Technological University (NTU), including an exclusive worldwide license for a revolutionary low-pressure hollow fibre nanofiltration membrane. Through its wholly owned water and waste water treatment original equipment manufacturing (OEM) subsidiary Akwa-Worx Pty Ltd, De.mem has a strong presence in Australia. Akwa-Worx has a market reputation for building high quality Australian designed and manufactured products and has long-term customers in the Australian mining industry. To learn more please visit: www.demembranes.com

Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices or potential growth of De.mem Limited, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.