

De.mem completes placement with leading institutional investors

Highlights:

- Received commitments for approximately \$2.95m from leading institutional and other investors through a placement of ordinary equity at \$0.20 per share, including a cornerstone follow-on investment by Perennial Value Management
- The additional capital is intended to fund the expansion of the Company's Build, Own, Operate segment and to pursue other strategic growth initiatives

27 September 2019: Water and wastewater treatment company **De.mem (ASX:DEM)** ("De.mem" or "the Company") is pleased to announce that it has received commitments for approximately \$2.95m of new investment by a group of high-quality institutional and other investors through a placement of ordinary equity in the Company.

The Company advises that it shall issue 14.755m of new DEM shares once the committed capital has all been received, utilising the Company's existing placement capacity available under the ASX Listing Rules. 2,377,067 new DEM shares are to be issued under ASX Listing Rule 7.1 and 12,377,933 new DEM shares are to be issued under ASX Listing Rule 7.1A.

The additional capital has been raised in anticipation of new Build-Own-Operate ("BOO") contract awards. Growing BOO revenues is an important part of DEM's growth strategy because this segment will grow the Company's recurring revenue stream with equipment rentals. Part of the additional capital raised may be used for general working capital and to pursue a number of other strategic growth initiatives.

De.mem CEO Andreas Kroell said: "The investment received from such a high-quality group of investors underlines the attractive investment proposition of De.mem. Each investor is known to be a long-term supporter of high-quality growth businesses."

"The placement coincides with the rapid expansion and growth of De.mem's business. We are focusing on growing our recurring revenues, diversifying our revenues across Australia and internationally, selectively advancing our proprietary product range and expanding into high growth customer verticals such as the food and beverage segment. This capital raising assists with advancement of these objectives."

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De.mem Limited (ASX:DEM) is an Australian-Singaporean decentralised water and wastewater treatment business that designs, builds, owns and operates turnkey water and wastewater treatment systems for some of the world's largest companies in the mining, electronics, chemical, oil & gas, and food & beverage industries. Its systems also provide municipalities, residential developments and hotels/resorts across the Asia Pacific with a reliable supply of clean drinking water.

De.mem's technology to treat water and wastewater is among the most advanced globally. The Company has commercialised an array of innovative proprietary technologies from its research and development partner, Nanyang Technological University (NTU) in Singapore, a world leader in membrane and water research. Technologies exclusively licensed from NTU include a revolutionary low-pressure hollow fibre nanofiltration membrane that uses less electricity and is cheaper to operate than conventional systems, as well as a new Forward Osmosis membrane deployed in de-watering applications or the concentration of liquids.

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.

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