
33% OF BREAKTHROUGH ISRAELI CO₂-TO-FUEL TECHNOLOGY SECURED

**Greenearth has reached an agreement to restructure its position
and increase its investment to 33 per cent of NewCO₂Fuels;**

Greenearth Energy Ltd (“Greenearth”) (ASX:GER) is pleased to announce that it has renegotiated its position in NewCO₂Fuels Ltd (“NCF”), a company registered in Israel.

The strengthened ownership position comes at an exciting time for NCF and its investors (including Greenearth), as it progresses through technical feasibility demonstration towards commercialisation of its ground-breaking CO₂-to-fuel conversion technology.

Under the new arrangement:

- Greenearth has the right to increase its interest to 33.33 per cent of the issued capital of NCF
- Greenearth will invest US\$3m in stages through 2014 and 2015
- On completion of the investment, Erdi Fuels Pty Ltd ("Erdi Fuels") and Greenearth will be equal shareholders in NCF at 33.33 percent each
- The remaining percentage of NCF Shares will continue to be held by founders, current staff and Yeda Research & Development Co. Ltd. ('Yeda'), based at the Weizmann Institute in Israel.

Greenearth's new investment into NCF will go towards funding the roll-out of the ongoing commercialisation strategy and additional research and development of the NCF technology, along with general working capital of NCF.

Greenearth and Erdi Fuels' previous arrangements with NCF, including the royalty stream previously available to Greenearth, have been renegotiated and replaced by this new structure. Erdi Fuels and its associates have invested US\$9m into NCF to reach its current milestones.

This renegotiation removes some of the previous limitations on Greenearth's participation in the project and leaves Greenearth with a substantial shareholding as NCF rapidly approaches the commercialisation phase.

To assist in funding this transaction, as well as for other group initiatives and working capital, Greenearth is undertaking an equity capital raising, details of which are in the process of being released to ASX.

Greenearth's right to invest US\$3m in NCF and acquire the 33.33 per cent interest is subject to Greenearth raising a further US\$3m (in addition to the commitments received under the current capital raising) over the next three months, unless otherwise negotiated.

Greenearth Energy Managing Director, Samuel Marks said:

"This is another great step forwards in the long term strategy for Greenearth and NewCO2Fuels. We have continually been impressed by the technical achievements shown by the NCF team and are excited by the level of interest shown by potential users of the NCF technology across the globe. This repositioning of ownership gives Greenearth a greater opportunity to assist NCF as it progresses through to the commercialisation stage of the business and reach the goals we are on the way to achieving."

NewCO2Fuels Ltd CEO, David Banitt said:

"We are pleased to have Greenearth reaffirm their position as a key shareholder in NCF, and look forward to continuing to work with them through this exciting time in the history of our company and its technology. Greenearth have been a key partner of NCF since its inception in 2011 and we see this new move as a very positive step for our future growth and development. Greenearth bring many skills to the board and management team which will assist us to establish a pilot within the next 24 months at customers' sites".



Samuel Marks

Managing Director

Greenearth Energy Limited

Please direct all enquiries to Samuel Marks, Managing Director, telephone 03 9620 7299.



From challenge to opportunity

About NewCO2Fuels

NewCO2Fuels(NCF) is an Israeli start-up company, which was formed in 2011 by a group of scientists and entrepreneurs with the support of Greenerth Energy Ltd and the Erdi Group. NCF was formed to develop and commercialize an innovative system to profitably produce fuels from CO₂ and water, using renewable high temperature heat from solar or excess heat from industry. The system is based on a technology developed at the Weizmann Institute of Science and exclusively licensed to NCF.

Review video at the attached link for further information -
http://www.youtube.com/watch?v=vH-YZdqB_SE

NewCO2 Fuels Website - <http://newco2fuels.co.il/>

About Greenerth Energy Ltd

Greenerth Energy Limited is a diversified Australian-based renewable energy company with interests in technology-focussed solutions in the energy efficiency and CO₂-to-fuel conversion markets as well as conventional geothermal resources in Australia and the wider Pacific Rim.

Greenerth Energy Ltd - <http://www.greenerthenergy.com.au>



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