

## AnaeCo's final tick for DiCOM trial

Tuesday, 2 March 2010

Garth Lamb

**Perth-based AWT specialist AnaeCo (ASX:ANQ) has received its long-awaited Final Certificate of Satisfaction from the independent engineer assessing the performance of its showcase DiCOM waste treatment facility, constructed for Perth's Western Metropolitan Regional Council (WMRC). Having demonstrated the technology works, the company is now "focusing on successful commercialisation of the technology within the dynamic, global AWT market".**

AnaeCo said the engineers certificate issued by Sinclair Knight Merz, "is independent verification that the DiCOM process has satisfactorily met the contractual performance trials, enabling the WMRC project to proceed to Stage 2".

Stage 2 will expand the existing facility's capacity threefold. As previously reported, several other contracts also hinged on successful demonstration of the WMRC plant, including a \$50 million deal with Barwon Regional Council in Victoria and an MoU with CityWide Services to look at potential AWT opportunities in Melbourne.



Inside AnaeCo's new WMRC waste facility.

AnaeCo is awaiting formal confirmation from Barwon that its project will proceed, but expects to have sufficiently demonstrated its technology through the WMRC trials.

"This independent certification validates key technical claims made by AnaeCo about the DiCOM process, including its production of renewable energy in excess of the plant's internal requirements as well as the ability to produce high quality compost from organic material sourced from mixed household waste," the company [stated](#).

According to MD Tom Rudas, "the most satisfying aspect of the certification process has been the ability of the AnaeCo team to take a new technology, previously unproven at commercial scale, construct a facility and then demonstrate its successful performance in such a short time frame".

The timeframe, however, might have been short in absolute terms, but was longer than originally envisaged – in late 2008 *WME Media* [reported](#) results from trials of the WMRC plant were expected in the first quarter of 2009.

Despite delays getting the trials underway, having ticked off on the final results chairman Professor Michael Dureau said the company is "now well on its way to becoming a world recognised innovator in the conversion of municipal and industrial solid waste to high value resources".

The company points to several key technology based competitive advantages for its DiCOM system, which were proven in the WMRC performance trials.

- **Small plant footprint** – the current WMRC installation occupies less than 2,000m<sup>3</sup>
- **Processing capacity** – the current system is designed to receive 55,000tpa of municipal solid waste. The trials confirmed this operating capability, and indicated potential to operate at up to a 20% higher rating.
- **Effective batch processing** – the hybrid aerobic/anaerobic/aerobic bioconversion process was shown to efficiently process the organic fraction of MSW producing biogas and stabilised compost in a 21-day cycle.
- **Destruction of pathogens** - the consistent high temperature during the anaerobic phase was effective in destruction of pathogens.
- **Compost end product** - is high in nutrients and likely to find use as feedstock for organic fertiliser.
- **Quality production of biogas** - biogas production during anaerobic digestion was of sufficient volumes and consistency to confirm it is a reliable source of renewable energy.
- **No odour issues** - the operating process did not cause any odour issues at the WMRC transfer station. This was confirmed by independent odour monitoring, with bioconversion inside the sealed vessel the major reason for effective odour control.

With performance trials successfully out of the way, the company said its key focus now will be

"product development and market positioning".

On the product development front, AnaeCo is "applying resources to refining product specifications, product pricing, a construction and delivery model, and development of off-taker relationships. An underlying objective is to create a platform for delivery of reliable, replicable products."

The objectives in market positioning, "are to place the company at the forefront of the waste management services industry through the application of DiCOM technology, focusing on delivering strong shareholder value while meeting high sustainability standards".

While the engineers certificate issued on Friday is a key milestone, the announcement failed to cause any significant movement in the company's shareprice.

Mid-last month the company [announced](#) a \$4 million capital raising, including a Share Purchase Plan for \$1.5 million, offering existing stockholders new shares at \$0.225 each. Existing ANQ shares are currently trading on very low volumes around \$0.22.

© **Aspermont Limited**

**Aspermont Limited**

**Street Address** 613-619 Wellington Street, Perth WA Australia 6000

**Postal Address** PO Box 78, Leederville, WA Australia 6902

**Head Office Tel** +61 8 6263 9100 **Head Office Fax** +61 8 6263 9148

**e-mail** [contact@aspermont.com](mailto:contact@aspermont.com) **website** [www.aspermont.com](http://www.aspermont.com) **ABN** 66 000 375 048