



Innovations that work.

ACN 109 200 900

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

24 January 2020

EDEN SECURES US\$1.85 MILLION OF DEBT FINANCING FOR WORKING CAPITAL

Eden Innovations Ltd (Eden) (ASX:EDE) is pleased to announce that it has secured US\$1.85 million in debt financing by way of a 2-year, interest only loan (the "Loan") from a publicly listed US real estate financing institution, which is secured against Eden's two freehold properties in Colorado, U.S. (owned by Eden's 100% owned U.S. subsidiary Eden Innovations LLC ("Eden US")).

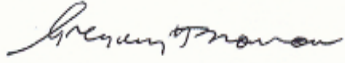
The financing has been undertaken to provide working capital for the Eden Group of companies, as they continue to work to increase sales of both the EdenCrete® range of products and the OptiBlend® dual fuel systems. A steady increase in these sales is targeted over the coming one-two years.

Eden is also exploring entering into a similar arrangement on its Augusta, Georgia property in the U.S. The material details of the financing that has been concluded are as follows:

- **Lender** – Sachem Capital Corporation (NYSE American: SACH), a US based and publicly traded real estate financing company
- **Principal amount of Loan** – US\$1.85 million (Principal Sum)
- **Term of Loan** – two years
- **Principal Sum Repayment** – payable in full at the end of the two year Term unless Eden, at its election, has previously repaid the Loan in full
- **Interest** - 12% per annum on the aggregate amount of the Principal Sum outstanding from time to time, calculated and payable monthly in arrears
- **Security** – a first mortgage over two of the three US freehold properties owned by Eden US, being the two properties in Littleton (part of greater Denver), Colorado. Eden Innovations Ltd, the Australian parent, is also guaranteeing the repayment of the Loan.
- **Eden** has the right to repay all or part of the Principal Sum at any time without penalty unless the loan is repaid within 9 months in which case it will carry a 0.5% (one half a percent) pre-payment penalty of US\$9,250.
- **Commission** – a total of 5% commission (US\$92,500) to be paid to Eden's ongoing US financial advisor EAS Advisors LLC, acting through Odeon Capital Group LLC, who arranged the Loan.

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- **Available funds** – After commission, fees and other related charges (the Costs), the net amount of funds available to Eden from the Principal Sum for working capital will be approximately US\$1.7million.



Gregory H. Solomon
Executive Chairman

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