



September 18, 2020

Trevor Bayley, Director/COO
Green Distillation Technologies Corp, Limited
Level 5, Building 1, 658 Church St
Cremorne, Victoria 3121
Australia

Dear Trevor,

The intent of this Letter is to provide a written expression of interest of the following Parties:

“Processor”: Green Distillation Technologies Corp (GDTC), a developer of facilities intending to utilize proprietary pyrolysis technologies to convert end of life tires into salable commodities,

and

“Supplier”: Tyrex Resources, LLC, a company focused on providing waste tire management services to auto dealers and tire retailers.

The companies are contemplating a contractual supply arrangement where the Processor would, in exchange for a fee, take and process end of life tires to be provided as set forth in this Letter of Intent from the Supplier. This letter also outlines some of the terms and conditions that a future agreement would include, as well as the exchange of information and documents that should take place in advance of the future agreement. The future agreement would require further documentation and approvals and the preparation of a definitive agreement which would set forth the material terms and a commitment from the Processor to take and the Supplier to provide.

1. Prospective Transaction

The transaction, which the Parties have expressed a mutual interest in, involves the transfer and supply of a long-term, consistent quantity of end of life tires from the Supplier to the pyrolysis facility to be developed by the Processor (“Prospective Transaction”). Supplier currently manages the disposal of approximately 40,000 tires (approximately 400 tons) per week and will dedicate this material supply to the Processor’s Facility.



2. Transfer Price

The Prospective Transaction would involve transfer of end of life tire materials and payment from Supplier to Processor under the following terms:

Supplier will pay Processor a “Tip Fee” per ton (US short ton – 2,000 lbs) to receive end of life tire delivered to the Processor’s facility. Actual Tip Fees will be established using best available commercial rates at the time of contract execution.

The parties agree that the Tip Fee will be adjusted from time to time to ensure that the Supplier’s cost of end of life disposal at the Processor’s Facility is competitive with other best available alternatives in each regional marketplace.

3. Due Diligence

Processor will be entitled to inspect and analyze the Supplier’s business operations, including reports relating to the quantity of tires collected, alternative cost of tire disposal and prospects until the closing or termination, of this Letter of Intent.

Supplier will be entitled to review reports relating to Processor’s engineering and permitting timeline and progress, as well as reports relating to offtake agreements for the commodities to be produced by the Processor’s pyrolysis facility.

Supplier and Processor agree to execute a Confidentiality Agreement and to not contact each other’s customers or suppliers unless expressly authorized by the other party.

4. Contingencies

Before a final agreement can be made, both parties must be satisfied with the due diligence review, as well be in agreement on the terms of the Definitive Agreement.

5. Non-Binding Agreement

Except for the paragraph entitled “Public Announcements and Confidentiality Agreement,” the provisions in this Letter of Intent are for informational purposes only and are nonbinding on all Parties. The prospective Transaction requires further negotiation and documentation, including preparing and executing a final agreement. This letter does not require either party to proceed to the completion of a binding final agreement. The parties shall not be contractually bound to the sale, purchase or transfer listed above unless and until they enter into a formal, written final agreement, which must be in form and content satisfactory to each party and to each party’s legal counsel, in their sole discretion.



6. Public Announcements and Confidentiality Agreement

All parties hereby agree not to release any information to the public with regards to this letter or any potential agreement without the separate written consent of all parties involved. All parties agree that the terms of this letter of intent and any negotiations shall remain confidential between the parties and their legal representation.

7. Authority to Enter Letter of Intent

The parties signing this letter affirm they are an authorized representative of their respective companies and have authority to enter into this Letter of Intent.

8. Closing, Termination of Letter

Closing shall occur no later than 6 months from the date the last signature is affixed hereto unless mutually extended by the Parties. The Letter of Intent terminates if Closing does not occur or has not been extended or if either Party provides written notice of termination. If the Letter terminates, the paragraph entitled "Public Announcements and Confidentiality Agreement" survives termination and continues to bind the Parties, as does any separately executed Confidentiality Agreement.

9. Expenses Associated with Due Diligence

The Parties agree to bear their own expenses, including attorney's and professional fees associated with any due diligence or any other matter associated with this Prospective Transaction.

Sincerely, and Agreed to by Suppliers

Agreed to by Processor


James E. Meckley
COO / Tyrex Resources, LLC

Green Distillation Technologies Corp, Ltd.