

ALCORE Pilot Plant Construction Accelerates

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Building permit received and construction now well underway at the ALCORE pilot plant facility, with major civil works, electrical upgrades and plant assembly

Process equipment and auxiliary systems arriving on site ahead of installation

Detailed engineering, equipment manufacture and HAZOP studies progressing in support of commissioning

ABx Group Limited (ASX: ABX) (**ABx** or the **Company**) is pleased to advise that, following approval of the building permit application, civil works have commenced for the continuous pilot plant at the ALCORE Technology Centre (ATC) in northern Tasmania, adjacent to Rio Tinto's Bell Bay aluminium smelter (Figure 1). This marks an important step in pilot plant construction for ALCORE Limited (**ALCORE**), which is an 83%-owned subsidiary of ABx.

The pilot plant will demonstrate ALCORE's world-first proprietary process for producing hydrogen fluoride from a by-product generated during aluminium smelting. Hydrogen fluoride is essential for producing fluorine chemicals, which are used for critical applications such as lithium-ion batteries. Australia has no domestic production of hydrogen fluoride.



Figure 1: ALCORE Technology Centre, Bell Bay, Tasmania, with Rio Tinto aluminium smelter in background

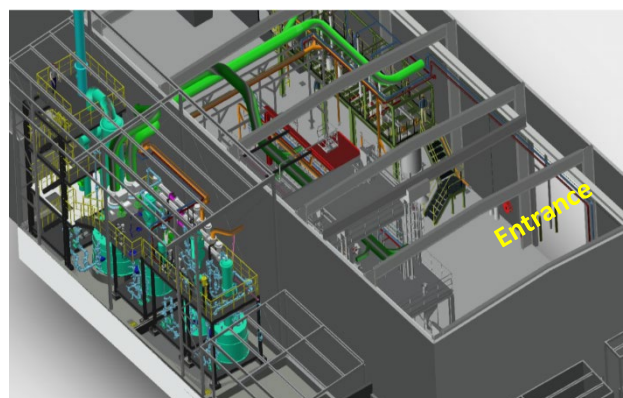


Figure 2: 3D Model of ALCORE pilot plant being built at the ALCORE Technology Centre (ATC)

Construction: Civil Works

Civil works involving foundations, bunded covered process areas, and supporting infrastructure was needed for process equipment, platforms, utilities, chemical storage, control room and workshop functions. Construction and site preparation inside the building is scheduled to match the delivery and installation timetable to optimise orderly site access, efficient equipment placement and plant installation.

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The Bell Bay industrial precinct has engineering resources that can respond rapidly when major plant items arrive early. Bell Bay is an ideal setting for ALCORE's first plant.

Construction: Electrical Works

TasNetworks is coordinating with Alcore's construction works, progressing the site power supply upgrade, including upgraded high-voltage supply infrastructure, a new substation and associated earthing and connection works. ALCORE is also advancing the new main switchboard and downstream electrical infrastructure required to support the site and pilot plant operation.

Pilot Plant Installation

Equipment for the pilot plant is being regularly delivered to the ATC (Figure 3). Equipment already received includes a process water treatment plant, a demineralised water generator, air compressors, chemical storage containers, laboratory equipment and a forklift.

Pilot plant development continues across the major process modules and supporting infrastructure and auxiliary systems. Formal HAZOP¹ studies for the major process modules have been completed, with ALCORE now implementing the resulting actions to support design finalisation and equipment installation.

Major process modules are being manufactured, with ALCORE continuing detailed engineering and supplier review of equipment interfaces, platforms, pressure equipment, electrical systems, valves and instruments, together with operating and maintenance requirements. This work supports Australian Standards compliance, regulatory requirements, site readiness and commissioning preparation.

A detailed 3D model of the site and pilot plant has been developed with Kempe Engineering and supported by BFluor Chemicals' specialist fluorochemical expertise (Figure 2). The model is being used to integrate utilities, module ventilation, process piping, electrical cable routing, access, maintenance and installation requirements.

In parallel, electrical and process control work is continuing to build and strengthen the site electrical distribution, communications networks, control philosophy, and control system hardware and software design. These workstreams are being coordinated to support efficient installation and reliable pilot plant operation.

Environmental Approvals

As previously reported, the Environmental Effects Report (EER) was submitted to EPA Tasmania in March.² ALCORE has recently responded to requests for further information received during the review process and continues to work closely with regulators to facilitate timely completion of the environmental assessment.

¹ Hazard and Operability

² ASX Announcement 27 March 2026

Dr Mark Cooksey, Managing Director and CEO of ABx Group, commented:

"We are very pleased with the continued progress being achieved at Bell Bay as the ALCORE pilot plant advances through the construction phase. Receiving the building permit, commencing civil works and seeing equipment arrive on site are important milestones for the project. At the same time, our engineering, manufacturing and safety review programs continue to advance, providing a strong foundation for successful commissioning of this world-first technology."



Figure 3: Construction activities and equipment delivery at the ALCORE Technology Centre

Next Steps

ALCORE's immediate focus is on progressing civil construction, the site power upgrade, manufacture and delivery of major process module equipment, completion of detailed balance-of-plant design and pilot plant 3D modelling. These activities are being coordinated with environmental assessment requirements, council approval processes, installation planning and commissioning preparation.

The highest priority for the pilot plant is safe operation, particular related to the production of hydrogen fluoride.

The schedule has been updated to reflect the requirements of coordinating site construction, power infrastructure, equipment manufacture, delivery readiness and staged installation within the available site space and resources. This sequencing is designed to support safe, orderly and efficient progression from construction into pilot plant installation and commissioning.

Civil construction and associated power upgrade works are targeted for completion in late Q4 2026. Major process module equipment is expected to be delivered progressively from early Q4 2026 through to Q1 2027, with staged installation to follow and cold commissioning schedule for early Q2 2027.

Business Development

ALCORE is engaging with the Australian and global fluorine industry to identify additional commercial opportunities for the technology, particularly for the production of other critical minerals.

ABx recently reported³ that the indicative operating cost of producing hydrogen fluoride using the ALCORE process is US\$1,000-\$1,600/t. This would place ALCORE in the lowest quartile for hydrogen fluoride production cost and represent a 30-60% operating margin.

Strategic Importance of Hydrogen Fluoride

Hydrogen fluoride is a precursor chemical for battery chemicals, aluminium fluoride, refrigerants and fluoropolymers, and is essential for the manufacture of semiconductors and solar cells. The global market for hydrogen fluoride is over US\$3 billion per year.

Hydrogen fluoride is mainly produced from fluorspar, which is obtained from the mineral fluorite. Australia does not mine any fluorite, or produce any fluorspar, hydrogen fluoride or fluorochemicals, and so must import all its requirements. Notably, Australia is the world's largest producer of aluminium metal without domestic aluminium fluoride production, an essential chemical for aluminium smelting.

In 2024, China produced 79% of the world's acidspar, the grade of fluorspar required for hydrogen fluoride production.⁴ Furthermore, China added fluorine to the 2025 Catalogue of Goods Subject to Export License Administration, meaning that a licence is required to export fluorspar out of China.

Because of the importance of fluorochemicals and the above supply risks, fluorspar has been designated a critical mineral by the US, Europe, Japan, Canada and Australia.⁵ The ALCORE process for hydrogen fluoride production provides a solution to Australia's strategic supply risk for hydrogen fluoride and fluorochemicals.

An example of the importance of fluorine is that it is required for rare earth metal production, and the use of hydrogen fluoride to process rare earth ores is being investigated. ALCORE is in discussions with companies active in these fields.

This announcement is approved for release by the board of ABx Group Limited.

Go to the ABx [Investor Hub](#) to watch a video of this announcement and ask any questions of management.

³ ASX Announcement, 2 July 2026

⁴ Project Blue, Fluorspar supply & demand outlook, Fluorine Forum 2025, 22-24 October 2025.

⁵ Australia has designated fluorine, rather than fluorspar, as a critical mineral

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About ABx Group Limited

ABx Group Limited (ABx) is a uniquely positioned Australian company delivering materials for a safer, cleaner future.

The three priority projects are:

- **Heavy rare earths:** Supplying light and heavy rare earths from Tasmania into Western supply chains
 - Maiden mixed rare earth carbonate produced and positive customer feedback received
 - Processing Options Analysis conducted in partnership with external experts
- **Clean fluorine chemical production:** Producing industrial chemicals from aluminium smelter by-product (ALCORE)
 - Preliminary economic assessment completed, indicating that ALCORE could be in the lowest quartile for hydrogen fluoride production cost
 - Continuous pilot plant under construction in Bell Bay, Tasmania
- **Near-term bauxite production:** Mining bauxite resources for the aluminium, cement and fertiliser industries
 - Agreements executed with Good Importing International for bauxite projects in Queensland and New South Wales, and \$2.7 million initial payment has been received
 - Approvals well advanced for DL130 bauxite project in northern Tasmania

ABx endorses best practices on agricultural land and strives to leave land and environment better than we find it. We only operate where welcomed.

Disclaimer Regarding Forward Looking Statements

This ASX announcement (Announcement) contains various forward-looking statements. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements are inherently subject to uncertainties in that they may be affected by a variety of known and unknown risks, variables and factors which could cause actual values or results, performance, or achievements to differ materially from the expectations described in such forward-looking statements.

ABx does not give any assurance that the anticipated results, performance, or achievements expressed or implied in those forward-looking statements will be achieved.