ASX RELEASE 16 June 2021

New US$1 million order received for Activated Carbon Pellets

- **Wisconsin power station seeking 500 tons of Activated Carbon Pellets within four months; takes this customer's total annual order value to +US$3m**
- **Arden Hills plant now at full capacity until the planned Kentucky plant becomes operational**
- **Scaled-up customer order reflects the growing demand for Carbonxt's cleantech products which capture multiple pollutants and reduce emissions**
- **Demand from existing US customers growing for the first time since the onset of COVID-19, driven by increased economic activity and new US government approach to environmental issues.**

United States focused Cleantech company **Carbonxt Group Ltd (ASX:CG1) ("Carbonxt" or "the Company")** is pleased to report that its revenue base continues to strengthen following receipt of a US$1 million order to supply 500 tons of its Activated Carbon ("AC") Pellets to an existing power station customer in Wisconsin, USA. This takes total orders from this customer to over US$3.0 million alone.

The AC pellets will be manufactured and supplied from the Company's Arden Hills facility in Minnesota with the order to be filled over a short four-month period commencing next quarter (Q1 FY22). Given the concentrated period over which the AC pellets will be supplied, Arden Hills will be at full operating capacity.

The AC pellets capture a range of pollutants including mercury, sulfur dioxide and nitrous oxide, thus lowering emissions from industrial processes such as power generation.

Growth in customer orders

For the first time since the onset of COVID-19, the Company is witnessing increasing levels of inquiry from its customer base and new orders are being placed for powdered Activated Carbon products, predominantly from US power generators that have a greater commitment to reducing emissions.

In addition, the development of new solutions continues to expand our addressable market into industries not previously serviced by Carbonxt.

This bodes well for Carbonxt's growth strategy in the US with the planned ramp up of manufacturing operations in Kentucky, which is **expected to commence operations in**

the December 2021 quarter. At full production, the Company expects additional revenue of approximately **$20 million** and profit margins of **20-30%.**

The Company currently operates three facilities in the US with a fourth facility to commence construction in the near term, subject to permit approval.

- Black Birch - 10,000t p.a. capacity manufacturing facility in Georgia producing powdered Activated Carbon;
- Arden Hills - 7,000t p.a. capacity manufacturing facility in Minnesota producing Activated Carbon pellets;
- Kentucky – 5,000t p.a. capacity manufacturing facility to be constructed in Kentucky producing Activated Carbon pellets; and
- Gainesville - R&D facility in Florida.

In April 2021, Carbonxt celebrated its most recent success with recognition from the University of Florida (UF). Each year the University of Florida recognises the Top 100 companies that include at least one alumni from UF. Carbonxt was picked at #10 in that list. The selected 100 companies had a combined revenue of over USD $6 B.

Managing Director Warren Murphy said: *"It is encouraging to note the pick-up in customer demand which is reflected in this new $US1 million order. The macro tailwinds driving the cleantech sector are considerable with multiple industries now having a much greater commitment to emissions reductions. With Arden Hills now at capacity, our focus is on commissioning the Kentucky facility, and we have every confidence that the construction permit will be secured very soon. I look forward to updating shareholders on progress across all of our operations."*

This announcement has been authorised for release to ASX by the Board of Directors of Carbonxt Group Limited.

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About Carbonxt
Carbonxt (ASX:CG1) is a cleantech company that develops, and markets specialised Activated Carbon products, focused on the capture of contaminants in industrial processes that emit substantial amounts of harmful pollutants. The Company produces and manufactures Powdered Activated Carbon and Activated Carbon pellets for use in industrial air purification, wastewater treatment and other liquid and gas phase markets.