



ASX RELEASE

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Secures New Powdered Activated Carbon Orders Valued at \$5m Annually

- Total value of powdered activated carbon ('PAC') have almost doubled and now exceed ~\$11m annually
- Revenue from new orders materialises from January 2022 and deliver a forecast gross margin of 40%
- Demand for PAC continues to grow as customer activity returns to normal levels
- Longer term revenue streams from PAC product underpinned by two existing contracts with power utilities being extended for a further two years
- Pipeline of new orders now increasing substantially for Activated Carbon ('AC') Pellets with opportunities in new sectors

United States focused **Cleantech company Carbonxt Group Ltd (ASX:CG1)** ("**Carbonxt**" or "**the Company**") is pleased to announce that it has almost doubled the value of powdered activated carbon ('PAC') orders to A\$11m annually with orders secured from new customers in the power generation, waste-to-energy and cement manufacturing sectors.

The vast majority of these new supply contracts will commence in January 2022 and will add nearly \$5 million in annualised revenue with a forecast gross margin of around 40%.

The contracts are for a one-year term with extension rights to three years if the PAC products perform to specification. The Company is also pleased to announce that two of its existing PAC contracts with power utility customers have been extended by two years to 31 December 2023.

Demand for Carbonxt's product continues to grow as business activity in the United States returns to 'pre-Covid' levels and customers are preferring to sign domestic supply agreements given current global supply chain challenges. This is also the case for Activated Carbon ('AC') Pellets where demand is also very healthy. The Company is meeting current capacity (and maintaining healthy sales margins) for both products by increasing production shifts and sourcing new, low-cost manufacturing capacity from third parties.

Carbonxt's Managing Director Warren Murphy commented: *"We continue to strengthen our position in the PAC market with these new customer contracts and we have been opportunistic in securing agreements on favourable terms. While annual PAC revenue continues to track up, our focus is on aggressively scaling up new and existing orders for our AC Pellets. We have a major market advantage here and we are witnessing demand from a number of new sectors that recognise that our technology can cost effectively and successfully reduce emissions and remove harmful toxins from the environment. We look forward to reporting on further progress very shortly and delivering another quarter of earnings growth."*

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, primarily focused on the capture of mercury and other 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, waste water treatment and other liquid and gas phase markets.