

ASX Announcement

March 26, 2020

Calix presentation to NWR Communications Virtual Small Cap Conference

Sydney, Australia | March 26, 2020 – Multi-award-winning Australian technology company Calix Limited (ASX: CXL) (“Calix” or “the Company”), is pleased to provide a copy of the Update Presentation provided at the NWR Communications Virtual Small Cap Conference by CEO, Phil Hodgson.

Event: NWR Communications Virtual Small Cap Conference

Presenting: Phil Hodgson, CEO and Managing Director

Time: Thursday 26 March, 11:20am AEDT

Investors can register online to view the presentation here: <https://organizer.runtheworld.today/invitation/670>

Calix Managing Director and CEO, Phil Hodgson said: “With the recent restrictions to travel and in a desire to assist with social distancing, many investor facing activities have been cancelled or postponed. Our business remains robust in this climate, and indeed is on the lookout for opportunities, and we are committed to maintaining frequent communication with shareholders and potential investors.”

Investors are invited to submit questions prior to the event to simon@nwrcommunications.com.au.

Authorised for release to the ASX by:-

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About Calix

Calix is a team of dedicated people developing a unique, patented technology to provide industrial solutions that address global sustainability challenges.

The core technology is being used to develop more environmentally friendly solutions for advanced batteries, crop protection, aquaculture, wastewater and carbon reduction.

Calix develops its technology via a global network of research and development collaborations, including governments, research institutes and universities, some of world's largest companies, and a growing customer base and distributor network for its commercialised products and processes.

Because there's only one Earth – Mars is for Quitters.

Website: <https://www.calix.global/>

Twitter: @CalixLimited

Youtube: [CalixLimited](#)

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Update Presentation

March, 2020



Solving global challenges

Important Notice and Disclaimer

This presentation has been prepared by Calix Limited (ABN 36 117 372 540) ("Company").

SUMMARY INFORMATION

This presentation contains summary information about the Company and its subsidiaries ("Calix") and their activities current as at 25 March, 2020. The information in this presentation is a general background and does not purport to be complete.

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FINANCIAL DATA

All dollar values are in Australian dollars (\$) or A\$) and financial data is presented as at or for the half-year ended 31 December 2019, unless stated otherwise.

PAST PERFORMANCE

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on its future financial performance or condition. Investors should note that past performance, including past share price performance, of Calix cannot be relied upon as an indicator of (and provides no guidance as to) future Calix performance including future share price performance.

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IPO July, 2018

	As at 25 Mar 2020
Shares on issue	~147.4m
Share price for IPO Capital Raise	\$0.53 per share
Share price on IPO	\$0.62 per share
Share price*	\$0.555 per share*
Market capitalisation	~\$81.8m
Cash (company is debt free)	\$3.2m
Enterprise value	\$85.0m

Share Price Performance Since Listing



Major shareholders	As at 25 Mar 2020
Board & Management	17.5%
Perennial Value Management	14.1%
Sculptor Capital Management	11.5%
Nicholas Merriman and associates	8.9%
Paul Crowther	5.7%
Thorney Investments	5.6%
Acorn Capital	5.4%
AustralianSuper Pty Ltd	5.1%

Further Equity Detail	As at 25 Mar 2020
Free Float	126.8m shares
Escrowed Shares (Directors / Promoters) to July 2020	20.6m shares
Warrants Escrowed to July 2022 (\$0.66 Strike Price)	2.4m warrants
Employee Incentive Scheme Rights	7.8m rights

Calix Limited Investment Highlights



Multiple, multi x A\$b
verticals⁽¹⁾ ...

...disruptive solutions to
global sustainability
challenges



- Cash flow Positive
- Growing Revenues
- Exporting to 8 countries
- Operations in Aus/US/Eur/Asia
- Strong Balance Sheet
- Highly Scalable
- Recent acquisition secured 5-fold sales revenue increase*



- Partnering with Global Majors



- Patented Platform Technology
- Funded Development Pipeline



- Highly Experienced Team
- Personally Invested – owning 17.5% of equity

TAM

In-Market

Pre-Commercial

R&D



WATER and
WASTE WATER



AQUACULTURE
& FRESH WATER
REMEDiation



AGRICULTURE
CROP
PROTECTION



CO₂ MITIGATION
LIME & CEMENT



ADVANCED
BATTERIES

36.7

1.5

9.8

10.8

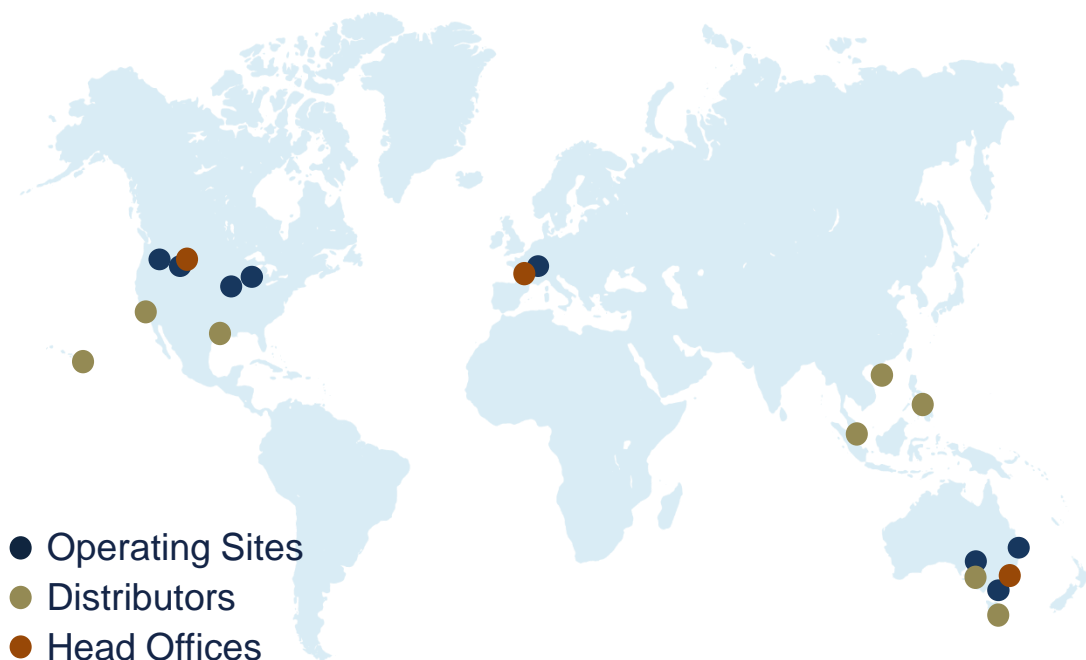
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Calix Limited Business Overview



Cash-positive and no debt,
with growing revenues,
secure supply chain,
quickly scalable and
funded development
pipeline...



- **Growing Sales Revenues** generated from water treatment products, with growing exports and recent US acquisition
- **Control of Supply Chain** from mine, to manufacturing facility, to local mixing plants, to customer / distributor
- **Quickly scalable** for minimal (organically funded) capex
- **Funded Development Pipeline** in Australia (\$5m for agriculture, advanced batteries) and Europe (€28m for CO₂ capture for cement and lime)

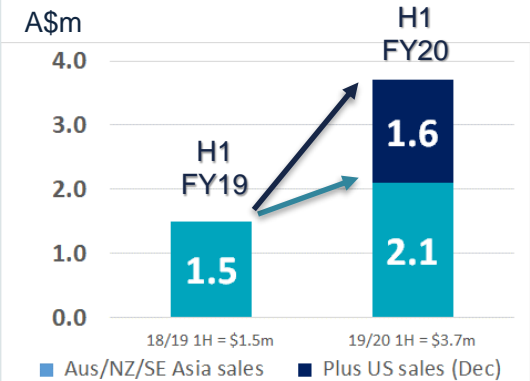
Key Financial Metrics

Sales revenue growth



TOTAL: UP 144% pcp

**AUS/NZ/SE Asia:
UP 39% pcp**



**~\$30m in new
grant funding
secured**
for further R&D



FY20 Sales Revenue
Guidance A\$12.5 to 14m
Net Assets A\$28.6m*
Zero Debt



**Cash flow
positive**
from operations



**1260
shareholders****



**December: Successful completion of US
acquisition set to deliver 5-fold sales
revenue uplift*****

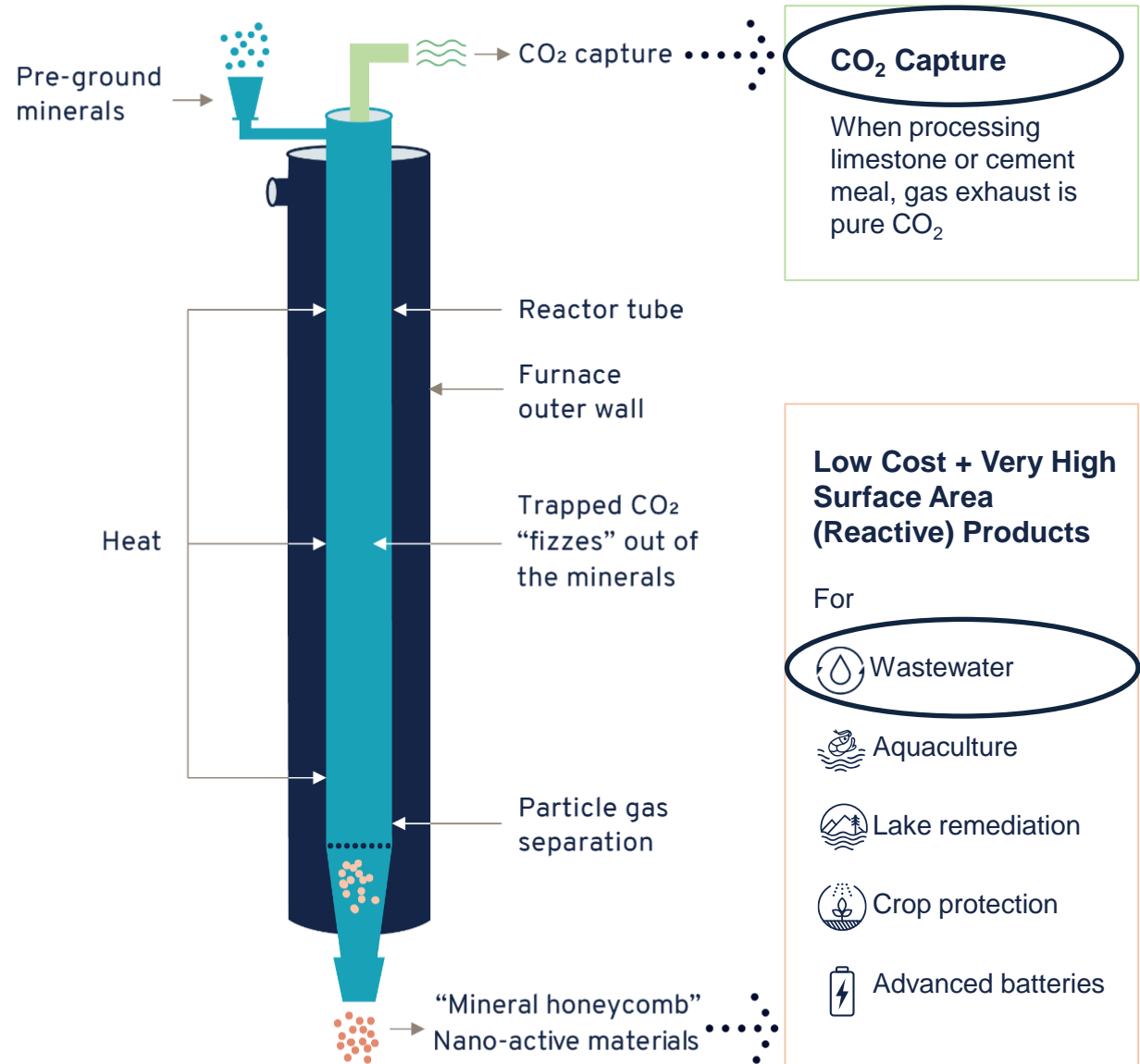
The Core Technology

- A New Type of Kiln
- Two Unique Benefits...



>\$50m has been invested to date in developing the technology.

27 patent families covering core technology and applications



Growing Sales Revenues

- Update on our Sales and US Acquisition



WATER and WASTE WATER

Sewer odour and fat control, replace unsafe caustic, better bio-treater performance...

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	COMPETITOR MHL	CALIX "ACTI-Mag"
Safe / Env. Friendly	✓	✓
Reduces Rotten Egg Gas	✓	✓
Breaks Up Sewer Fatbergs	✓	✓
Produces more biogas	✗	✓
Reduce Phosphates, Nitrates and Heavy Metals	✗	✓
Travel long distances	✗	✓

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GROWTH

42% H1 FY20 PCP

Business Model / Strategy

- Direct sales model Aus / NZ / US
- Exploit ACTI-Mag advantages – US
- US: Currently only about 6 to 8 % of >US\$100m (est) market = opportunity

Business Update

- First US plant upgrade completed and more stable product achieved
- Second US plant upgrade underway
- First new US plant under construction for market expansion

- **Funded Innovation**

- **- Update on our LEILAC Project**



CO2 MITIGATION FOR LIME AND CEMENT

Low Emissions Intensity Lime and Cement...Calix's "LEILAC" technology

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CO₂ Mitigation Drivers

- EU Emissions Trading Scheme ("ETS") CO₂ permit price jumps from €5/T to over €20/T in 2018
 - European Governments commence legislating Net-Zero CO₂, in most cases by 2050, but by some (Norway) as early as 2030
-

Industry-backed



Solvay joins the consortium Sep 2019






Business model

- Prove technology at scale by ~ 2025
- License technology to industry / royalty basis
- Pursue other verticals (lime, refractories, soda-ash industries)

Technology Development

- LEILAC-1 Operational testing continues to gradually expand temperatures and throughputs
- Project runs to end 2020
- LEILAC-2 Consortium formed and €16m in grant funding announced from H2020 in December 2019

FY20 Key Milestones

	March Update	Looking Ahead	TAM A\$B**
 WATER and WASTE WATER	One US plant converted to Calix tech, another underway. First new plant underway	<ul style="list-style-type: none"> FY20 Sales Revenue guidance remains A\$12.5 to 14m 	36.7
 AQUACULTURE & FRESH WATER REMEDIATION	First post-coronavirus order received from China, in any case not material to revenue	<ul style="list-style-type: none"> China sales and first lake remediation contract? 	1.5 FARMED PRAWN 1.5 FARMED PRAWN ?? LAKES
 AGRICULTURE CROP PROTECTION	EU Lock-down on first EU trials uncertain, will not be material to revenue	<ul style="list-style-type: none"> EU Summer Sales? Next license agreement 	9.8
 CO2 MITIGATION LIME & CEMENT	All items remain on track Trial program – watch point with EU lock-downs	<ul style="list-style-type: none"> Project agreements executed – LEILAC-2 Progress other projects / applications 	10.8
 ADVANCED BATTERIES	All items remain on track – unlikely to be materially affected by coronavirus	<ul style="list-style-type: none"> First coin cell tests - results 	10.7

* FY19 Annualised basis

** Frost & Sullivan: Market Opportunity for Calix Flash Calcination, dated 17 April 2018. Refer to Section 4 of the Calix Prospectus for risks associated with the competitive environment, retaining and winning customers and market development..

Because there's only one Earth...



...Mars is for quitters

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Additional Slides



• Growing Sales Revenues

- Update on our SE Asian Business



AQUACULTURE & FRESH WATER REMEDIATION

Water conditioner – traps Nitrogen and Phosphorous
-prawn farming for yield boost
-lake remediation

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FARMED PRAWNS FRESHWATER LAKES

Nitrogen, Phosphorous



Blue Green Algae



Disease



Fish Kills

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**SALES
REVENUE
GROWTH**

110% H1 FY20 PCP

Business model

- SE Asia Distributors – 3 established
- Technical support of paid trials – new markets
- Expand and Exploit value-in-use – unique mode of action

Business Update

Aquaculture

- First post-Coronavirus Chinese order received ! – remains a watch point

Freshwater lake remediation

- Seeking first commercial use

Developing License Incomes

- Update on our Crop Protection Developments



AGRICULTURE CROP PROTECTION

Safe, environmentally friendly crop protection at a fraction of the cost

New Product

- Safe, environmentally friendly
- 1/5th the price point of average pesticide / fungicide
- Enables >50% reduction in standard fungicide / pesticide use
- Existing chemicals under increasing pressure associated with toxicity



- First orders received and 14 tonnes shipped for EU 2020 summer

Business model

- Materials testing with top crop protection companies (4 started, 1 complete)
- Establish licensed sales / marketing agreements with crop protection majors covering Asia, Americas, Oceania
- Supply under margin-share

Business Update

- Awaiting first EU summer trials – watch point – Impact of EU Corona Virus lock-down on season 1 sales

Funded Innovation

- Update on our Battery Projects



ADVANCED BATTERIES

Cheaper, more recyclable and better performing batteries

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Why better batteries?

- Rapid growth in electric vehicles and renewable energy
- Issues of cost, capacity, safety and sustainability of current solutions
- Need for advanced materials for lithium-ion batteries with reduced environmental impact

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Calix 'BATMn' technology

- Controlled porosity = better performance
- BATMn reactor built with funding from Federal Govt. - \$0.9m
- BATMn is already at commercial scale
- Industry network includes...



Business model

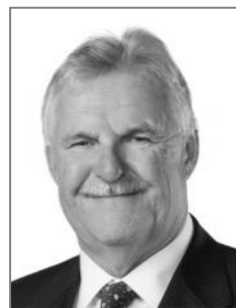
- 3-yr development program on “drop-in” materials for Li-Ion batteries
- Once proven - license technology to industry

Expanding R&D networks...

- Aug 2019 – Calix lead consortium wins \$3m in funding from Federal Government - CRC-P for Advanced Hybrid Batteries targeting
 - High porosity Manganese Oxide
 - Minimise Ni and Co
 - New Anode materials



BOARD OF DIRECTORS



PETER TURNBULL

NON-EXECUTIVE CHAIR

- Experienced chairman and non-executive director with significant board and senior executive experience in the resource, energy and technology commercialisation sectors
- Current Chairman of Auxita Pty Ltd, non-executive director of Karoon Energy Ltd. (ASX: KAR), the Governance Institute of Australia and the Chartered Governance Institute
- Adjunct-Professor at the University of Queensland (2010 – 2016)
- Chair of Calix Rem and Nom Committee, and member of Calix Audit and Risk Committee

JACK HAMILTON

NON-EXECUTIVE DIRECTOR

- 30 years multidisciplinary experience in local and overseas energy industries, including as a Director of NWS Ventures (Woodside North-West Shelf project)
- Currently the Chairman of Anteo Diagnostics Ltd (ASX:ADO). Previous Non-Executive Director positions include Renu Energy (ASX:RNE), and DUET Group (ASX:DUE)
- Chair of Calix Audit and Risk and Technology Committees, and member of Rem and Nom Committee

PHIL HODGSON

MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

- 14 years of multidisciplinary experience with Shell, including as the General Manager and Alternate Director of its subsidiary Fuelink Pty Ltd, a \$700m revenue, 300-employee distribution and sales subsidiary
- 7 years running a private consultancy providing strategy and M&A services
- Joined Calix in 2013 as CEO, became a Director in 2014 and is a member of Calix's Technology Committee

LANCE O'NEILL

NON-EXECUTIVE DIRECTOR

- London-based director of DFB Australia, with 36 years of experience in international securities and investments in the UK, Australia, USA and Far East
- Chair of MediaZest Plc and EP&F Capital Plc

DR MARK SCEATS

EXECUTIVE DIRECTOR AND CHIEF SCIENTIST

- Co-founder of Calix
- Qualified physical chemist with over 46 years' experience, previous roles academic roles, and numerous fellowships and recognitions
- Author of more than 140 academic papers in physical chemistry and inventor of 36 patented inventions