

ASX Announcement

March 19, 2021

Calix to accelerate investment in ESG projects

Highlights:

- o Calix to invest in its advanced battery development program and accelerate the development of its other lines of business
- o Calix has received firm commitments for a Placement to sophisticated and professional investors at \$2.00 per share to raise \$14.0 million, and in addition, a Share Purchase Plan (**SPP**) will be offered to existing eligible shareholders in Australia and New Zealand, of up to \$30,000 per shareholder, capped at \$3.0 million
- o The placement and SPP will provide the resources needed by each line of business to pursue the significant increase in opportunities that Calix's technology is attracting
- o Calix's MD and CEO, Phil Hodgson, will present via webinar today at 8.30am AEDT today, discussing the placement with registration available [here](#)

Sydney, Australia | March 19, 2021 – Multi-award-winning Australian technology company Calix Limited (ASX:CXL, 'Calix' or 'the Company'), is pleased to announce it has received firm commitments for a placement of \$14.0 million to invest in its battery development program following further very encouraging results, and accelerate its other lines-of-business.

Calix CEO and MD, Phil Hodgson, said "We have seen a significant increase in inbound enquiries driven by the rapidly increasing interest in Environment, Social and Governance, or "**ESG**", investing. To turn these enquiries into value, we need more engineers, equipment, and dealmakers. We had already started to enhance our team with the recent appointment of Ex-Booz executive Hinne Temminck Tuinstra as GM – Strategy and Portfolio. Following a strategic review on generating best value for our shareholders, we felt it was the right time to hit the accelerator and access some additional capital to fully resource these opportunities."

The increasing investment interest in ESG themes is presenting significant tailwinds for Calix. Calix has successfully "boot-strapped" its development programs with revenues from its water business, and grant/project income to date. The Company now believes there is value in accelerating development programs for each line of business as follows:

Advanced Batteries: will receive the largest allocation of capital, approximately A\$4.5 million, following continued very positive results from its development program, and a clear investment case to in-source critical battery and laboratory equipment;

Water: will receive the next largest allocation of capital, approximately A\$2.0 million, to fund two new plants (one in the US, one in the EU) ahead of cash generation, as well as three new sales and two new operations FTEs,



as part of an investment case to exploit our proven business strategy in the US, and translate that to Europe as quickly as possible;

CO₂ mitigation: will receive approximately A\$1.5 million to fund eight new engineers and one business development resource, to enable this line of business to handle the new project and deal flow;

Biotech: will receive approximately A\$1.5 million to fund expanded test programs in crop protection and marine coatings, as well as increased laboratory capability, with an investment case based upon lowering approvals risk and increasing commercial leverage;

Sustainable Processing: will receive approximately A\$1.0 million to fund two feasibility studies over the next 12 months, with an investment case to progress at least one to a licensing or equity / JV opportunity.

Further detail on the placement and investment thesis can be found in the investor presentation released to ASX in conjunction with this announcement.

Calix's MD and CEO, Phil Hodgson, will present via webinar today at 8.30am AEDT today to discuss the placement with registration available at:

https://us02web.zoom.us/webinar/register/WN_uUZywwwASpmiSCcXY0spWQ

The webinar will be recorded and accessible via the same link as above.

Equity Raising

The equity raising comprises:

- a placement to institutional shareholders at an offer price of A\$2.00 per new share (**Offer Price**) to raise A\$14.0 million (**Placement**); and
- a SPP capped at A\$3.0 million available to existing eligible shareholders in Australia and New Zealand, up to A\$30,000 per shareholder. The SPP will be at the same Offer Price as the Placement of A\$2.00 per new share. Calix reserves the right to scale back any applications under the SPP.
- New Shares issued will rank equally with existing fully paid ordinary shares from their time of issue.

The Placement is taking place in a single tranche and falls within the Company's placement capacity under ASX Listing Rules 7.1 and 7.1A. The Placement was well supported by a number of new and existing institutional investors. Canaccord Genuity (Australia) acted as Lead Manager to the Placement.

The Offer Price for each new Calix share (**New Share**) of A\$2.00 represents:

- an **11.1 %** discount to the last closing price of the Shares on ASX on March 16 2021, being A\$2.25.
- a **6.8 %** discount to the 10-day Volume Weighted Average Price of the Shares on ASX as at March 16 2021.

An indicative timetable for the Placement and SPP is set out below.

Placement	Date ⁽¹⁾
Announcement of results of Placement and trading halt lifted	19 March 2021
Settlement of Placement	24 March 2021
Allotment and trading of New Shares under the Placement	25 March 2021

Share Purchase Plan	Date ⁽¹⁾
Share Purchase Plan Record Date	7.00pm, 18 March 2021
Share Purchase Plan Offer Booklet dispatched to shareholders	22 March 2021
Share Purchase Plan closing date	8 April 2021
Allotment of New Shares under the Share Purchase Plan	12 April 2021
Normal trading of New Shares issued under Share Purchase Plan	13 April 2021
Expected dispatch of holding statements	13 April 2021

This announcement has been 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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