ASX Announcement

30 March, 2021

Low Emissions Lime and Cement project passes pre-FEED milestone

Highlights:

- Calix is pleased to announce that its Demonstration project LEILAC-2 (Low Emissions Intensity Lime and Cement) has passed its Pre-FEED (pre-Front End Engineering and Design) study go/no go milestone.
- The €23m (A$36m) LEILAC-2 Project aims to demonstrate the efficient separation of CO_2 in the production of lime and cement, at scale (100kTpa CO_2) and in a cement plant retrofit scenario at a HeidelbergCement plant in Hanover, Germany.
- The project Pre-FEED was assessed by the full General Assembly of the LEILAC-2 Project consortium, which includes key cement industry representatives such as HeidelbergCement, Cemex and Cimpor, and lime representatives such as Lhoist.
- The Pre-FEED milestone represents a significant step forward for the project, judging that the design if feasible, fulfils the project's aims; poses a low risk to the host site; and has a cost estimate within a ±30% of its budget.
- The project will now enter full Front-End-Engineering and Design (FEED) in preparation for a final investment decision in early 2022.

Sydney, Australia | 30 March, 2021 – Multi-award-winning Australian technology company Calix Limited (ASX: CXL, '**Calix**' or '**the Company**'), is pleased to announce the LEILAC-2 Project, building a Demonstration scale CO_2 capture facility for lime and cement using Calix's patented technology, has passed its go/no go milestone, and been unanimously endorsed by the Project consortium to proceed into Front-End-Engineering and Design, following a review of the Basis of Design.

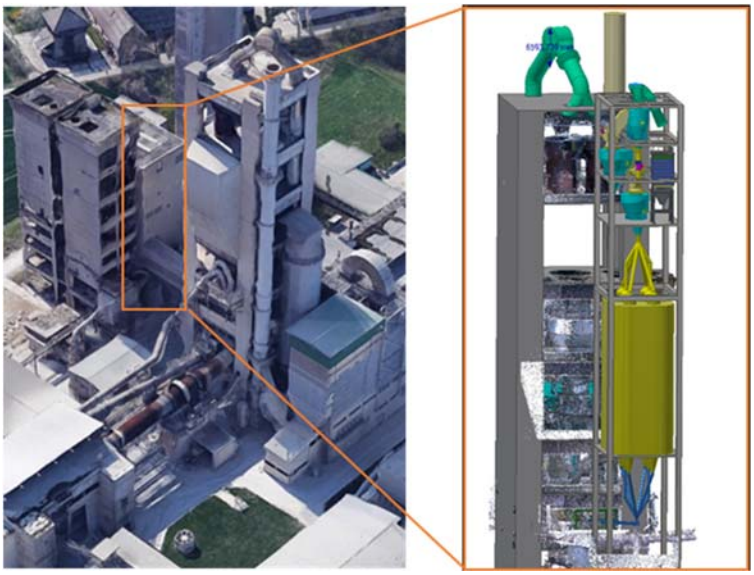
The LEILAC2 Project commenced in April 2020, following the award of €16m in funding from the EU Horizon 2020 scheme, and commitments in cash and in-kind contributions from industry players such as HeidelbergCement, Cimpor, Lhoist and Engie. In January 2021, CEMEX, a participant in the LEILAC-1 project, also announced it would join LEILAC-2 with a further commitment in cash and in-kind to help develop the technology.

The LEILAC-2 Project Pre-FEED stage has involved a rigorous, risk-based approach to design the close integration of the technology with an operating cement plant. The close integration of heat and process streams are integral to the most efficient application of the technology, but also necessarily involve higher risk with respect

to potential disruption to the existing plant. To pass this go/no go stage gate, the project design was deemed to have delivered a design where a) the plant's design is technically viable; b) that it would fulfil the operational objectives of the overall project; c) that the plant's design poses low integration risks for the main plant; d) that it is within the required ±30% cost estimate of the budget.

The final BOD has been rigorously risk-assessed by the entire project General Assembly, including HeidelbergCement, on whose site the plant will be located. The unanimous endorsement by the General Assembly to proceed to FEED is a testament to the Project Team, led by Calix's GM – Engineering Emma Bowring, and comprising engineers, scientists, and technicians from all 13 project consortium members.

Calix CEO and MD, and Chair of the LEILAC-2 Executive Board, Phil Hodgson said "The LEILAC-2 Project sets some very ambitious challenges for our technology. To operate at best efficiency, LEILAC will need to be closely integrated with an operating facility, which adds considerable complexity and risk. The Project Team, led by our own GM – Engineering Emma Bowring, has done a truly fantastic job during difficult times, with multiple COVID restrictions operating at different times across Europe. To bring together the project consortium and produce rigorously risk-assessed design under such circumstances is a testament to the potential of, and need for, the technology, and the desire of the entire team to make it happen."



An impression of the Leilac-2 plant and its proposed location at the HeidelbergCement plant in Hannover

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.

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