ASX ANNOUNCEMENT

FOR IMMEDIATE RELEASE TO THE MARKET

PPK GROUP LIMITED – ASX Code: PPK

FRIDAY 30 APRIL 2021

MAJOR BNNT PRODUCTION CAPACITY MILESTONE ACHIEVED

PPK Group Limited (ASX Code: PPK) is delighted to report that a breakthrough in equipment design and production methods has achieved a major uplift in BNNT production capacity.

High purity Boron Nitride Nanotubes (BNNT) are produced by BNNT Technology Limited (BNNTTL) using patented Deakin University technology. Deakin University and PPK are joint venture partners in BNNT Technology Limited. PPK holds a 50% interest in BNNTTL.

Deakin University have advised PPK (see attached) that following some major breakthroughs in equipment design and production methods, they have been able to produce 1kg of BNNT over a 5-day period from a single module (refer to the BNNT Production Report annexed hereto). This means annual BNNT production capacity per module could be in the order of 50kg which is more than three times the original BNNT production estimate of 15kg p/a per module as previously reported. Importantly, the finished BNNT product still achieves >95% purity.

The cost of each module has gone from $700,000 to only $850,000 to achieve this increase in production.

This breakthrough means that BNNT Technology Limited is now the lowest cost pure BNNT producer in the world.

The research team at Deakin University under Chief Technical Officer / Head Scientist Dr Luhua Li are continuing to work on further process design improvements which they believe will continue to improve production efficiency and end-product cost reductions.

BNNT Technology Limited is preparing to install its second production module over the next few weeks with all major components ready to be delivered.

PPK Executive Chairman Mr. Robin Levison stated:

> “It is with real delight I note this significant production milestone by BNNT Technology Limited. Only 2 years ago when PPK acquired its 50% stake in BNNTTL, the company was producing only 3 grams per day (732grams per year). The progress in developing Deakin’s patented technology to now produce 50kg per year from a single module with a total capital cost of $850,000AUD, is nothing short of amazing.

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The team of world leading scientists at Deakin University working with our engineering team, have done an outstanding job in developing the process to this level of mass production. This achievement confirms that BNNT Technology Limited is well advanced in terms of producing BNNT in pure grade and in commercial quantities which places us in an excellent position to advance upstream applications in partnership with Deakin University".

This announcement has been made and authorised by the PPK Group Board.

For further information contact:

Robin Levison
Executive Chairman of PPK Group Limited
On 07 3054 4500.

BNNT PRODUCTION REPORT

BNNT Production Plant – Deakin University, Waurn Ponds

29th April 2021

To: Board of Directors
BNNT Technology Limited

Dear BNNT Board Members,

I am pleased to provide this report after our first week of full-scale production from our recently completed BNNT production module.

Following some major breakthroughs in our equipment design and production methods, we have been able to produce 1kg over a 5-day period from a single module. This means our annual BNNT production capacity per module could be around 50kg, easily three times our original BNNT production estimate of 15kg p/a per module which was previously reported.

Our team of world leading scientists have done an outstanding job in developing the process to this level of mass production.

We are now preparing to install our second module over the next few weeks, for which the major components are ready to be delivered.

Several new process designs are also being implemented to improve our production efficiency even more and I look forward to providing another progress report as soon as production with the second module is underway.

Thank you for your continued support which makes this great work possible.

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Dr Luhua Li
Chief Technical Officer / Head Scientist