



ASX RELEASE

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Further US\$2 million order received for Activated Carbon Pellets

- **Wisconsin power station has ordered further Activated Carbon Pellets to be supplied by end December 2021**
- **Contract takes customer's total annual order value to +US\$5m with this revenue to be recognised in FY22**
- **In order to fulfill the order, Carbonxt's Arden Hills plant will return to full manufacturing capacity**
- **Order pipeline for AC pellets and powder is experiencing significant growth; permit for Kentucky plant construction is pending**
- **President Biden's administration policies favouring clean energy signals encouraging opportunities for Carbonxt's diversified product portfolio**

United States focused Cleantech company **Carbonxt Group Ltd (ASX:CG1)** ("**Carbonxt**" or "**the Company**") is pleased to report that an existing power station customer in Wisconsin, USA has signed a new US\$2 million (approximately A\$2.73 million) contract to supply an additional 1,000 tons of Activated Carbon ("AC") Pellets from the Arden Hills facility in Minnesota.

The value of the customer's total order value is now +US\$5m (up from US\$3m), and all of this revenue will be realised in the current financial year. This total order value equates to the supply of approximately 2,500 tons of AC Pellets.

The contract stipulates that the AC pellets need to be supplied by end December 2021, and to facilitate this additional supply, Carbonxt is increasing its manufacturing shifts, thus mitigating against the current capacity constraints at Arden Hills. The additional shifts do not have a material impact on sales margins.

Carbonxt's patented AC pellets capture a range of pollutants including mercury, sulfur dioxide and nitrous oxide, thus lowering emissions from industrial processes such as power generation.

As this upsized order reflects, Carbonxt pipeline and revenue base continues to strengthen, as does the level of enquiry from new potential customers that are seeking to reduce emissions and pollutants in the large and growing United States market.

The company believes the current macro environment is significantly more favourable for Carbonxt, with the Biden Administration actively embracing steep cuts to carbon emissions and increasing the purview and budget of the Environmental Protection Agency (EPA).

Comment

Managing Director Warren Murphy said: *"This scaled up order from a reliable and long-term customer reflects the steady and progressive revenue growth Carbonxt is now experiencing. To ensure we can reliably deliver the increased tonnage of AC pellets, we have been able to quickly implement new manufacturing processes at Arden Hills that do not compromise product quality or our margins. This reflects the flexibility and adaptability of our manufacturing facilities to meet growing customer demand. That said, with Arden Hills now running two shifts, it is imperative that we commission the planned*



Kentucky facility in order to capture greater market share and pursue new sector opportunities. We hope to be able to provide an update on this in the very near-term.”

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, focused on the capture of 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, wastewater treatment and other liquid and gas phase markets.