



ASX RELEASE

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## Supply contract with largest US customer extended until 2030

- **Carbonxt's largest customer extends the term of its supply agreement of Activated Carbon Pellets (AC Pellets) until 2030; Contract first commenced in 2016**
- **Agreed terms at a 20% premium to the current price, effective from 1 January 2023**
- **Marks continuation of a highly successful partnership to develop an engineered pellet solution for emissions reductions**
- **Contract upgrade provides strong foundation for growth in the US AC Pellet market with Carbonxt's sales pipeline continuing to grow**

United States focused Cleantech company **Carbonxt Group Ltd (ASX:CG1)** ("**Carbonxt**" or "**the Company**") is pleased to announce the renewal and extension of its longstanding partnership with US utilities provider, Wisconsin Public Service (WPS) for the supply of AC Pellets.

Since 2016, Carbonxt has worked with WPS on emissions reductions solutions at its Weston Power Plant near Wausau, Wisconsin. A new agreement between the companies will see Carbonxt extend the supply terms for its proprietary AC Pellet product, as part of WPS' innovative ReACT emissions control system.

The term of the contract has been extended until 31 December 2030. The contracted price has increased by just over 20% and is applicable from 1 January 2023.

Carbonxt has worked with WPS since 2016 to reduce emissions at the Weston Power Plant. Operational details of the partnership have comprised:

- The development of a 9mm AC Pellet for the ReACT system, helping the Weston Power Plant continue meeting all applicable environmental standards.
- Lab services to test and validate emissions-related components, as well as mercury and sulfur dioxide analysis.
- Ongoing technology and emissions consulting.

Over the past six years, Carbonxt has delivered nearly 12,000 tons of the proprietary pellet technology from its production facility located in Arden Hills, Minnesota, which has represented over \$30 million in revenue over that timeframe. The AC Pellet manufacturing plant was constructed to provide specific emissions-reduction solutions for WPS.

As a result, Carbonxt has been able to successfully leverage the IP and in-house construction knowledge gained at Arden Hills to develop and produce additional activated carbon pellet technologies for industrial customers.

**Managing Director of Carbonxt, Warren Murphy, stated,** *"This long-term contract extension marks a major step forward for Carbonxt and locks in higher margin revenue for the next eight years. As well, it sets the company up with a strong platform for additional sales growth in the US market. We are delighted to continue our partnership with WPS, which is a great example of how Carbonxt combines its leading R&D initiatives with operational expertise in manufacturing, to build scalable solutions that comply with industrial emission regulations and offer commercial benefits to both the Company and our clients. With the extension of our existing contract through to 2030, we will continue to support WPS and its long-term emissions reduction goals."*



**This announcement has been authorised for release to ASX by the Board of Directors of Carbonxt Group Limited.**

**ENDS**

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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.