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Leilac-2 project to relocate as Heidelberg Materials ends clinker production in Hanover

Sydney, Australia | 29 January 2024 – Australian environmental technology company, Calix Limited (ASX:CXL) ("Calix") announces the Leilac-2 project will move to another Heidelberg Materials' site following a decision by Heidelberg Materials to end clinker production at its Hanover cement plant.¹

In a <u>26 January 2024 press release</u>, Heidelberg Materials' attributes the decision to shut down clinker production in Hanover to a "substantial decline in cement sales following weak construction demand in Germany due to the current economic environment as well as a stronger alignment of the company's cement portfolio towards low-carbon products, leading to the production of cement with reduced clinker content."

The release also states: "The site's research project LEILAC 2 (Low Emissions Intensity Lime And Cement), which is subsidised by the European Union and planned in cooperation with partner companies for implementation by the end of 2025, shall be carried out at another site of Heidelberg Materials."

Calix and its subsidiary, Leilac, are currently working with Heidelberg Materials to identify a suitable new site for the project as soon as possible.

Leilac-2 is well advanced, and was on track for construction in 2024. It has delivered a unique and elegant modular design that aims to demonstrate an efficient, economic and scalable solution for the cement and lime industries to capture their unavoidable process emissions and provide flexible and future-proof fuel optionality. It also aims to demonstrate a technology that can be retrofitted to an operational cement plant with no downtime.

Ultimately, the module designed under the Leilac-2 project is designed to be replicated, allowing the technology to be scaled up simply and efficiently to capture the process emissions from a cement plant of any size. The work on the project to date has included extensive testing, de-risking, design refinement and revision in developing the Leilac-2 concept to the point of installation. This completed engineering work has resulted in a robust design ready for implementation at full scale.

Leilac continues to work with the Leilac-2 consortium, the European Union and its partners around the world to accelerate the decarbonisation of cement and lime.

¹ <u>Press Release: Heidelberg Materials to end clinker production at Hanover plant in Germany – site to be operated as a grinding facility going forward</u>



Calix Managing Director and CEO, Phil Hodgson said, "Current macro-economic environment realities have resulted in what is undoubtedly a difficult decision for Heidelberg Materials, and our thoughts and best wishes are with those whose jobs will be impacted by this decision.

"We will work closely with Heidelberg Materials and our Leilac Consortium partners on the relocation options. Once chosen, we would expect around six months additional engineering work associated with site integration specifics. The Leilac-2 module is basically ready-to-build, with long lead items already being procured, and we look forward to continuing to work with Heidelberg Materials and our Leilac consortium partners to bring the Leilac-2 project to a successful conclusion."

-ENDS-

This announcement has been authorised for release to the ASX by:

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About Calix

Calix Limited (ASX: CXL) is an environmental technology company solving global challenges in industrial decarbonisation and sustainability, including CO₂ mitigation, sustainable processing, advanced batteries, biotechnology and water treatment.

Calix's patented core platform technology delivers efficient indirect heating of raw materials to enable electrification of industries, efficient capture of unavoidable emissions, and green industrial processing solutions. Its flash heating approach can also produce unique nanoporous materials with enhanced chemical and/or bio-activity.

Leveraging its core platform technology and a global network of research and development collaborations, Calix is urgently developing multiple environmental businesses that deliver positive global impact. Because there's only one Earth, and it's already ours.

Mars is for quitters.

www.calix.global

About Leilac

Leilac Limited, comprising Calix (Europe) Ltd (UK) and its subsidiaries, is the exclusive licensee of Calix's Low Emissions Intensity Lime and Cement (Leilac) carbon capture technology. Owned by Calix and Carbon Direct, it is the collaborative technology partner accelerating a just transition to net zero by providing the most compelling decarbonisation solution for global cement and lime.



Leilac's technology efficiently separates unavoidable carbon emissions ready for use or storage, without additional chemicals or processes. It is designed to be scalable, retrofittable, energy agnostic and electrification ready, to provide flexible and economical pathways to carbon free cement and lime.

Leilac's technology is also being developed to deliver zero emissions lime for capture of emissions from other hard-to-abate sectors, as well as Direct Air Capture of carbon dioxide from the atmosphere.

Operating across Europe, the Americas and Asia Pacific, Leilac has imagined the future for sustainable industry. And we're creating it. Today.

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