

24 April 2024

Adbri awarded \$50m Powering the Regions Fund Grant

The Federal Government today announced that Adbri Limited (Adbri or the Company) (ASX:ABC) has been successful in its application for grant funding in the first round of the Commonwealth's Powering the Regions Fund (PRF) as part of the Critical Inputs to Clean Energy (CICEI) program.

The \$400 million CICEI program was announced by the Federal Government in 2023 and provides support to help Australian producers in the relevant sectors reduce their emissions and maintain domestic manufacturing capacity, thereby reducing risks to the clean energy transformation which relies on these materials.

Under the grant – which is subject to the parties finalising a grant agreement – Adbri has been awarded \$50 million in funding towards the front-end engineering and design (FEED) study and potential construction of a new vertical roller mill (VRM), including a post-production blending system at the Company's Birkenhead facility, South Australia's largest cement manufacturing facility. The FEED study scope contemplates an increase in overall production at Birkenhead.

Adbri's Birkenhead facility currently produces Australia's lowest embodied carbon general cement that has been independently verified. The project, supporting the further decarbonisation of our operations, is expected to improve grinding efficiency and support customers in accessing a greater range of lower carbon cementitious products.

Adbri's Chief Executive Officer Mark Irwin said:

"Adbri has already made significant inroads toward reducing emissions at its Birkenhead facility as the first cement manufacturer in Australia to use alternative fuels to supplement natural gas in the clinker manufacturing stage of the cement process. With the Commonwealth's support we have the potential to further accelerate the decarbonisation of our operations and products."

We expect the FEED study to be completed by 1H 2025, and if then approved by the Board, any construction of a new vertical roller mill would be in operation from 2026. This timing aligns with the delivery of a new hybrid electric battery vessel in 2026 that will be capable of transporting up to 2.7 million tonnes of limestone each year from our Klein Point quarry to Birkenhead.

I want to thank the Government for their support in accelerating the decarbonisation of emissions intensive, hard-to-abate, industries such as cement while supporting local manufacturing and local jobs. Cement is a key component of concrete, with concrete the most used manmade product in the world."

-ENDS-

Authorised for release by the Board.

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