



ASX ANNOUNCEMENT

20 DECEMBER 2023

ENTYR AND TRAFIGURA SIGN FORMAL AGREEMENTS FOR OFFTAKE AND SUPPORT FOR FUTURE DEVELOPMENT AND EXPANSION

Key Highlights:

- Two Agreements signed:

Offtake: Subject to certain conditions, Trafigura to offtake 100% of Entyr's tyre pyrolysis oil, carbon char and recovered carbon black production (the **Products**) from Stapylton facility and future domestic and international facilities that are owned by Entyr.

- Collaboration Agreement: Trafigura to support Entyr's technology and product development and to jointly evaluate future projects leveraging Trafigura's scale, reach and financial capacity.
- Trafigura may offer to subscribe for shares in Entyr (which Entyr can accept or reject in its discretion). Trafigura also has an option to invest in future projects based on certain pre-conditions.

Environmental technology company **Entyr Limited** (ASX: ETR) ("**Entyr**" or the "**Company**") is pleased to provide the following update to shareholders.

Entyr and Trafigura have signed two commercial agreements being an Offtake Agreement and Collaboration Agreement (together the **Agreements**).

The parties recognise the strategic importance of investing in technologies to advance the circular economy and the shift to an environmentally sustainable future. These Agreements will support this by making available high-quality products produced from end of life tyres as a replacement of energy intensive virgin material to facilitate our customers' transitions.

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Background on Trafigura

Trafigura is a market leader in the global commodities industry. Trafigura is at the heart of global supply, and connects producers and consumers of vital commodities efficiently, reliably and responsibly. Across Trafigura's global network, it deploys infrastructure, logistics and an understanding of markets to supply the resources needed to power and build the world.

Offtake Agreement - Key terms

Volume: Subject to an initial six-month ramp-up period, an existing supply agreement made by Entyr, and any other agreement entered into by Entyr with Trafigura's consent, Trafigura will offtake 100% of Entyr's Products.

Under the Offtake Agreement, Trafigura must acquire such Products subject to satisfaction of a number of specifications detailed in the Offtake Agreement.

Pricing: Trafigura will seek to achieve the highest commercially available price for Entyr's Products from its global network. If the price (ex-works price) achieved by Trafigura exceeds an agreed floor price, Entyr and Trafigura will share in such profits. The initial floor price has been set broadly in line with prices currently achieved for the Products and is subject to increases based on market reviews and CPI.

If the floor price is not achieved, Trafigura will receive a nominal marketing fee.

Term: Subject to an early termination right that applies if Trafigura does not at least offer to subscribe for a minimum of \$2,500,000 in shares in Entyr on terms to be mutually agreed within an initial 2-year period, the Offtake term is 20 years.

Any subscription for shares will be subject to Entyr's agreement and the parties entering a formal subscription agreement on mutually acceptable terms and any necessary shareholder approvals at that time.

Collaboration Agreement

Entyr and Trafigura will work collectively to identify actions and focus areas in relation to Entyr's technology and plant infrastructure through feedback on product development, operations, financing, target markets and future expansion opportunities in Australia and internationally.

The Collaboration Agreement has a 10-year term and grants Trafigura an option to invest up to 25% of the equity in any subsidiary special purpose vehicle incorporated by Entyr to hold any new plant(s) during this period.

The Collaboration Agreement will automatically terminate if the Offtake Agreement is terminated.

Benefits to Entyr in collaborating with Trafigura

This strategic collaboration marks a significant milestone in Entyr's quest for growth, innovation, and global recognition. The commercial benefits for Entyr from the Agreement with Trafigura include:

1. **Global Marketing and Logistics Platform (cost savings):** Through the Agreements with Trafigura, the Company will gain access to an international network and logistics platform, and the capability to secure pricing for the Products, with associated cost savings.
2. **Focus on Technology Development:** By leveraging Trafigura's resources, Entyr can shift its focus towards technology development and the execution of our project pipeline to enable sustainable growth.
3. **Investment Opportunities:** Trafigura has the option to invest in future projects, reducing potential funding requirements for Entyr. This allows us to use our equity resources across a larger portfolio of projects.
4. **Enhanced Flexibility:** The Company gains flexibility in managing operational ramp-up, including factors such as production availability, timing, quality, and adherence to customer contractual requirements.
5. **Market Feedback:** The collaboration provides the Company with access to information to assist with setting the future strategy regarding, among other things, capital/product upgrade expenditure, product specifications, required certifications, accreditations and new revenue opportunities.
6. **Efficient Corporate Overheads:** Through this collaboration, the Company anticipates optimising corporate overheads and enhancing our financial capacity, contributing to overall operational efficiency.

The Agreements with Trafigura reflect the strategic importance of the long-term collaboration whilst also preserving Entyr's optionality to license its technology to other partners who may seek to operate their own facilities.

Entyr Chairman, Mike Barry, commented: *"This collaboration with Trafigura is an important milestone for Entyr as it completes our strategic framework as a sustainable business recycling a key waste stream (tyres) that will generate profitability and expansion in the foreseeable future."*

Entyr CEO, David Wheeley, commented: *"Entyr's sustainability orientated products are highly sought after in international markets and this security of offtake provides a strong platform for our business to grow and deliver long term value for our shareholders."*

Further details on the strategic importance of these Agreements will be presented to investors in the form of meetings, webinars and video conferences in January 2024. The Company will provide shareholders with notice of these scheduled events ahead of time.

Conclusion

The Agreements with Trafigura marks a key strategic milestone for Entyr Limited in our commitment to innovation, growth, and delivering exceptional value to our customers and stakeholders. We look forward to a prosperous and mutually beneficial relationship with Trafigura.

Authorised for release by:

Mike Barry
Chairman

For further information, please contact:

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About Entyr Limited

Entyr Limited (Entyr) (ASX: ETR) is an Australian company with unique technology that has the potential to play a significant role in solving the global waste tyre problem. The patented thermal desorption technology cleanly converts end-of-life tyres into valuable products, (fuel, carbon, steel) using heat in an oxygen free environment. Entyr is a complete environmental and circular solution for one of the world's largest waste and environmental problems.