

22 January 2018



Companies Announcement Office
ASX Limited
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CFOAM COMPLETES NON-DILUTIVE FUNDING FOR ITS PHASE 1 CAPITAL EXPANSION PROGRAM

Highlights:

- CFOAM Ltd ('CFO') has closed loan agreements with both Summit Community Bank ('Summit') and West Virginia Jobs Investment Trust ('WVJIT') for the financing of its Phase 1 expansion program
- In addition to the loan amounts that are to be disbursed by West Virginia Economic Development Agency ('WVEDA') and WVJIT, two State of West Virginia organizations, Summit's financing package enables CFO to finance the totality of its Phase 1 capital expenditures through non-dilutive funding

Triadelphia, WV, USA: CFOAM Ltd ('the Company'), via its wholly owned subsidiary CFOAM, LLC, is pleased to report that it has closed on the loan agreements with Summit, a West Virginia banking corporation that is part of Summit Financial Group (NASDAQ:SMMF), for the financing of its Phase 1 capital program.

According to the terms, the Summit financing package is composed of two loans. First, a US\$600,000 bridge loan that is to be disbursed during the implementation of the Phase 1 project and is to be repaid upon closing of the US\$1,200,000 loan from WVEDA. The WVEDA loan will be disbursed upon completion of the capital project. Second, is a US\$600,000 loan that will complement the bridge loan amount and loan amounts to be granted by WVJIT and WVEDA. Overall, the loans from Summit will enable CFO to cover all the capital expenditures for its Phase 1 capital program, including the capital outlays that have already begun.

In addition, the Company closed on the \$600,000 bridge loan and \$400,000 loan that had already been approved by WVJIT.

Executive Director and CEO, Alain Bouruet-Aubertot commented: "we are very pleased to have come to an agreement with Summit as it will enable the Company to secure a full non-dilutive financing of the first phase of its expansion capital program. It vindicates the significant growth potential of CFO's technology deployment and the relevance of our growth plans. With the loans from WVJIT and WVEDA, this is also a very clear demonstration of the overall support and professionalism that the West Virginian State and business community can bring together to growth companies. We clearly view our position in a pro-business state to be a strong asset for the Company as we implement our expansion strategy."

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About CFOAM Limited

CFOAM® is an inorganic carbon material that is manufactured from coal, pitch or lignin feedstock. CFOAM® manufactured in this process has a rigid foam structure, similar in appearance to pumice stone, but with entirely different properties. CFOAM® is currently used across a wide variety of markets including composite tooling for the aerospace sector, energy absorbing applications and defence applications. Additional markets such as the automotive applications for energy absorption and fire resistance are also expected become significant to the Company over time.

CFOAM® was developed to meet the growing demand for ultra-high-end performance engineering materials in the, industrial, aerospace, military and commercial product markets.

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