

9 December 2024

Equity raising to support commercialisation

Sydney, Australia | 9 December 2024 – Australian environmental technology company, Calix Limited (ASX: CXL) (“**Calix**” or “**the Company**”) is announcing today the completion of an institutional Placement (“Placement”) of A\$20m comprising the issue of approximately 26.7 million shares at an issue price of A\$0.75 per share, and a Share Purchase Plan offer (“**SPP**”) to raise an additional A\$5m.

Highlights:

- Calix has completed an institutional Placement to raise A\$20m with strong demand from both new and existing investors.
- Eligible Australian and New Zealand shareholders may participate in a non-underwritten SPP of approximately A\$5m.
- The Placement and SPP will be used to:
 - Invest in activities in Leilac, lithium and ZESTY (iron and steel) that support the shorter-term conversion of our opportunity pipeline to revenue producing engineering projects
 - Maintain the ability to deliver a rapid restart to the Pilbara Minerals (ASX: PLS) JV Mid-Stream Project, should market conditions and/or additional government support warrant it
 - Strengthen the Group balance sheet to provide an 18-month runway supporting ongoing pursuit of subsidiary level capital raisings needed to progress Leilac and ZESTY Demonstration projects.
- Strong market potential of the technology and Calix’s commercialisation strategy remain unchanged.
 - Government policy continues to support industrial decarbonisation and is set to increase pressure on technology adoption over time.
 - Calix’s platform technology has the potential to deliver lowest-cost solutions to multiple industries.
 - Capital light licensing model is well progressed, and funding of business and project development will continue to be focused at a subsidiary level.
- Calix has developed a lean and focused team capable of executing the company strategy
 - Refined focus on the most prospective industries has enabled cost reductions while maintaining core capability.
 - Cost reductions in H1 FY25 will realise ~A\$6m in annualised savings from January 2025.

Equity raising

The non-underwritten Placement raised A\$20m via the issue of 26.7 million new ordinary fully paid shares (“**New Shares**”) at A\$0.75 per share (“**Placement Price**”). Calix will offer eligible Australian and New Zealand shareholders the opportunity to acquire up to A\$30,000 in New Shares via a SPP.

Market opportunity

Calix's core platform technology is becoming recognised globally as a leading solution for decarbonisation of multiple heavy industry sectors^{1,2}, with the potential to deliver lowest cost solutions in large addressable markets^{3,4}. Government policies and reporting standards around the world are set to increase support and pressure for industries to decarbonise over time.⁵

Calix's strategy for commercialisation remains unchanged and continues to progress well. Calix has established a capital light licensing model, with partnerships and commercial agreements with global leaders in target industries^{6,7,8}, and funding for demonstration plants focused at a subsidiary level^{9,10}.

Capital for business and project development will continue to be focused at subsidiaries. Recent challenging capital market conditions have not been conducive to project or subsidiary financing options, while depressed commodity prices and demand, particularly in the lithium¹¹ and cement sectors¹², have led to decisions to pause some key projects or cause delays to project milestones and expected revenues.

Focused and lean organisational capacity for delivery

Calix has attracted a dedicated team of experienced industry experts to commercialise the technology in its target markets and has a track record of on time and on budget project delivery^{13,14}.

Calix's strategy has been further refined to focus on its most prospective target markets. These are cement and lime, direct air capture, iron and steel, lithium, and alumina. The Company continues to rigorously prioritise allocation of its resources to immediate revenue generation and margin growth opportunities, with a focus on paid engineering studies and self-funding demonstration projects.

Calix also remains committed to diligent cost management towards the financial sustainability of its core operating business. Additional cost reduction measures implemented in FY25 have released approximately AU\$6m of annualised savings from January 2025.

Extended runway for commercialisation

The Placement and SPP will provide an 18-month runway to execute the Company's commercialisation strategy, while upside revenues could extend this runway further.

A strengthened balance sheet and increased runway will enable commercial opportunities to be further developed, while also supporting patient execution on subsidiary capital raisings for Leilac and ZESTY.

¹ [Calix's ZESTY wins global Net-Zero Industry Award at COP29](#)

² [Strengthening the CCUS technology portfolio: Heidelberg Materials signs global licence agreement with Leilac](#)

³ [Decarbonising Cement: Leilac at Full Commercial Scale – a techno-economic study](#). Oct 2023

⁴ [ASX Announcement. Calix's ZESTY study finds high potential for economic green iron. February 2024](#)

⁵ [ASX Announcement. Calix 2024 AGM Presentation Slides, Slide 6. Nov 2024.](#)

⁶ [ASX Announcement. Calix announces global licence and underwritten equity raise.](#) Oct 2022.

⁷ [ASX Announcement. Pilbara & Calix enter into Joint Venture Agreement. Nov 2022](#)

⁸ [ASX Announcement. Calix announces Heirloom licence agreement.](#) Oct 2023

⁹ [ASX Announcement. Final Investment Decision for Mid-Stream Demonstration Plant.](#) Aug 2023

¹⁰ [ASX Announcement. Calix announces Leilac and Heidelberg Materials JV for L-2.](#) Jun 2024

¹¹ [Calix ASX Announcement. Calix & Pilbara Minerals Mid-Stream Project Update. 30 October 2024](#)

¹² [Calix ASX Announcement. Leilac-2 to relocate as Heidelberg Material end clinker production at Hanover. Jan 2024](#)

¹³ <https://www.leilac.com/project-leilac-1/>

¹⁴ [ASX Announcement. Calix 2024 AGM Presentation Slides, Slides 25-26. Nov 2024.](#)

Details of the Placement

The non-underwritten Placement raised A\$20m via the issue of approximately 26.7 million new ordinary fully paid shares at the Placement Price of A\$0.75 per share. The Placement price represents a:

- 16.7% discount to the last closing price of A\$0.900 as at close of trade on 5 December 2024
- 17.0% discount to the 5-day VWAP of A\$0.904 as at 5 December 2024
- 13.0% discount to the 15-day VWAP of A\$0.863 as at 5 December 2024

New Shares issued under the Placement will rank pari passu with existing ordinary shares from the date of issue.

Secondary offering

Concurrent with the Placement, Calix Managing Director and CEO, Phil Hodgson, and several senior managers will sell a minor proportion of their shareholdings to help fund tax obligations created by the conversion of options which expire on December 17, 2024. Phil Hodgson will sell 233,000 existing fully paid ordinary shares to investors, or approximately 4.5% of his holding, alongside other senior management for a further 484,432 shares, totalling 717,432 via a secondary offering ("**Secondary Offering**"). The shares offered under the Secondary Offering will be sold at the same price as the Placement.

Shaw and Partners Limited acted as Lead Manager and Bookrunner for the Placement.

Details of the Share Purchase Plan (SPP)

Calix will offer eligible Australian and New Zealand shareholders the opportunity to acquire up to A\$30,000 in New Shares via a SPP. The issue price for New Shares issued under the SPP will be the same as the Placement Price, being A\$0.75.

The SPP aims to raise approximately AU\$5m, which may be increased at the Board's discretion or subject to scale back and is not underwritten. No brokerage or transaction costs are payable for New Shares issued under the SPP. New Shares issued via the SPP will rank equally with existing ordinary shares from the date of issue. An SPP booklet containing further details of the SPP offer will be sent to eligible shareholders in due course.

The Directors of Calix intend to participate in the SPP.

Director shares

Due to the overlap of the SPP and the Company's 10-day Volume-Weighted Average Price (VWAP) period that applies to the issue of shares to Non-Executive Directors in lieu of director fees, the Non-Executive Directors of Calix have decided not to participate in the cash fees sacrifice arrangement recently passed under Resolution 6 of the 2024 Calix Limited Annual General Meeting. This is to ensure that there is no benefit to the Non-Executive Directors that may otherwise result from the coincident timing of the SPP.

Calix Managing Director and Chief Executive Officer, Phil Hodgson said:

"Calix has made excellent progress towards establishing a sustainable financial basis for its ongoing operations, and a robust platform ready for acceleration and growth. This equity raise is designed to provide the capital and time needed to maintain momentum in commercialisation for a minimum of 18 months. This includes continued progress in funded projects, such as with Heirloom and Pilbara Minerals, and time to allow financing of additional key demonstration projects at the subsidiary level following an anticipated improvement in capital markets over this period."

“At the same time as diligently reducing our costs, we have continued to progress our technology development and commercialisation to large addressable markets. We have a clear pathway to revenues across multiple highly prospective applications and remain well positioned to accelerate this activity. We are grateful to our shareholders for their ongoing support and shared belief in the remarkable potential of Calix’s unique platform technology.”

Indicative timetable

Event	Date ¹⁵
Record Date for eligibility to participate in SPP	7:00pm, Thursday, 5 December 2024
Trading halt and launch of Placement	Friday, 6 December 2024
Placement completed and trading halt lifted	Monday, 9 December 2024
Dispatch SPP Offer Documents and SPP offer opens	Friday, 13 December 2024
Settlement of New Shares under the Placement	Friday, 13 December 2024
Allotment and New Shares under the Placement	Monday, 16 December 2024
SPP closing date	Monday, 13 January 2025
Announcement of results of SPP	Wednesday, 15 January 2025
Allotment of New Shares issued under the SPP	Friday, 17 January 2025

-ENDS-

This announcement has been authorised for release to the ASX by the Calix Board of Directors.

About Calix

Calix Limited (ASX: CXL) is an environmental technology company solving urgent global challenges in industrial decarbonisation and sustainability.

Calix’s unique patented core platform technology delivers indirect heating of raw materials to enable efficient, precise, flexible and renewably powered mineral processing and capture of unavoidable industrial emissions.

With strong and increasing demand driven by global decarbonisation commitments, Calix is applying its core technology to the cement, steel, alumina and critical minerals industries, as well as the direct air capture of atmospheric carbon dioxide, and the production of sustainable environmental products.

Leveraging its core platform technology and a global network of partners, Calix is urgently developing multiple businesses that deliver positive global impact. Because there’s only one Earth.

¹⁵ These dates are indicative only and are subject to change. Calix, reserves the right, subject to the Corporations Act 2001(Cth) and the ASX Listing Rules, to amend this indicative timetable. In particular, Calix reserves the right to extend the Closing Date, accept late applications under the SPP Offer (either generally or in particular cases), and to withdraw or vary the Placement or SPP Offer without prior notice. Any extension of the closing date will have a consequential effect on the date for the allotment and issue of New Shares.

Mars is for quitters.

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