

Cleanaway and LMS announce joint venture to monetise landfill gas at Cleanaway's Lucas Heights landfill

Cleanaway Waste Management Limited ("Cleanaway") (ASX: CWY) today announces a joint venture with Australian bioenergy and methane abatement company LMS Energy Pty Ltd ("LMS Energy") to process and monetise landfill gas (LFG) at Cleanaway's Lucas Heights landfill.

Under the terms of the joint venture, LMS Energy will invest approximately \$46 million in the construction of new bio-electricity assets, including a 22MW generation facility, which will replace the existing electricity generation infrastructure owned and operated by a third party. Cleanaway will contribute exclusive rights to the landfill gas at Lucas Heights for 20 years. Both parties will hold equal ownership in the joint venture, leveraging their combined capabilities to maximise returns while minimising the capital outlay for Cleanaway. The formation of the joint venture is subject to a number of third-party approvals which are customary for a transaction of this kind.

Chief Executive Officer and Managing Director of Cleanaway, Mark Schubert, said, "Optimising our landfill gas opportunity is a key focus area of our Blueprint 2030 strategy and is part of our Operational Excellence program of work. Today's announcement is particularly rewarding, as it represents a meaningful step towards achieving our target of more than \$50 million of EBIT in FY26 from the Operational Excellence program."

"The JV aligns with our commitment to disciplined capital management, and utilising capital-lite approaches to grow earnings and drive improved returns for shareholders while also supporting our commitment to reduce greenhouse gas emissions." Mr Schubert concluded.

Through the sale of landfill gas, provision of services, and from the JV itself, Cleanaway expects the partnership to contribute incremental EBIT of approximately \$5 million in FY25 and approximately \$10 million in FY26. Beyond FY26, post full commissioning of the assets, assuming current operating and regulatory conditions, the partnership is expected to deliver incremental EBIT of approximately \$15 million per annum.

Consistent with LFG capture and monetisation being an initiative pursued as part of Cleanaway's Operational Excellence focus, the EBIT accretion from the JV is factored into its FY25 EBIT guidance. Cleanaway continues to expect FY25 EBIT to be between \$395 and \$425 million.

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Investor Enquiries

Josie Ashton, Head of Investor Relations and Sustainability

Telephone: +61 416 205 234

Email: josie.ashton@cleanaway.com.au

Cleanaway Waste Management Limited is Australia's leading total waste management, industrial and environmental services company. Our team of more than 7,900 highly trained staff are supported by a fleet of over 6,350 specialist vehicles working from approximately 330 locations across Australia. With the largest waste, recycling and liquids collections fleets on the road - and supported by a network of recycling facilities, transfer stations, engineered landfills, liquids treatment plants and refineries - we are working hard to deliver on our mission of making a sustainable future possible together for all our stakeholders.