ASX RELEASE

31 July 2026

ADVANCED CARBON PRODUCTS

For personal use only

June 2026 Quarterly Activities Report

HIGHLIGHTS

- **Carbonxt agreed a two-stage balance sheet restructuring with its existing major shareholder and noteholder, Phelbe Pty Ltd, and its senior lender, Pure Asset Management, ahead of Kentucky reaching commercial production. Stage 1 comprises A$3.5 million of new convertible notes, being A$2.0 million of new cash from Phelbe and A$1.5 million from Pure set off against debt and accrued interest on the senior loan facility. A$3.0 million completes under existing placement capacity, with the balance subject to shareholder approval. Stage 2, conditional on EGM approval and the commencement of Kentucky operations, sees Phelbe and Pure convert existing notes and exercise existing options and warrants.**
- **On completion, the restructuring will deliver a cash injection of up to A$11 million, with approximately A$4.97 million applied to reduce senior debt from A$15.0 million to approximately A$10.0 million and all financial covenants removed for the remaining life of the senior loan, which matures on 31 May 2027. All conversion and exercise prices are above the share price of A$0.068 at the time of the agreement (refer ASX announcement, 6 July 2026).**
- **Positive year-to-date operating cash flow and EBITDA maintained, with gross margins in excess of 45%.**
- **Customer receipts for the June 2026 quarter of $4.1 million (Q3 FY26: $3.3 million).**
- **Positive operating cash flow of $271k (Q3 FY26: $(368)k).**
- **Kentucky facility status — kiln parts have begun to arrive, and kiln finalisation is underway, with recommencement of commissioning and progress toward independent engineer certification and the US$1 million initial revenue milestone.**
- **ACP and PAC sales performance for the quarter in line with expectations, including expected imminent conversion of the new ACP purchase order received in April 2026 into a long-term supply arrangement.**
- **US EPA regulatory momentum continued to strengthen demand fundamentals for Carbonxt's activated carbon products:**
  - **EPA reaffirmed the PFOA and PFOS Maximum Contaminant Levels at 4 parts per trillion and issued proposed rules to formalise a two-year compliance extension to 2031, alongside nearly US$1 billion in new state funding to address PFAS in drinking water; and**
  - **EPA proposed the Sixth Unregulated Contaminant Monitoring Rule and finalised the first comprehensive federal settlement with a major PFAS manufacturer, reinforcing the long-term structural demand outlook for activated carbon treatment technologies.**

Carbonxt Group Ltd (ASX:CG1) (Carbonxt or the **Company),** a United States-focused Cleantech company, is pleased to provide its June 2026 Quarterly Activities Report. Carbonxt develops and manufactures technologies used to support compliance with air and water emission requirements and remove harmful pollutants, with primary operations in the United States across powdered activated carbon and activated carbon pellet manufacturing.

Carbonxt Managing Director, Warren Murphy, commented:

> *"The restructuring agreed with Phelbe and Pure is the most significant step we have taken toward a balance sheet that matches the business we are building. It provides immediate funding, a clear pathway to materially reduce senior debt as Kentucky comes online, and it does so at prices above the levels at which our shares have been trading. The kiln construction is now being finalised, and we expect commissioning to begin this quarter. The finalisation of one of our core offtake contracts on improved terms and with expected annual revenue from that contract to increase by over 30% is a great way to finish FY26."*

Balance Sheet Restructuring

Carbonxt agreed to a restructuring plan with its two largest financial stakeholders, Phelbe Pty Ltd (Phelbe) and Pure Asset Management (Pure), designed to substantially strengthen the Company's balance sheet as the Kentucky activated carbon facility enters commercial production (refer to the ASX Announcement dated 6 July 2026). The transaction is structured in two stages, providing immediate new funding and a clear pathway to reduce senior debt as earnings scale.

The continued support from both stakeholders reflects their confidence in Carbonxt's strategy and the value of the Kentucky investment. Phelbe Pty Ltd and Pure Asset Management are not considered related parties for the purposes of Chapter 10 of the ASX Listing Rules.

Stage 1: Immediate Funding

Completing immediately, Phelbe will subscribe for A$2.0 million of new convertible notes, providing fresh cash to support the Company's near-term operational requirements and the continued commissioning of the Kentucky facility. Pure will subscribe for A$1.5 million of convertible notes, which will be set off against outstanding debt and interest accrued on the existing senior loan facility. Reflecting their support for the Company through this transition, Pure has agreed to provide any required covenant waivers to 31 December 2026.

The issue of $3.0 million of new convertible notes to both parties, together with the issue of the attaching options to Phelbe, is made under the Company's existing placement capacity under Listing Rule 7.1. The remaining $0.5 million of new convertible notes and the issue of the attaching options to Pure will be subject to shareholder approval.

Table 1: First stage convertible note terms

Term	Detail
Issue size	A$2.0 million (Phelbe, new cash); A$1.5 million (Pure, set off against debt and accrued interest)
Conversion price	A$0.10 per share
Interest rate	9.5% p.a.
Term	3 years
Maturity	If a note is not converted before its maturity date, and is repaid, the holder receives a further set of 3-year options on the same terms (exercisable at A$0.10)
Security	Pari-passu with existing senior debt (Pure Asset Management)
Attaching options	1 unlisted option for every 2 shares issued on conversion, exercisable at A$0.10 (10 million options to Phelbe and 7.5 million options to Pure)

For personal use only

Stage 2: Debt Reduction

The second stage is subject to two conditions: approval by shareholders at the Extraordinary General Meeting described below, and the commencement of operations at the Kentucky facility. For these purposes, commencement of operations means independent engineer certification that the plant is operational, together with the achievement of an initial revenue milestone of US$1 million.

Once both conditions are satisfied, Phelbe will convert A$2.0 million of existing convertible notes into equity at approximately A$0.075 per share and exercise its 37.9 million options at approximately A$0.09 per share, raising approximately A$3.4 million in cash. Pure will exercise its 64 million warrants at approximately A$0.07 per share and its 5.03 million options at approximately A$0.097 per share. The Company will apply Pure's proceeds of approximately A$4.97 million directly to reduce the senior debt facility from A$15.0 million to approximately A$10.0 million, and Pure will remove all financial covenants for the remaining life of the senior loan, which matures on 31 May 2027.

For personal use only

Table 2: Indicative Stage 2 outcomes

Stakeholder	Instrument	Volume	Indicative price	Cash to Company
Phelbe	Convertible notes converted to equity	A$2.0m of notes	~A$0.075/share	Nil (debt to equity)
Phelbe	Options exercised	37.9 million	~A$0.09/share	~A$3.4m (combined)
Pure	Warrants exercised	64 million	~A$0.07/share	~A$4.97m (combined)
Pure	Options exercised	5.03 million	~A$0.097/share	Included above

Early-Conversion Incentive

As part of the approvals sought, the Company will offer an early-conversion incentive, a discount of 10% per annum, to encourage holders to bring forward the conversion of their convertible notes and the exercise of their options. The incentive applies to both Phelbe and the Company's existing other note holders; it does not apply to Pure's warrants. As the discount accrues at 10% per annum to maturity, the effective price varies by instrument, with longer-dated securities receiving a larger reduction. Details of the exercise price variation for each option will be provided in the Notice of Meeting.

The incentive offer will lapse on 31 December 2026, after which the options' exercise prices will revert to their original terms. The Company and Pure and Phelbe are committed to the restructuring. Subject to increased customer demand, the proceeds would be used to fund an expansion of one of the Company's three facilities or to retire debt. The decision to participate in the offer is entirely at the discretion of the individual note holders.

For personal use only

Shareholder Approvals

Certain elements of the recapitalisation require shareholder approval and will be put to shareholders at an Extraordinary General Meeting (EGM), expected to be convened in September 2026. Approvals to be sought include amendments to the terms of the relevant options to provide the 10% per annum early-exercise discount, and approval under item 7 of section 611 of the Corporations Act to permit Phelbe to increase its voting power above 20% (to approximately 23%) without the need for a takeover bid.

The increase above the 20% threshold would arise from Phelbe converting its remaining convertible notes into equity at A$0.10 per share and exercising its remaining options. Approximately A$0.4 million would be raised in cash (from options with an exercise price of A$0.07, reduced to approximately A$0.057 after the early-conversion discount), with the balance of the increase comprising approximately A$4.2 million of debt converted into equity (the remaining notes and capitalised interest, together with the new A$2.0 million convertible note). A Notice of Meeting setting out full details of the resolutions, together with an Independent Expert's Report in respect of the section 611 resolution (if required), will be dispatched to shareholders in due course. Phelbe and its associates will be excluded from voting on the resolution to which they are a party.

Table 3: Approximate maximum aggregate impact of the restructuring plan

Measure	Approximate maximum impact
Cash injection	A$11 million
Net reduction in debt	A$5 million
Senior debt facility	Reduced from A$15.0 million to approximately A$10.0 million
Financial covenants	Removed for the remaining life of the senior loan (maturing 31 May 2027)
Indicative post-completion holdings	Phelbe approximately 19.6%; Pure approximately 15.7% (approximately 23% for Phelbe if the separate section 611 resolution is approved and implemented)

Kentucky Facility Update

The Kentucky activated carbon facility remains a transformational asset for Carbonxt. Once fully operational, it is forecast to increase group sales by approximately 200% and provide entry into the liquid-phase activated carbon market, which is several times larger than the Company's traditional air-phase segment. The plant has been designed to manufacture premium-grade activated carbon for PFAS filtration, wastewater treatment and industrial emission control: markets underpinned by tightening U.S. EPA regulations and growing demand for a secure domestic supply.

The commencement of Kentucky operations is now a condition precedent to the second stage of the restructuring plan agreed with Phelbe and Pure. For those purposes, commencement of operations means independent engineer certification that the plant is operational, together with the achievement of an initial revenue milestone of US$1 million. Kentucky commissioning is therefore both the principal operating milestone and the principal balance sheet milestone for the Company entering FY27.

The replacement kiln parts have begun to arrive, and all should be delivered by the end of next week. It is expected that the kiln construction should be finalised in this quarter. All outside work has been completed, including the storage silos and bagging station building.

Financial Review

Revenue & Earnings

- Total revenue for the quarter: $4.1 million (Q3 FY26: $3.3 million)
- ACP sales contributed 53.3% of total revenue (Q3 FY26: 47.6%)
- Gross margin of 52.4% in Q4 FY26 (Q3 FY26: 46.7%; HY26: 51.6%)
- Positive EBITDA and operating cash flows year-to-date FY26 based on management accounts (unaudited), with gross margins of approximately 50%

Balance Sheet & Cash Position

On 30 June 2026, Carbonxt held $0.6 million in cash and cash equivalents (31 March 2026: $0.3 million). Note this is prior to the $2.0m of cash received via the first stage of the restructuring plan.

A further investment of $250,000 in NewCarbon Processing, LLC has occurred subsequent to 30 June 2026, taking Carbonxt to a 48.7% ownership share.

Operational Review

Activated Carbon Pellet (ACP) sales were 37% higher as our feedstock from the Black Birch plant fully recovered from the outage earlier in FY26, allowing the Company to increase pellet production to meet higher customer demand.

Powdered Activated Carbon (PAC) sales were up 10% on the prior quarter as volumes recovered with the Company's largest PAC customer.

Carbonxt continues to increase momentum across its core product lines:

Powdered Activated Carbon (PAC):

PAC annual sales are supported by long-term contracts, including with ReWorld. Regulatory momentum in PFAS contamination control continues to drive demand, and PAC remains a preferred treatment option under the federal drinking water standards discussed under Market Insights below.

PAC sales performance for the June 2026 quarter was up 10% on the prior quarter.

Activated Carbon Pellets (ACP):

During the quarter, the Company finalised a 3-year extension of one of our main customer contracts on higher pricing and improved payment terms. That customer has indicated an intention to materially increase volumes in FY2027. If sales are maintained at those indicated levels, then revenue is forecast to be approximately $2.0m higher in FY27 from this customer.

During the quarter, the Company finalised plans to relocate production from the existing Arden Hills location to a new site in Minnesota. The existing facility lease expires this year, and the lessor has decided to centralise their business operations on this site. The new location for our pellet plant will reduce monthly operating costs by approximately US$10k and enable expansion of the facility at a much lower cost. The plant move will be completed in the September quarter.

The Company delivered on the first-month Purchase Order for a new customer, and discussions are ongoing to finalise a long-term agreement. The product performed well and has been well received by the customer.

For personal use only

For personal use only

Strategic Outlook

Carbonxt continues to build operational momentum, with positive year-to-date operating cash flow and EBITDA, and gross margins in excess of 50%.

The commencement of operations at the Kentucky facility, which represents a potential uplift of over 200% in group sales capacity, is expected to drive a material increase in revenue and earnings and underpins the Company's pathway to a stronger balance sheet.

The early-conversion incentive and the related changes to the terms of existing notes and options described above are subject to shareholder approval.

In addition to simplifying the Company's capital structure, the approximate maximum aggregate impact of the restructuring plan would be transformative:

- A cash injection of: A$11 million.
- A net reduction in debt of: A$5 million.

Market Insights

Federal PFAS Momentum Strengthens Market Fundamentals

The United States regulatory environment for per- and polyfluoroalkyl substances (PFAS) advanced materially during the June 2026 quarter. The intentions signalled in the March quarter were converted into formal rulemaking, substantial new funding was released to the water sector, and the first comprehensive federal enforcement settlement with a PFAS manufacturer was reached. For Carbonxt, the direction of travel is unchanged and increasingly concrete: the standards that drive activated carbon procurement have been reaffirmed, and the capital to fund compliance is flowing.

PFOA and PFOS standards reaffirmed at 4 ppt through formal rulemaking

On 18 May 2026, the EPA announced a comprehensive, lifecycle-based PFAS strategy and issued two proposed rules for public comment (EPA news release, 18 May 2026). The first proposed rule upholds the National Primary Drinking Water Regulation for PFOA and PFOS - the Maximum Contaminant Levels remain 4.0 parts per trillion each, exactly as set in the 2024 rule - while establishing a federal exemption framework under which drinking water systems may request two additional years, to April 2031, to achieve compliance (Proposed PFOA and PFOS Compliance Extension Rule). All monitoring and reporting deadlines under the April 2024 rule remain in force. The extension is not automatic; systems must apply for it.

The second proposed rule would rescind the regulatory determinations and regulations for PFHxS, PFNA, HFPO-DA (GenX) and the Hazard Index mixture of these three PFAS plus PFBS, on the basis that they were promulgated without following the process required by the Safe Drinking Water Act (Proposed PFAS Rescission Rule). The EPA has stated that, once the rescission is finalised, it will evaluate additional PFAS for future regulation and that the result could be more stringent requirements. Written comments on both proposed rules close on 20 July 2026, and a virtual public hearing was held on 7 July 2026.

This is a narrowing of the 2024 PFAS rule at its periphery, not at its core. The PFOA and PFOS standards that underpin the substantial majority of water utility planning and procurement activity in Carbonxt's addressable market have been reaffirmed through formal rulemaking, and activated carbon, particularly powdered and granular, remains the most widely adopted treatment technology for PFOA and PFOS removal at scale.

For personal use only

Nearly US$1 billion in new funding released to the water sector

Alongside the proposed rules, the EPA announced nearly US$1 billion in new Emerging Contaminants in Small or Disadvantaged Communities (EC-SDC) grant funding to states to address PFAS in drinking water, bringing the total made available under that program to US$5 billion over five years. This sits alongside US$4 billion dedicated through the Drinking Water State Revolving Funds and more than US$6.5 billion in low-interest financing available through the Water Infrastructure Finance and Innovation Act loan program (EPA news release, 18 May 2026). The EPA has stated that sustained investment of this scale drives down the per-system cost of treatment and accelerates innovation in treatment and destruction technologies. This is capital that flows directly to water utilities and translates into the procurement of treatment solutions of the kind Carbonxt manufactures.

Occurrence monitoring expanded under UCMR 6

On 26 June 2026 the EPA announced, and on 1 July 2026 formally proposed, the Sixth Unregulated Contaminant Monitoring Rule (UCMR 6), which would require public water systems to collect national occurrence data for 30 unregulated contaminants, including seven ultrashort organofluorine compounds, several of which are PFAS, between 2028 and 2030 (EPA news release, 26 June 2026; Federal Register, 1 July 2026). The EPA has stated that the UCMR 6 data collection effort will continue to inform the PFAS OUT initiative launched in April 2026. Comments close on 31 August 2026, with public webinars on 11 and 12 August 2026. Occurrence data is the mechanism by which contaminants move toward regulation under the Safe Drinking Water Act, and a wider monitoring net supports the long-term structural demand outlook for activated carbon treatment.

First comprehensive federal settlement with a PFAS manufacturer

On 24 June 2026, the U.S. Department of Justice, the EPA and the West Virginia Department of Environmental Protection announced a US$450 million multi-state settlement with The Chemours Company resolving claims relating to PFAS discharges into the Ohio, Cape Fear and Delaware Rivers (DOJ news release, 24 June 2026; EPA settlement summary). The settlement includes a US$22.5 million civil penalty and a multi-year, government-supervised US$90 million PFAS mitigation program, together with obligations to install pollution controls and supply alternative drinking water to affected communities. It is the first comprehensive federal settlement of enforcement claims against a PFAS manufacturer and signals that federal attention to PFAS extends across the full lifecycle: source control, remediation and drinking water treatment.

Table 6: Federal PFAS developments during and shortly after the June 2026 quarter

Date	Development	Relevance to Carbonxt
18 May 2026	EPA announces lifecycle PFAS strategy; proposes to uphold PFOA/PFOS MCLs at 4 ppt with an optional two-year compliance extension to April 2031; proposes rescission of MCLs for PFHxS, PFNA, HFPO-DA and the Hazard Index mixture; announces nearly US$1 billion in EC-SDC grant funding	Core standards driving PAC and GAC demand reaffirmed through formal rulemaking; a long, visible procurement runway is preserved and funded.
24 June 2026	DOJ/EPA/WV DEP announce US$450 million settlement with Chemours, including a US$22.5 million civil penalty and a US$90 million PFAS mitigation program	First comprehensive federal enforcement settlement with a PFAS manufacturer; reinforces the durability of federal PFAS policy across the lifecycle.

Date	Development	Relevance to Carbonxt
26 June 2026 / 1 July 2026	EPA announces and proposes UCMR 6, requiring monitoring of 30 unregulated contaminants, including ultrashort-chain PFAS, from 2028–2030	Expands the occurrence dataset that drives future regulation; supports long-term structural demand for activated carbon treatment
7 July 2026	EPA holds virtual public hearings on both proposed drinking water rules; written comments close 20 July 2026	Rulemaking proceeding to schedule; final rules expected to give utilities the certainty needed to commit to treatment capital

Sources: US EPA and US Department of Justice, as hyperlinked in the body of this section. Dates refer to announcement or publication dates.

Taken together, the regulatory picture entering FY27 is one of a focused and durable federal commitment to PFOA and PFOS remediation — the compounds most directly relevant to Carbonxt's products and markets - supported by growing federal funding, accelerating utility engagement through the PFAS OUT initiative, and an enforcement posture that extends to the manufacturers of these compounds. Carbonxt continues to observe increased enquiry from utilities and distributors seeking reliable domestic supply, and the Company's PAC and GAC technologies remain well-positioned to capture growing market share in this expanding segment. The Kentucky facility, once operational, will materially enhance Carbonxt's capacity to meet this demand at scale.

Corporate

Included within staff costs (item 1.2 (e) of Cash Flow and item 6.1 of Payments to related parties of the entity and their associates from Operating Activities in the Appendix 4C) are payments to the Directors. The rates of payment to the continuing directors are unchanged from the remuneration as set out in the last Annual Report.

- ENDS -

Authorised for release to ASX by the Board of Directors of Carbonxt Group Limited.

All amounts are in AUD unless otherwise stated.

Forward-looking statements in this report are subject to risks and uncertainties. Actual results may differ materially from expectations.

Enquiries

Warren Murphy
Managing Director | Carbonxt Group Limited
P +61 413 841 216
E w.murphy@carbonxt.com

Mark Flynn
Investor Relations | Bantry Advisors
P +61 416 068 733
E mark.flynn@bantryadvisors.com

About Carbonxt

Carbonxt (ASX:CG1) is a cleantech company that develops, and markets specialised Activated Carbon products, focused on the capture of contaminants in industrial processes that emit substantial amounts of harmful pollutants. The Company produces and manufactures Powdered Activated Carbon and Activated Carbon pellets for use in industrial air purification, wastewater treatment and other liquid and gas phase markets.

For personal use only

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

CARBONXT GROUP LIMITED

ABN	**Quarter ended ("current quarter")**
59 097 247 464	30 June 2026

	Consolidated statement of cash flows	**Current quarter $A'000**	**Year to date (12 months) $A'000**
1	**Cash flows from operating activities**		
1.1	Receipts from customers	4,149	16,652
1.2	Payments for		
	(a) research and development	(28)	(80)
	(b) product manufacturing and operating costs	(1,974)	(7,737)
	(c) advertising and marketing	(52)	(363)
	(d) leased assets	0	0
	(e) staff costs	(1,168)	(5,205)
	(f) administration and corporate costs	(656)	(2,683)
1.3	Dividends received (see note 3)	0	0
1.4	Interest received	0	0
1.5	Interest and other costs of finance paid	0	0
1.6	Income taxes paid	0	0
1.7	Government grants and tax incentives	0	71
	Other (provide details if material)	0	0
1.8	(a) Significant raw material prepayment	0	0
	(b) Inventory build	0	0
1.9	**Net cash from / (used in) operating activities**	**271**	**655**

For personal use only

For personal use only

2	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	(352)	(2,211)
	(b) businesses	-	-
	(c) property, plant and equipment	(86)	(268)
	(d) investments	-	-
	(e) intellectual property	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(438)**	**(2,479)**

3	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	210	2,082
3.2	Proceeds from issue of convertible debt securities	750	1,650
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(500)	(1,692)
3.7	Transaction costs related to loans and borrowings	(5)	(74)

3.8	Dividends paid	-	-
3.9	Interest paid / received	-	-
3.10	**Net cash from / (used in) financing activities**	**455**	**1,966**

4	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	276	481
4.2	Net cash from / (used in) operating activities (item 1.9 above)	271	655
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(438)	(2,479)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	455	1,966
4.5	Effect of movement in exchange rates on cash held	(14)	(73)
4.6	**Cash and cash equivalents at end of period**	**550**	**550**

5	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	550	276
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**550**	**276**

6	**Payments to related parties of the entity and their associates**	**Current Quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	293
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

For personal use only

For personal use only

7	**Financing facilities** Note: the term "facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	15,000	15,000
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	**Total financing facilities**	15,000	15,000
7.5	**Unused financing facilities available at quarter end**		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

The $15M facility is secured and has a 9.5% interest rate, a default rate of 14.5%, with a maturity date of 31 May 2027. The lender is Pure Asset Management. The Company also has $6.3M of Convertible Notes with a 9.5% interest rate, maturing at various dates from 14 April 2027 through to 6 July 2029.

8	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	271
8.2	Cash and cash equivalents at quarter end (item 4.6)	550
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	550
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	N/A

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2026

Authorised by: The Board of CG1
(Name of body or officer authorising release – see note 4)

Notes

1 This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2 If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3 Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4 If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5 If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

For personal use only