

16th September 2021

CEMENTING OPPORTUNITY

- **€15M investment by one of the world's leading decarbonisation investors**
- **Transformational step in the commercialisation of Calix's breakthrough technology**
- **Enables cost-efficient decarbonisation of the lime and cement sectors globally**

NEW YORK, SYDNEY: Pottinger announces that Calix Limited has closed a €15m (A\$24.5m) capital raising for its lime and cement decarbonisation business, the LEILAC Group, with New York based global decarbonisation investor Carbon Direct Capital Management securing an equity stake of 6.98%. As part of the transaction, Calix Limited will retain 30% of royalties earned by the LEILAC Group, regardless of its own equity.

Pottinger acted as sole financial advisor on the capital raise and provided advice on overall commercialisation strategy, LEILAC Group's go-to-market plan and near-term business development priorities. Announced and closed a week ahead of Climate Week in New York, the investment marks the conclusion of a significant programme of work led by Pottinger to identify the optimal financial and strategic partner to support this critical next phase in the development of the business.

With a transaction team that spanned Sydney, New York, London and Paris, and a business that will have a profound impact on the decarbonisation of the world's construction sector, this is a profoundly important moment in the race to zero emissions.

Commenting on the transaction, Phil Hodgson, Managing Director of Calix Limited, said: *"The deal ... represents our first material portfolio transaction in our stated strategy to farm-in equity to deploy our technology commercially. We believe this strategy adds speed and focus at a critical time in the technology commercialisation journey, and leaves the head company to focus on what it does best – supporting our technology and developing the next global, disruptive applications"*.

Nigel Lake, Executive Chairman and co-founder of Pottinger, added: *"Great engineering and technology alone are not enough: to have a transformational impact on an entire global industry takes a dedicated and well-resourced business. The investment by Carbon Direct marks a critical inflexion point for both Calix and the LEILAC Group, as decarbonisation of the construction sector begins in earnest."*

"Carbon Direct invests in companies that can deliver both commercially viable solutions and solve big climate problems", said Jonathan Goldberg, founder and CEO of Carbon Direct. *"We are very impressed by the technical and commercial rigor of the LEILAC team, and plant partners are outspoken in their excitement about LEILAC. We are delighted to support Phil, Calix, and the LEILAC Group as they seek to scale LEILAC into cement and lime plants around the world."*

John Sheehy, CEO of Pottinger, added: *"It has been a real pleasure working with the Calix and Carbon Direct teams, plus our colleagues at Hamilton Locke, to help bring this transaction to life. This new venture will supercharge the underlying IP developed by Calix to date and provide the answer to significant environmental and commercial challenges faced by the world's cement and lime industries."*

Since we launched Pottinger in 2003, our team has been deeply committed to connecting long-term thinking with effective short-term action, including in many areas related to climate change and sustainability. We are thrilled to have supported Calix to close this transaction and are excited about what lies ahead.

Media enquiries

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About Pottinger

Pottinger is an independent corporate advisory firm headquartered in Sydney and New York City. We advise leading companies, state and federal governments, industry associations and growth stage companies on M&A, capital raising, corporate strategy and public policy. We also offer our clients integrated advice across any or all of these fields and specialise in connecting long-term vision informed by multi-disciplinary expertise with near-term action.

About LEILAC Group

The LEILAC Group is the subsidiary division of Calix dedicated to commercialisation and ongoing development of Calix's LEILAC CO₂ capture technology. It is the exclusive licensee of Calix's Low Emissions Intensity Lime And Cement ("LEILAC") CO₂ capture technology. LEILAC has already been successfully piloted at 25k tonnes per annum scale at HeidelbergCement's Lixhe Cement plant in Belgium, and is being scaled up to 100k tonnes per annum scale in the "LEILAC-2" project for a HeidelbergCement plant in Hannover, Germany. Further commercial pilots are under development with Tarmac, the UK division of CRH, and AdBri in Australia, amongst others. For further information, please visit www.LEILACGroup.com.

About Carbon Direct

Carbon Direct combines scientific expertise and financial capital to scale carbon removal & utilization into a global industry. Our investment business makes direct investments into leading carbon removal & utilization companies. Our advisory business works for corporate clients to fulfill their carbon management commitments. Carbon Direct's team of world-renowned carbon scientists has a critical understanding of the risks and opportunities of emerging and mature carbon technologies. The firm was founded by Jonathan Goldberg and has offices in New York City. To learn more, visit www.carbon-direct.com.

About Calix Limited

Calix is a team of dedicated people developing a unique, patented technology to provide industrial solutions that address global sustainability challenges. The core technology is being used to develop more environmentally friendly solutions for sustainable processing, advanced batteries, crop protection, aquaculture, wastewater and carbon reduction. Calix develops its technology via a global network of research and development collaborations, including governments, research institutes and universities, some of world's largest companies, and a growing customer base and distributor network for its commercialised products and processes. Because there's only one Earth - Mars is for Quitters. For further information, please visit <https://www.calix.global/>