

22<sup>nd</sup> September 2020

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## ACTIVITIES UPDATE

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### HIGHLIGHTS

- Recent corporate video increases market awareness and attracts strong industry attention to Pearl's unique clean conversion technology
  - Pearl secures a second asphalt customer to receive Pearl's alternative fuels and carbon products.
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Pearl Global Limited (**Pearl or the Company**) (ASX:PG1) provides an operations activity update to investors.

#### Corporate Video

Pearl has recently released a corporate video providing key stakeholders, Government and industry, a firsthand view of Pearl's clean conversion technology process.

The video has already attracted strong industry attention and raised awareness of how Pearl's recycled products are providing environmental and financial benefits to domestic industry.

Pearl's unique clean conversion technology converting waste tyres to valuable fuel, steel, and carbon char products is a perfect example of the latest circular economy concept, a key pillar within Pearl's Environmental, Sustainability and Governance (ESG) appeal and platform.

The video is available for viewing on Pearl Global's website <https://pearlglobal.com.au/about/our-business/>

#### Pearl attracts new business

Due to Covid-19 related delays in Aussee Asphalt Services Pty Ltd (Aussee), Pearl is strengthening its sales channels within the domestic asphalt market. Continuing independent test results demonstrate that Pearl's carbon char enhances the quality of asphalt, and Pearl's fuels reduce the operating costs of asphalt production.

As a result, Pearl is now working with a second asphalt manufacturer for the supply of its carbon char and fuels.

Over the next four weeks, the manufacturer is completing minor plant modifications to enable it to accept Pearl's higher energy fuel, and sales are anticipated to start thereafter.

Key benefits gained by an asphalt group in using Pearl's alternative fuels and carbons are:

1. Fuel cost savings, potentially up to 50% of current fuel costs
2. Carbon char cost savings. Carbon char replaces virgin resources at a lower cost
3. Improved quality of asphalt produced. Pearl's carbon char improves the asphalt by increasing its stiffness, provides better binding qualities, improves durability and improves colour.
4. Supports critical ESG initiatives. The Australian asphalt industry is incentivising asphalt manufacturers to utilise recycled products over virgin resources, by weighting tender applications with a heavy bias towards presenting asphalt mixes with higher levels of recycled products. Using Pearl carbon products has the multiple benefits of a superior product, with superior pricing from recycled materials. This can be a major advantage.

### Update on Aussee Road Services

On the 2<sup>nd</sup> April 2020, Pearl announced an Agreement with Aussee Asphalt Services Pty Ltd for the supply of Pearl's fuels and carbon exclusively to Aussee in Queensland. The exclusivity was restricted to the asphalt industry, but due to delays experienced by Aussee (Covid-19 related) in its preparation for using the fuels and carbon in its process, the parties to the Agreement (Pearl and Aussee) have agreed to drop the exclusivity provision immediately. This enables Pearl to engage with alternative asphalt manufacturers who have indicated potential demand for its products.

The relationship with Aussee and Pearl remains strong, as is evidenced in the corporate video, and Aussee (whom also uses the brand Austek in the Queensland market) expect to be operational in using Pearl's fuels at a commercial scale in the coming four weeks. Further, the parties are researching opportunities for a second asphalt plant site, where both Pearl and Aussee operations can be co-located in Queensland.

The Company will continue to keep the market updated.

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### About Pearl Global Limited

Pearl Global Limited (Pearl) (ASX:PG1) is a revolutionary tyre processing company that applies unique, next-generation thermal desorption technology to cleanly convert tyres into valuable secondary products including waste to energy opportunities. Pearl has Australia's first environmental approvals for the thermal treatment of rubber and is in the process of commissioning its first commercial scale production plant in Stapylton, Queensland.

Pearl's technology is a significant advancement on other methods of processing waste tyres because it has low emissions, no hazardous by-products, requires no chemical intervention and is the only process that meets the standard emissions criteria set by the Australian regulators for this type of technology