

28 October 2022

Update on Australian Government funding for carbon capture, use and storage projects

Sydney, Australia | 28 October 2022 – Australian environmental technology company, Calix Limited (ASX: CXL) (“Calix” or “the Company”) has been informed that the Australian Government is not proceeding with the Carbon Capture, Use and Storage (CCUS) Hubs and Technologies Program.

Following the Australian Government’s Budget announced on 25 October 2022, AusIndustry advised Calix that the \$11m in grant funding, announced by the former Government in May 2022, has now been cancelled. The grant funding was in support of Calix’s project with Adbri (ASX: ABC) to develop low emissions lime.

Similarly, Boral (ASX: BLD) has advised Calix that the \$30m in grant funding, announced by the former Government in May 2022 has also been cancelled. The grant funding was in support of a CCUS project utilising Calix’s cement and lime decarbonisation technology.

Australian cement and lime decarbonisation projects

Adbri has advised Calix that they remain committed to the Pre-Front-End Engineering and Design (FEED) study underway for their decarbonisation project with Calix and its subsidiary, Leilac. Utilising Calix’s Leilac technology, the project aims to: develop the world’s first commercial scale process for low emissions lime; deliver low cost abatement of unavoidable CO₂ process emissions; and assess alternative energy sources, including renewable electricity and hydrogen. Calix looks forward to continuing to progress its project with Adbri.

Separately, Calix is engaging with Boral to consider the implications of the cancelled funding for its proposed project in the Southern Highlands of New South Wales.

Future funding for carbon capture technologies

The Australian Government has announced that it will be implementing a new Carbon Capture Technologies program, through which it will provide \$141.1m over ten years as part of a realignment of investment in carbon capture technologies. Expected to open in 2023, the Government has stated: “Program investments and related policy development will prioritise technology development for hard-to-abate industrial sectors (such as cement manufacturing)”.¹

Calix is awaiting further details of the Australian Government’s new grant program, while also pursuing state and regional programs to assist with these projects.

Calix Managing Director and CEO, Dr Phil Hodgson, said:

“Calix acknowledges our partners for their commitment to achieving carbon neutral cement and lime. We are also grateful for the Australian Government’s support of carbon capture and storage technologies for cement and lime, which is an essential technology to mitigate the unavoidable

¹ [Budget Paper No. 2, Budget Measures October 2022–23](#)

production of CO₂ during the cement and lime manufacturing process.

“The recent [announcement of our global licence agreement with Heidelberg Materials](#)² for use of the Leilac technology builds on our strong and rapidly growing pipeline of cement and lime decarbonisation projects around the world.

“We believe the Leilac technology can also play an important role in urgently decarbonising this essential and hard-to-abate sector of the Australian economy. We look forward to continuing to work with Australian governments and industry to help achieve Australia’s emissions reduction targets.”

This announcement has been authorised for release to the ASX by:

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About Calix

Calix is a team of dedicated people who are urgently developing great businesses, leveraging our patented technology, that deliver positive global impact.

The core technology is being used to develop more environmentally-friendly solutions for water treatment, CO₂ mitigation, biotechnology, advanced batteries, and more sustainable mineral and chemical processing.

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.

Website: <https://www.calix.global/>
Twitter: @CalixLimited
YouTube: [CalixLimited](#)

About Leilac

Leilac is the collaborative technology partner accelerating a just transition to net zero by providing the most compelling decarbonisation solution for global cement and lime.

Leilac’s technology is being developed to efficiently separate unavoidable carbon emissions ready for use or storage, without additional chemicals or processes. It is designed to be scalable, retrofittable, energy agnostic and electrification ready, providing flexible and economical pathways to carbon free cement and lime.

² <https://www.heidelbergmaterials.com/en/pr-2022-10-27>

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Operating across Europe, the Americas and Asia Pacific, Leilac has imagined the future for sustainable cement and lime. And we're creating it. Today.

Sustainable industry. Sustainable planet.

More information: www.leilac.com

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