

## ASX Announcement

November 6, 2020

---

### Calix – FY21 Year to Date Update – NWR Small Cap Conference Presentation

**Sydney, Australia | November 6, 2020** – Calix Limited (ASX: CXL 'Calix' or 'the Company') is pleased to provide a copy of the presentation – FY21 Year to Date Update - that it will present at the NWR Small Cap Conference to be held at 11.25am to 11.55am, Friday 6 November 2020.

To register – please following the link below:

[https://us02web.zoom.us/webinar/register/WN\\_KXpZOURdQTmoOCtZpkNThA](https://us02web.zoom.us/webinar/register/WN_KXpZOURdQTmoOCtZpkNThA)

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

Phil Hodgson  
Managing Director  
**Calix Limited**  
9-11 Bridge Street  
Pymble  
NSW 2073  
Ph +61 2 8199 7400

## About Calix

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 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.

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

### For more information:

Phil Hodgson  
**Managing Director and CEO**  
phodgson@calix.com.au  
+61 2 8199 7400

Darren Charles  
**CFO and Company Secretary**  
dcharles@calix.com.au  
+61 2 8199 7400

Simon Hinsley  
**Investor Relations**  
simon@nwrcommunications.com.au  
+61 401 809 653

# FY21 Progress Update Presentation

ersonal use only

# Important Disclaimer



This presentation has been prepared by Calix Limited (ABN 36 117 372 540) ("Company").

## SUMMARY INFORMATION

This presentation contains summary information about the Company and its subsidiaries ("Calix") and their activities current as at 5<sup>TH</sup> November, 2020. The information in this presentation is a general background and does not purport to be complete.

## NOT FINANCIAL PRODUCT ADVICE

This presentation is for information purposes only and is not a prospectus, product disclosure statement or other offer document under Australian law or the law of any other jurisdiction. This presentation is not financial product or investment advice, a recommendation to acquire Calix securities or accounting, legal or tax advice. It has been prepared without taking into account the objectives, financial or tax situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs and seek legal and taxation advice appropriate to their jurisdiction. Calix is not licensed to provide financial product advice in respect of Calix securities. Cooling off rights do not apply to the acquisition of Calix securities.

## FINANCIAL DATA

All dollar values are in Australian dollars (\$) or A\$) and financial data is presented as at or for the financial year ended 30 June 2020, unless stated otherwise.

## PAST PERFORMANCE

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Company's views on its future financial performance or condition. Investors should note that past performance, including past share price performance, of Calix cannot be relied upon as an indicator of (and provides no guidance as to) future Calix performance including future share price performance.

## FUTURE PERFORMANCE

This presentation contains certain "forward-looking statements". The words "expect", "future", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements, including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Such forward-looking statements are by their nature subject to significant uncertainties and contingencies and are based on a number of estimates and assumptions that are subject to change (and in many cases are outside the control of Calix and its directors) which may cause the actual results or performance of Calix to be materially different from any future results or performance expressed or implied by such forward-looking statements. The forward-looking statements should not be relied on as an indication of future value or for any other purpose.. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including the Company). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur. Actual results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. The forward-looking statements in this presentation speak only as of the date of this presentation. Subject to any continuing obligations under applicable law, the Company disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statements in this presentation to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based. Nothing in this presentation will under any circumstances create an implication that there has been no change in the affairs of Calix since the date of this presentation.

## INVESTMENT RISK

An investment in Calix securities is subject to investment and other known and unknown risks, some of which are beyond the control of Calix, including possible delays in repayment and loss of income and principal invested. Calix does not guarantee any particular rate of return or the performance of Calix, nor does it guarantee the repayment of capital from Calix or any particular tax treatment. Persons should have regard to the risks outlined in this presentation and appendices.

## NOT AN OFFER

This presentation is not and should not be considered an offer or an invitation to acquire Calix securities or any other financial products and does not and will not form any part of any contract for the acquisition of Calix securities.

This presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any 'U.S. person' (as defined in Regulation S under the U.S. Securities Act ("U.S. Person")). The new shares to be offered and sold in the placement ("Offer") have not been, and none of them will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. In addition, Calix has not been, and will not be, registered under the U.S. Investment Company Act of 1940, as amended (the "U.S. Investment Company Act") in reliance on the exception from the definition of "investment company" provided by Section 3(c)(7) thereof. The New Shares to be offered and sold in the Offer may not be offered and sold to, directly or indirectly, any person in the United States or any person that is, or is acting for the account or benefit of, a U.S. Person except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws and pursuant to an exception from the registration requirements of the U.S. Investment Company Act provided by Section 3(c)(7) thereof. This presentation may not be distributed or released in the United States or to any U.S. Person. The distribution of this presentation in other jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. Offers in Australia of the shares are only being made to persons who are "sophisticated investors" or "professional investors" (within the meaning of section 708(8) and section 708(11) of the Australian Corporations Act (Act) respectively) or otherwise pursuant to one or more exemptions under Section 708 of the Act so that it is lawful to offer the shares in Australia without disclosure to investors under Part 6D.2 of the Act.

## NO ADVICE

None of Calix's respective advisers or any of their respective affiliates, related bodies corporate, directors, officers, partners, employees and agents, have authorised, permitted or caused the issue, submission, dispatch or provision of this presentation and none of them makes or purports to make any statement in this presentation and there is no statement in this presentation which is based on any statement by any of them. For the avoidance of doubt, the advisers and their respective affiliates, related bodies corporate, directors, officers, partners, employees and agents have not made or purported to make any statement in this presentation and there is no statement in this presentation which is based on any statement by any of them. To the maximum extent permitted by law, Calix and its advisers and their respective affiliates, related bodies corporate, directors, officers, partners, employees and agents exclude and disclaim all liability, for any expenses, losses, damages or costs incurred by you as a result of your participation in the Offer and the information in this presentation being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. To the maximum extent permitted by law, Calix and its advisers and their respective affiliates, related bodies corporate, directors, officers, partners, employees and agents make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of information in this presentation and Calix's advisers and its affiliates, related bodies corporate, directors, officers, partners, employees and agents, take no responsibility for any part of this presentation or the Offer. Calix and Calix's advisers and their affiliates, related bodies corporate, directors, officers, partners, employees and agents make no recommendations as to whether you or your related parties should participate in the Offer nor do they make any representations or warranties to you concerning the Offer, and you represent, warrant and agree that you have not relied on any statements made by any of them in relation to the Offer and you further expressly disclaim that you are in a fiduciary relationship with any of them. Statements made in this presentation are made only as the date of this presentation. The information in this presentation remains subject to change without notice. Calix reserves the right to withdraw the Offer or vary the timetable for the Offer without notice.



# Contents

- Calix snapshot – overview and core technology
- Business Verticals
- Milestones for FY21
- Progress against Milestones



Solving Global Challenges...

...because there's only one Earth...

Mars is for quitters

# Calix Limited is using its core mineral processing platform technology to grow multiple global businesses



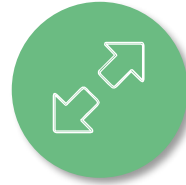
## Growing Sales Revenues

generated from water treatment products, with growing exports and recent US acquisition



## Control of Supply Chain

from mine, to manufacturing facility, to local mixing plants, to customer / distributor



## Quickly Scalable

for minimal (organically funded) capex

Cash-positive and with no debt, growing revenues, secure supply chain, readily scalable and with a funded development pipeline.



## Robust business model

with existing commercialised markets in "essential services" waste water and food, all still required despite COVID-19



## Funded Development

in Australia (\$5m for agriculture, advanced batteries) and Europe (€28m for CO<sub>2</sub> capture for cement and lime)



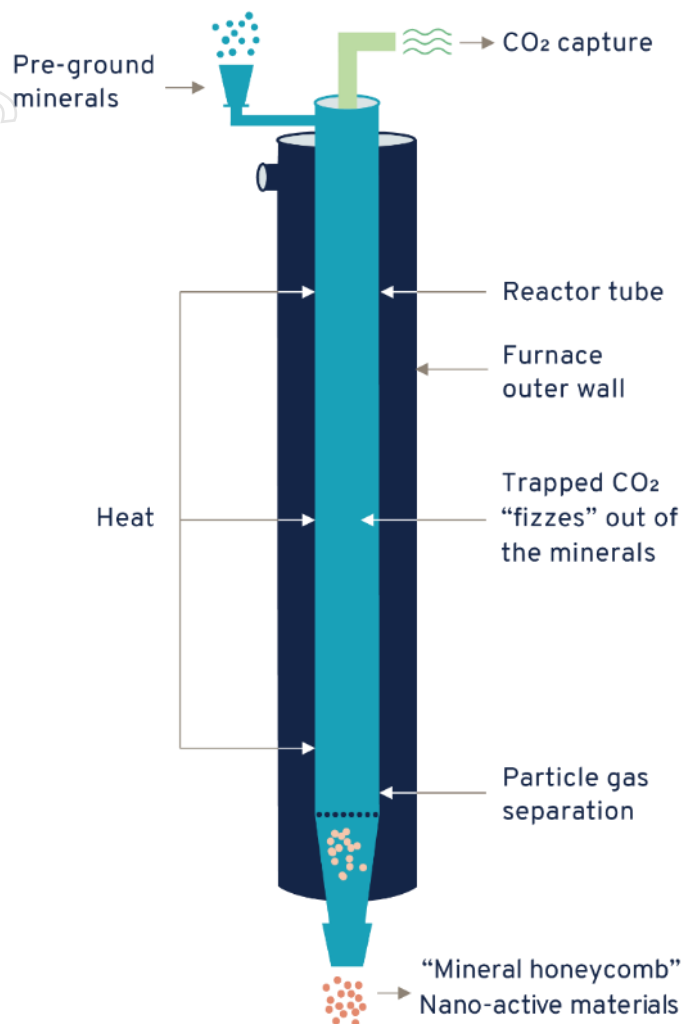
## Multinational Partners



- Operating Sites
- Distributors
- Head Offices

# Calix's Core Technology

A PATENTED PLATFORM TECHNOLOGY WITH 2 KEY FEATURES



## 1 CO<sub>2</sub> Capture

When processing limestone, cement meal, or magnesite, gas exhaust is pure CO<sub>2</sub>

## 2 Low Cost, Safe + Very High Surface Area (Reactive) Products

- Wastewater
- Aquaculture
- Lake remediation
- Crop protection
- Advanced batteries



A New Type of Kiln...

The "Calix Flash Calciner" or CFC



27 patent families covering core technology and applications








>\$60m has been invested to date in developing the technology.



# Existing and Developing Markets, and Priorities for FY21

## MARKET TAILWINDS FOR SUSTAINABLE WATER, FOOD, ENERGY AND CO<sub>2</sub> MITIGATION



	IN-MARKET	PRE-COMMERCIAL		R&D	
					
	<b>WATER &amp; WASTE WATER</b>	<b>AQUACULTURE &amp; FRESH WATER REMEDIATION</b>	<b>AGRICULTURE CROP PROTECTION</b>	<b>CO<sub>2</sub> MITIGATION LIME &amp; CEMENT</b>	<b>ADVANCED BATTERIES</b>
<b>TAM<sup>1</sup> \$A billion</b>	36.7	1.5	9.8	10.8	10.7
<b>Revenue model</b>	Direct sales model Australia / NZ / US	SE Asia Distributors	Supply under margin-share	License technology to industry / royalty basis	
<b>Success in FY21 months looks like?</b>	US: 4 site upgrades, 1 new manufacturing site supporting new market growth  European market entry and growth	Re-establish Asian growth esp. China  Successful market entries – Indonesia, Vietnam, India	First European summer sales leads to strong initial orders for next EU summer  APVMA Approval – Australia  Another commercial license	Successful completion – LEILAC-1 test phase  Successful Basis of Design milestone – LEILAC-2	Pouch cell prototypes tested – high prospective performance and/or economics
<b>Strategic Options</b>	Partnering / portfolio potential		License and possible spin-out play to crop majors	License and possible spin-out play to engineering / technology / green funds	License and possible spin-out play to battery / EV / green funds
<b>Priorities</b>	<b>Equal highest priority</b> – grow revenues and leverage technology into new market opportunities		High priority – good European and global tailwinds, but subject to COVID issues wrt market entry	<b>Equal highest priority</b> – grow value through de-risking – look for early value inflexion points	High priority – good global tailwinds, will take time

Focus remains on growing organic revenue base whilst strategically realising value in other R&D verticals



# Wastewater Treatment

A RAPIDLY GROWING BUSINESS

## Key Milestones Targeted FY21

- Complete 3 more US plant upgrades – stable MHL technology
- Complete 1 new US plant
- Pursue revenue and gross margin growth
- Pursue European market entry and growth

## FY21 YTD Key Achievements

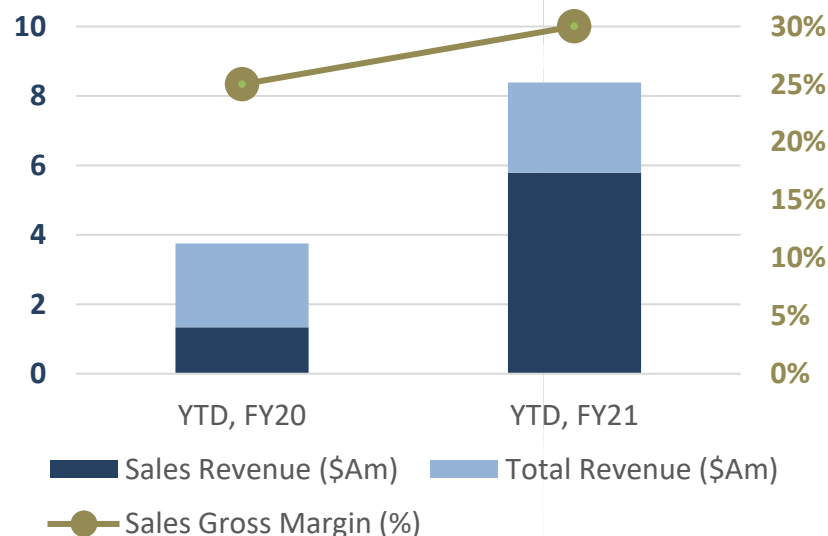
- Completed 1 plant upgrade – 2 more upgrades and 1 new plant to go this FY
- First EU paid trial achieved - Germany

## YTD FY21 vs YTD FY20...\*

- **Total revenue up 124% to \$8.38m**
- **Sales Revenue up 333% to \$5.78m**
- **IER Revenue up ~6% on pre-acquisition period (in \$US)**
- **Gross Margin up 5% to 30%**

## Revenue (A\$m) and Gross Margin (%)

YTD FY21 vs YTD FY20



## Business Model / Strategy

Direct sales model

Near Term: Roll-out and exploit technical advantages – US + grow margins and revenues

Medium Term: New Calix Calciner - Americas

Replicate US Market Entry - EU

# CO<sub>2</sub> Mitigation

RAPID PROGRESS CONTINUES TOWARD COMMERCIALISATION

## Key Milestones Targeted FY21

- Successful LEILAC-1 test campaign conclusion
- Successful Basis of Design milestone – LEILAC-2
- Continue to pursue licensing opportunities, and other CO<sub>2</sub> verticals (lime, refractories, etc)

## FY21 YTD Key Achievements

- EU Approval - LEILAC-1 test campaign extended to mid-2021
- LEILAC-2 BOD on track

Coy's	Scope	Status	Targeted Next Steps – FY21
"A"	Refractories	Successful phase 1 test program complete Commercial T&C's under discussion	Phase 2 targeted from January 2021 Project / License Agreement covering first full-scale plant
"B", "C", "D", "E"	Cement	"LEILAC" 3 Concept under discussion for EU Innovation, and/or Country-Level funding	At least 1 Project / License Heads of Agreement + Commence Feasibility – full-scale plant
"F", "G"		Full Scale cement plants outside of EU – Feasibility projects – discussions	
"H", "I", "J", "K"	Lime	Application-specific concepts under discussion	



*Theoretically the lowest cost solution to CO<sub>2</sub> mitigation for cement and lime*

- 2018 – EU ratifies phase 4 of the Emissions Trading Scheme, CO<sub>2</sub> permit price jumps from €5 to over € 25, where it has remained
- 2019 – HeidelbergCement pledges net zero CO<sub>2</sub> by 2050, and a 30% reduction by 2030
- 2020 – EU legislates net zero CO<sub>2</sub> by 2050. Several countries follow.

## *Business model*

- Capital light / low risk
- Engineering services and license / royalty fees
- Consider equity interest to accelerate commercialisation



**Board of Directors**



**Share Price Performance and Equity  
Structure**



# Board of Directors



**Peter  
Turnbull, AM**  
Non-Executive  
Chair



**Helen Fisher**  
Non-Executive  
Director



**Jack  
Hamilton**  
Non-Executive  
Director



**Lance  
O'Neill**  
Non-Executive  
Director



**Phil  
Hodgson**  
Managing  
Director & Chief  
Executive Officer



**Dr Mark  
Sceats**  
Executive  
Director And  
Chief Scientist

Experienced Chair and Non-Executive Director with significant board and senior executive experience in the resource, energy and technology commercialisation sectors

Current Chair of Auxita Pty Ltd, Non-Executive Director of Karoon Energy Ltd. (ASX: KAR), the Governance Institute of Australia and the Chartered Governance Institute

Adjunct-Professor at the University of Queensland (2010 – 2016)

Chair of Calix Rem and Nom Committee, and member of Audit and Risk Committee

Helen is CEO and Managing Director of Bio Capital Impact Fund (BCIF), a director of BARD1 Life Sciences Ltd, (ASX:BD1), and Chair of the Victorian branch of AusBiotech

Previously a partner of Deloitte, and led Deloitte's life sciences practice in Australia for 5 years, and also specialised in the financial services sector, with significant M&A transactions and strategic tax advice to publicly listed and large multinational companies.

Chair of Calix Audit and Risk Committee

30 years multidisciplinary experience in local and overseas energy industries, including as a Director of NWS Ventures (Woodside North-West Shelf project)

Currently the Chairman of AnteoTech Ltd (ASX:ADO). Previous Non-Executive Director positions include Renu Energy (ASX:RNE), and DUET Group (ASX:DUE)

Chair of Calix Technology Committee, and member of Audit and Risk, and Rem and Nom Committees

London-based director of DFB Australia, with 36 years of experience in international securities and investments in the UK, Australia, USA and Far East

Chair of MediaZest Plc and EP&F Capital Plc

14 years of multidisciplinary experience with Shell, including as the General Manager and Alternate Director of its subsidiary Fuelink Pty Ltd, a \$700m revenue, 300-employee distribution and sales subsidiary

7 years running a private consultancy providing strategy and M&A services across energy, food, infrastructure and water sectors

Joined Calix in 2013 as CEO, became a Director in 2014 and is a member of Calix's Technology Committee

Co-founder of Calix, and a member of Calix's Technology Committee

Qualified physical chemist with over 46 years' experience, numerous academic roles, and numerous fellowships and recognitions

CEO of the Australian Photonics CRC for 14 years

Author of more than 140 academic papers in physical chemistry and inventor of 36 patented inventions

# Listed on the ASX in July, 2018

ASX:CXL



## Share Price Performance Since Listing



## Further Equity Detail

As at 24 August 2020

Free Float	147.9m shares
Warrants to be exercised by July 2022 (\$0.66 Strike Price)	1.9m warrants
Employee Incentive Scheme Rights	7.8m rights

As at 24 August 2020

Shares on issue	~147.9m
Share price for IPO Capital Raise	\$0.53 per share
Share price on IPO	\$0.62 per share
Share price	\$0.785 per share
Market capitalisation	~\$116.1m
Cash at 30 June 2020 (company is debt free)	\$11.1m

## Major shareholders

As at 24 August 2020

Board & Management	17.5%
Perennial Value Management	14.1%
Sculptor Capital Management	11.4%
Nicholas Merriman and associates	8.9%
Australian Super Pty Ltd	6.1%
Paul Crowther	5.7%
Thorney Investments	5.3%
Acorn Capital	4.4%

Because there's only one Earth...



...Mars is for quitters

**Phil Hodgson**

Managing Director & CEO

phodgson@calix.global

+61 2 8199 7400

**Darren Charles**

CFO & Company Secretary

dcharles@calix.global

+61 2 8199 7400

**Simon Hinsley**

Investor Relations

simon@nwrcommunications.com.au

+61 401 809 653



Follow us on Twitter **@Calixlimited**

[Subscribe to our Newsletter](#)

