

Carbonxt (CG1) Managing Director Warren Murphy at the Ignite Investment Summit, 26-27 March 2025 Hong Kong

United States focused Cleantech company **Carbonxt Group Ltd (ASX:CG1) (Carbonxt or the Company)** is pleased to announce that our Managing Director, Warren Murphy, will be presenting at the Ignite Investment Summit in Hong Kong on Thursday, March 27 at 12:00 PM HK time. Warren will showcase Carbonxt's cutting-edge carbon solutions, highlighting how the Company is driving sustainability and delivering value through advanced technology and eco-friendly innovation.

Carbonxt Group Limited is excited to be part of the Ignite Summit, a premier event that brings together innovative companies, investors, and industry leaders from across the globe.

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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.

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ASX:CG1



Advanced Activated Carbon Products

Pioneering a Greener Planet with Cutting-Edge Clean Tech

Ignite Investment Summit Hong Kong

—
March 2025

Disclaimer

This presentation has been prepared by Carbonxt Group Limited ACN 097 247 464 ("Carbonxt").

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Past Performance

Past performance information contained in the presentation is given for illustration purposes only and should not be relied upon as (and is not) an indication of future performance. Actual results could differ materially from those referred to in the presentation.

Company Overview

Carbonxt (ASX:CG1) is a cleantech company specialising in Activated Carbon solutions to capture industrial pollutants. It produces Powdered, Pelletized and Granular Activated Carbon for industrial air purification, wastewater treatment, and other liquid and gas phase markets. The Company has three production facilities in the United States and is focused on servicing US markets.



Water Treatment

Removes disinfection byproducts and PFAS in groundwater and drinking water filtration.



Air and Gas Purification

Removes odors, oil vapors, and other hydrocarbons from air and gas streams.



Industrial Pollution Control

Removes toxic pollutants from air and water in various industrial processes.



Mercury Capture

Used in emissions control from coal-fired power stations to capture mercury.



Environmental Consulting

Used in environmental and consulting applications for pollution control and remediation.

Carbonxt provides cost-effective solutions that enable industry partners to meet compliance goals

Carbonxt at a Glance

Carbonxt is working to address the need for clean air and water with sustainable solutions that protect homes, communities and the environment.



Advanced solutions for industrial, water, and air pollutant removal



Unique, engineered activated carbon with pioneering technology



Three production facilities, with one being commissioned



Cutting-edge research driving innovation



Environmental laws increasing product demand

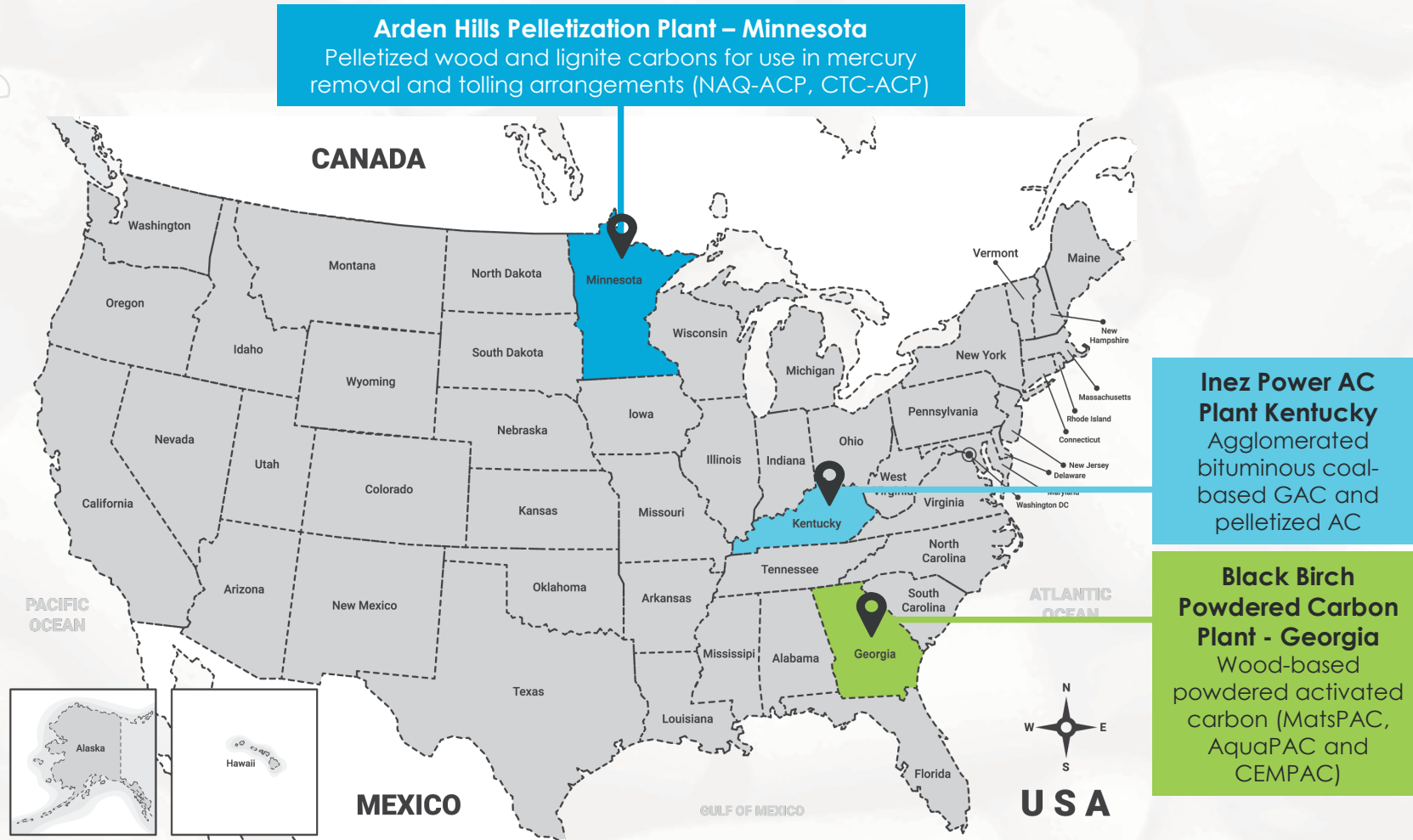


Strategic partnership expanding production and product range



Entry into the growing water-treatment market for PFAS removal

Expanding and Scaling for Growth & Impact



- **Kentucky plant mechanically completed:** Now being commissioned to meet growing market demand
- **PAC segment strong:** Increased adoption in key industrial markets
- **Revenue growth ahead:** Kentucky plant completion provides a clear path
- **Margin expansion:** Cost-reduction initiatives to improve profitability
- **Long-term success:** Rising demand driven by tightening environmental regulations

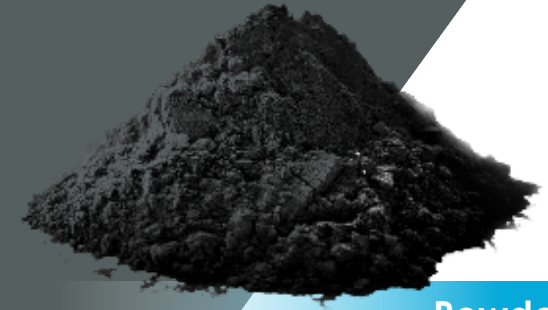
What is Activated Carbon?

Activated Carbon is a porous material that removes contaminants from air and liquids through adsorption. Made from sources like wood chips and coal, it is used for:

- **Water filtration** for clean drinking water
- **Air and gas purification** to eliminate odours and pollutants
- **Mercury removal** in coal power plants

Growing Demand and Market Expansion

- **Rising demand** driven by regulations and environmental awareness
- **Three forms:** Powdered, Pelletized, Granular
- **Carbonxt to produce all three by 2025**, expanding market reach



Powdered
Activated Carbon



Pelletized
Activated Carbon



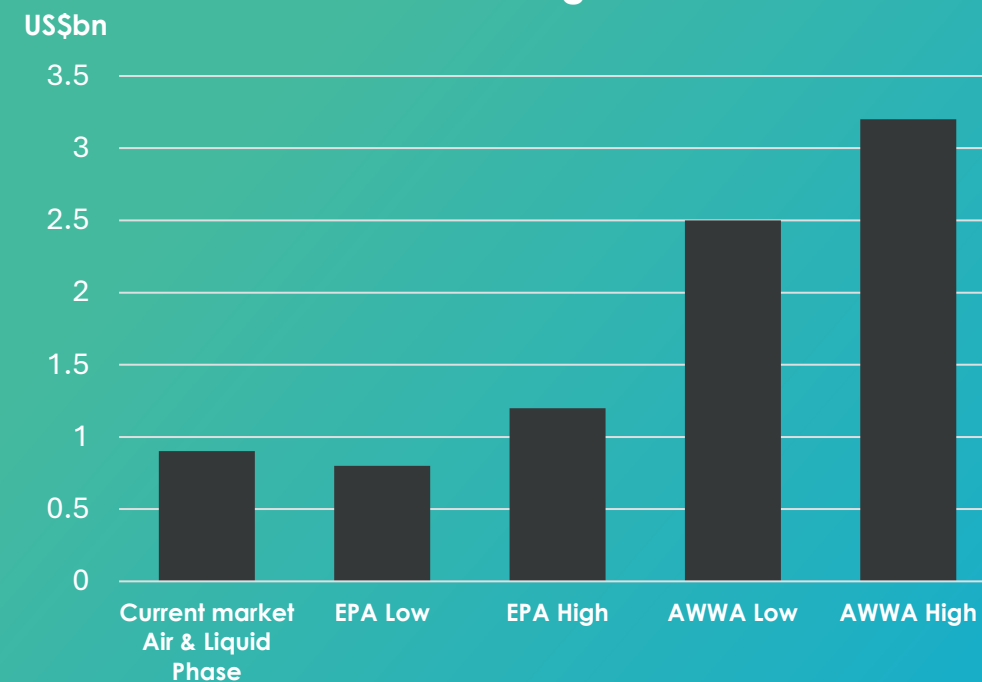
Granular
Activated Carbon

Addressable Market

Carbonxt is well positioned

- **Market Opportunity:** Carbonxt targets a US market worth \$903M¹ with its air and liquid phase specialisations.
- **Kentucky Facility Expansion:** The new facility enables entry into the larger water treatment market.
- **PFAS Treatment:** Granular activated carbon is the most used PFAS treatment and is recommended by the EPA.
- **Regulatory Impact:** New EPA regulations will significantly increase demand for PFAS solutions, with utilities having five years to comply.
- **Compliance Costs:** EPA estimates annual costs for water utilities to comply range from \$772M to \$1.2B¹, with industry estimates suggesting even higher costs.

Current USA Market plus annual cost to remove PFSA from drinking & waste water



¹Source: American Water Works Assoc./Black and Veatch



Large, fast-growing addressable markets - water and air purification markets **valued at \$10B¹**



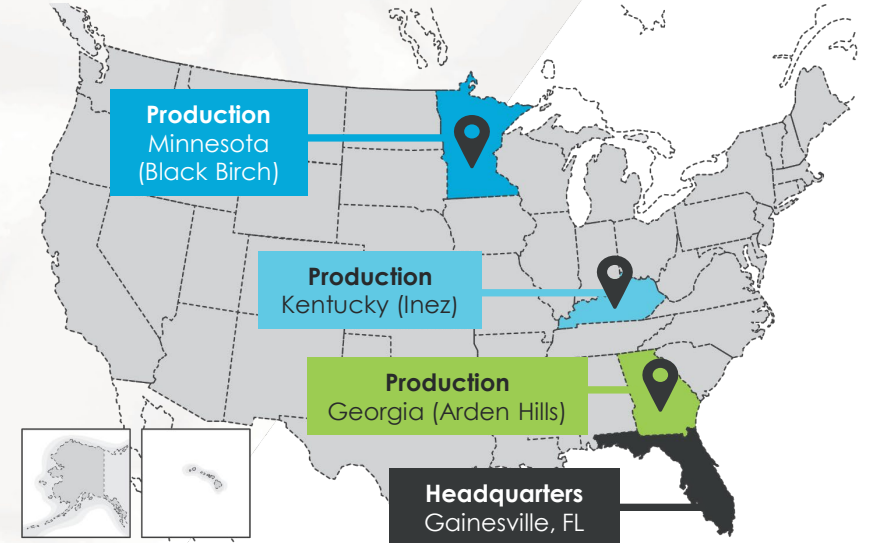
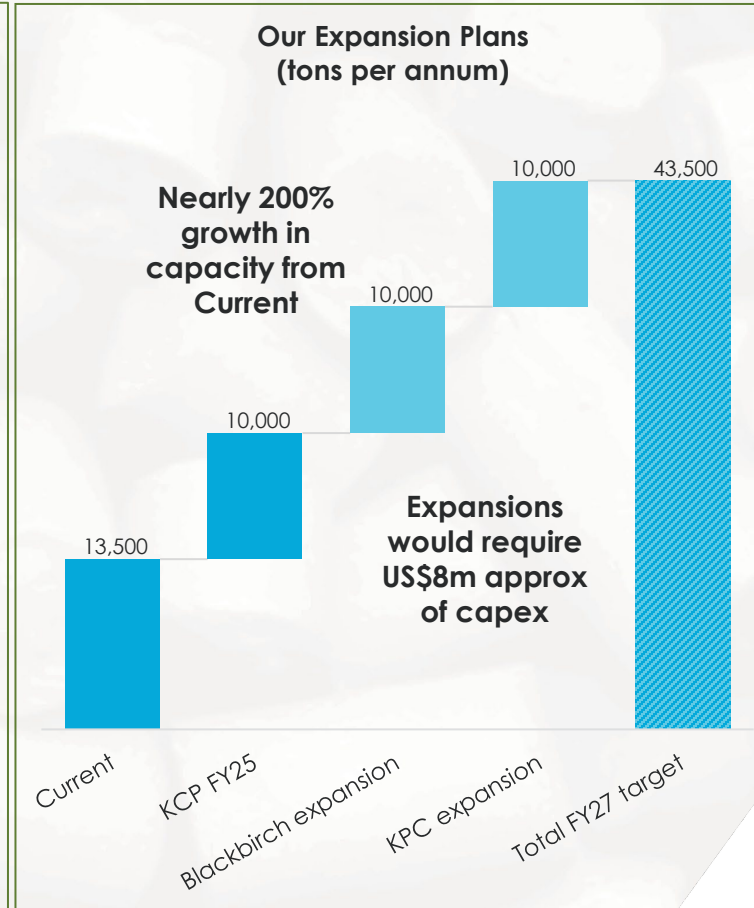
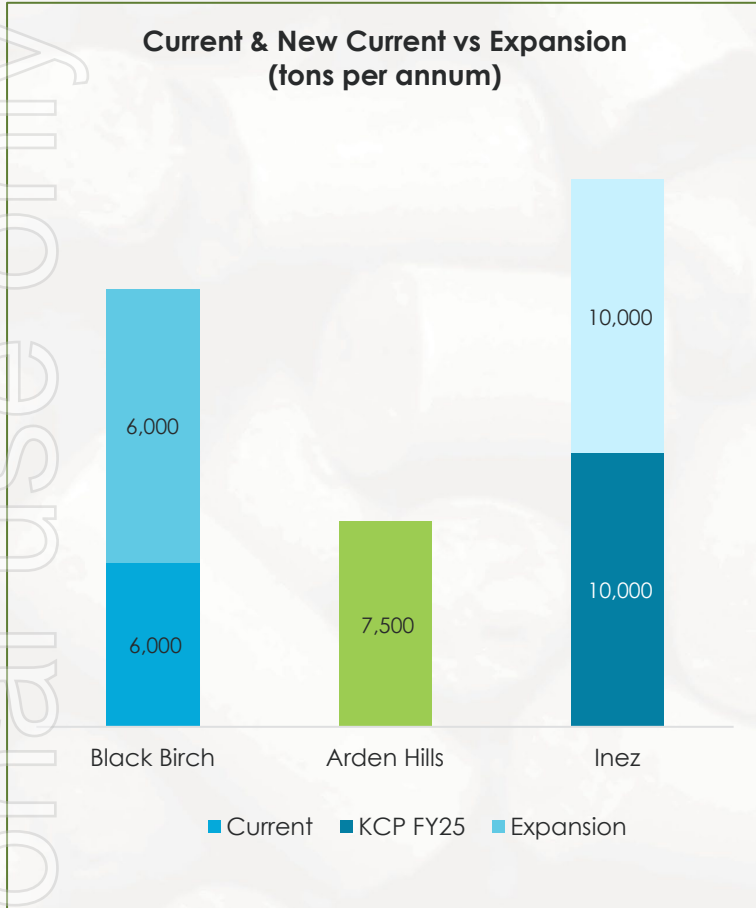
Current product set addresses a **\$1B market segment¹** but projected to more than triple over the next 5 years

Carbonxt Key Differentiators

Carbonxt's low carbon footprint and its R&D technical team are a competitive advantage, enabling the Company to produce high-quality activated carbon products at lower costs.

Lowest CO ₂ footprint amongst its US-based competitors – use of own emissions as a power source	Non-Bromine Activated Carbon	Bespoke Engineered Solutions	Market-Leading R&D Capabilities	Superior Product Quality	US Market Protection
<p>Sustainable Sourcing: Sustainable byproducts used to create high-quality activated carbons.</p> <p>Innovative Research: Renewable materials explored to develop advanced environmental solutions.</p>	<p>Patented air-phase products do not contain bromine, avoiding corrosive damage to plant and equipment.</p> <p>Performs on par with bromine-based competitors while mitigating corrosion risks.</p>	<p>Custom-designed activated carbon solutions tailored to specific customer needs.</p> <p>Collaboration with Reworld Waste used Carbonxt's renewable resource to achieve a more sustainable solution for the customer.</p>	<p>Continuous innovation in production techniques reduces capital and operating costs.</p> <p>Produces low-cost, high-quality activated carbon products.</p>	<p>Recognised for premium performance, attracting a growing customer base.</p> <p>Will Produce a premium-grade GAC, setting a new standard in the North American market.</p> <p>Kentucky Plant establishes Carbonxt as a leader in the liquid-phase activated carbon market.</p>	<p>High tariffs on imports limit competition from overseas suppliers.</p> <p>Favors domestic producers like Carbonxt, ensuring market stability.</p> <p>The only US-based industrial supplier of industrial activated carbon pellets.</p>

Expanding Production to Meet Growing Demand



Separate geographical locations to mitigate potential weather-related interruptions

Multiple sources of raw material at each location

Duplicated production between locations

Successful Mechanical Completion of Kentucky Plant

The Kentucky business was established to produce a premium product and facilitate entry into the liquid-phase market, which is 2x the size of the air-phase market.

Key Achievements

- **Mechanical completion** achieved; commissioning to full operations underway.
- **Advanced kiln design** with temperature controls and exhaust gas recycling.
- **Increased ownership** in NewCarbon Processing, LLC to **40%** after **\$1.25M investment**.

Next Steps

- **Commissioning phase active**, targeting full-quality production over next two months.
- **Product samples from production** to support long-term offtake deals.
- **Initial outputs** to be sold on the **spot market** or integrated into Carbonxt's product lines.

Strategic Market Impact

- Well-positioned for **growing activated carbon demand** amid PFAS regulations.
- **Water-phase market** is **twice the size** of the air-phase market, unlocking growth.
- **Rising prices and constrained supply** create favorable market conditions.

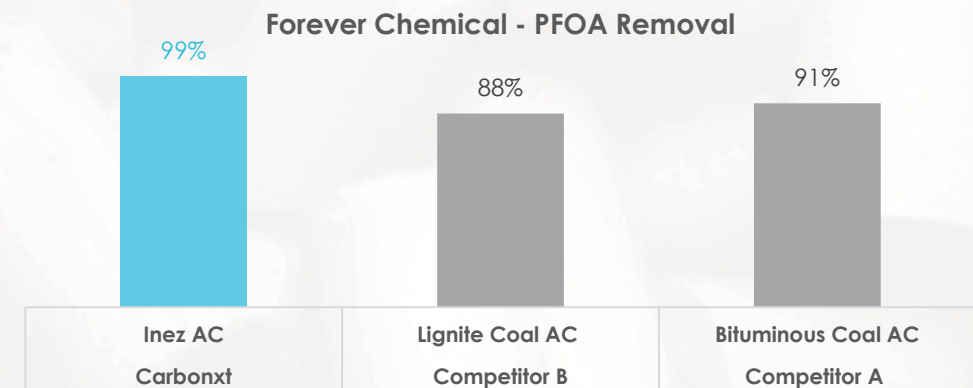
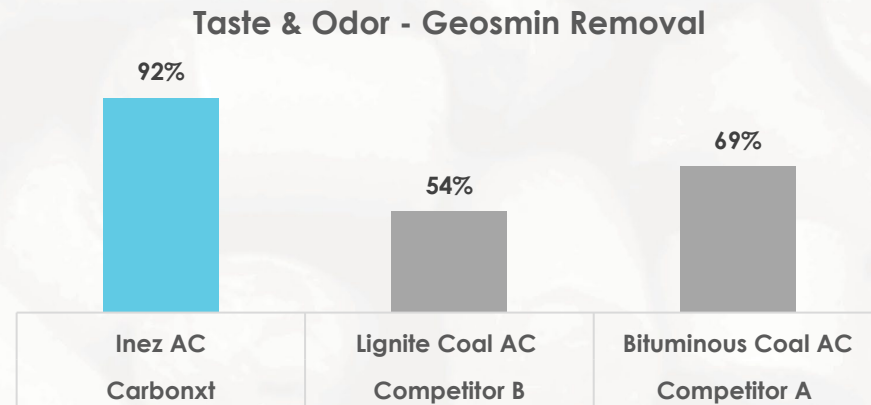
Industry Leadership

- Kentucky Plant strengthens Carbonxt's **liquid-phase activated carbon position**.
- **High customer interest** with multiple sales negotiations in progress.
- **Premium-grade GAC production**, setting a new North American standard.



Kentucky – A premium product

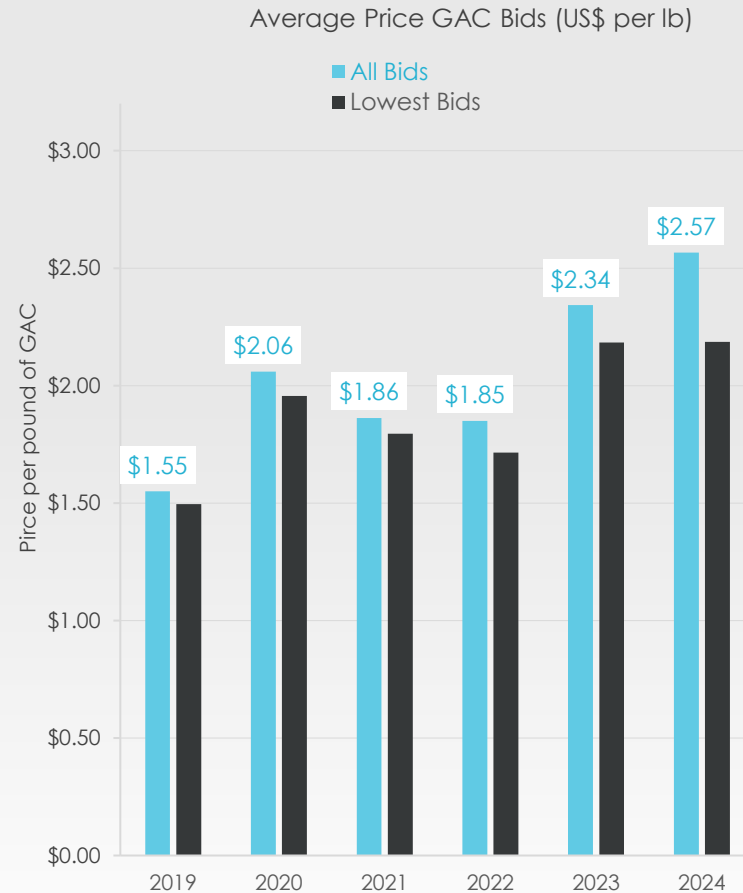
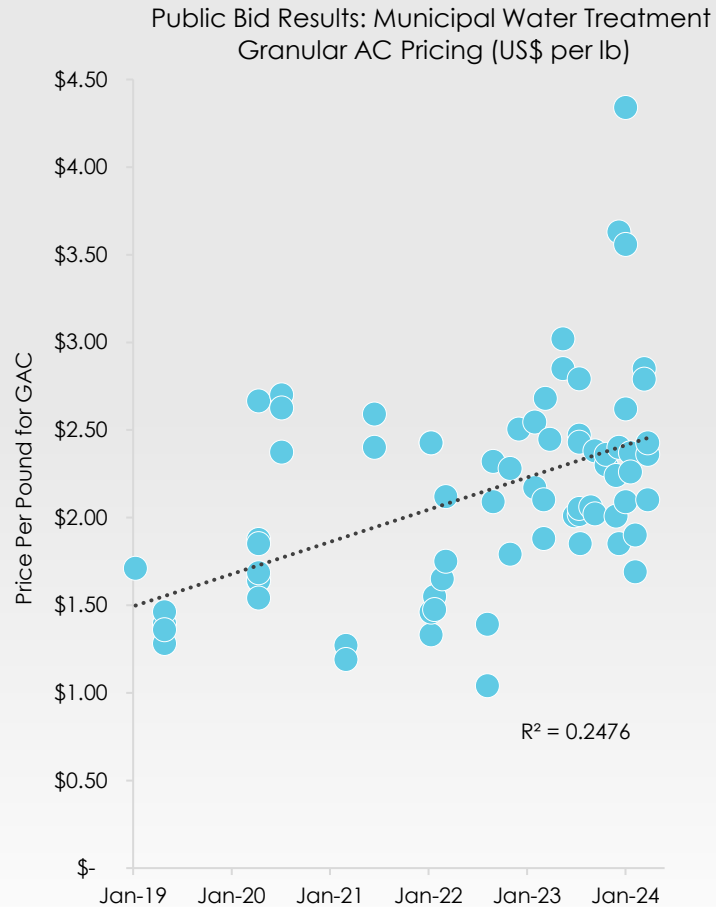
Leveraging top-tier raw materials, early product testing validates our offering as a market leader. The data below highlights our superior performance, outshining key competitors across multiple markets.



- ✓ Taste and odor removal represents **a substantial market** within the water treatment industry.
- ✓ Inez carbon boasts **an ideal surface chemistry and structure**, tailored for effective removal performance.
- ✓ This empowers Carbonxt to **excel in performance-based bids**, driving higher sales prices and market success.

- ✓ **Inez carbon outperforms** leading industry competitors in PFOA removal, setting a new standard for efficacy.
- ✓ Achieves **an impressive 99% PFOA removal** rate in water treatment applications, ensuring exceptional water quality.
- ✓ Coal-based materials **demonstrate superior performance** against both short- and long-chain PFAS compared to alternative raw materials.

Activated Carbon: Pricing



- The charts display GAC pricing data from publicly available pricing tenders.
- Carbonxt expects to realise comparable pricing for Granular and Pellets produced at the Kentucky facility.
- Carbonxt is in discussion with a significant number of potential customers for supplying product at prices in line with the financial modelling used to make the investment decision for the new Kentucky facility.

Carbonxt: A high-growth opportunity in Cleantech solutions

Kentucky Plant Commissioning: Immediate focus on full-scale operational launch, new coal processing plant nearing completion and finalising high-temperature heating circuits. Kentucky Plant strengthens Carbonxt's liquid-phase activated carbon offering.

Revenue Growth: Kentucky plant provides a clear path to revenue growth given that the water-phase market is twice the size of the air-phase market.

Margin Expansion: Continued improvements in gross margins (1H25 gross margin at 49%, up from 44% in 1H24) driven by price increases and ongoing cost-reduction initiatives, including at Black Birch.

Market Expansion: PAC segment continues to show strong performance, reflecting increased adoption in key industrial markets.

Regulatory Tailwinds: Targeting waste-to-energy and water purification markets, driven by mercury and Federal and State PFAS regulations.

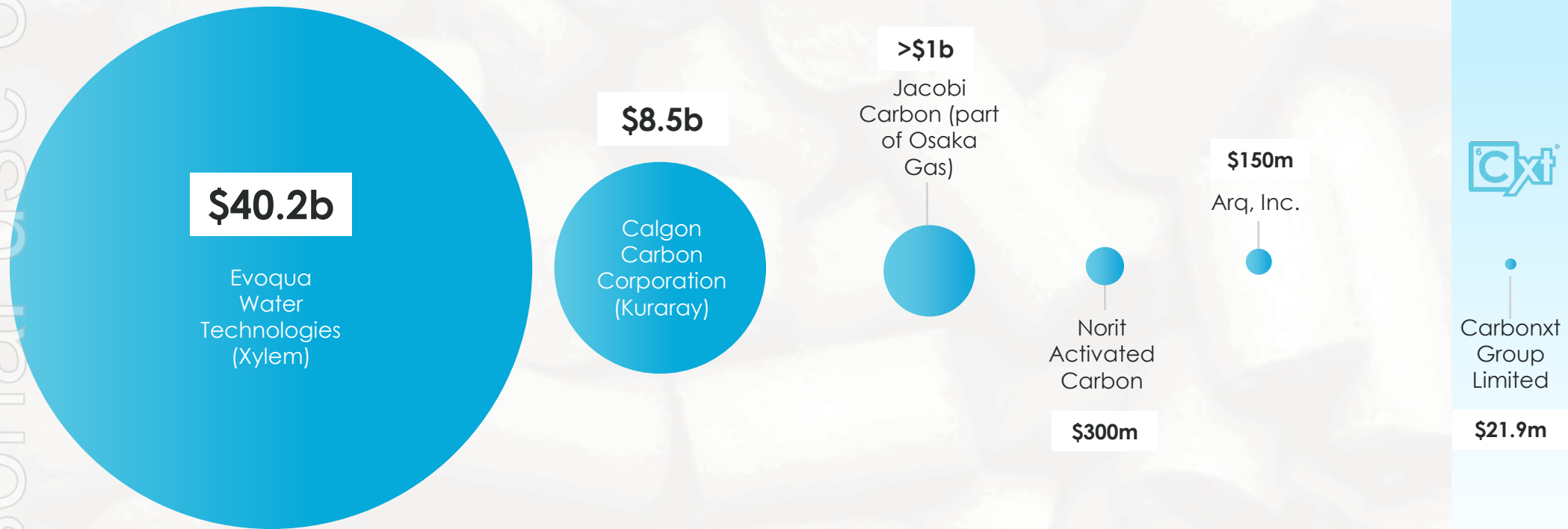
Innovation & Partnerships: Ongoing product development and strategic collaborations to support long-term sustainability and profitability.



Black Birch Powdered Activated Carbon Facility

Carbonxt's modest valuation presents an attractive investment opportunity

Carbonxt stands out as a nimble, small-scale contender in a market dominated by large, diversified corporations and supported by mid-sized specialists. Its modest valuation offers a compelling opportunity for investors seeking exposure to a rapidly expanding cleantech innovator with significant growth potential.



*The data provided represents estimated market capitalisation as of February 2025 (AUD). The graphs shown are not to scale and may not reflect accurate proportions.

Notes on Market Cap Estimates: **Evoqua (Xylem)**: Reflects Xylem's total market cap (NYSE: XYL), as Evoqua's value isn't isolated. **Calgon Carbon (Kuraray)**: Kuraray's total cap (TYO: 3405); Calgon is a significant but not standalone component. **Jacobi Carbon (Osaka Gas)**: (TYO:9532 - AUD 13.7bn Feb 2025; Jacobi Carbon – est by Carbonxt. **Norit**: Estimated for a private firm based on its scale and historical revenue (US\$200M pre-2022 split). **Arq**: (NASDAQ: ARQ), based on ~US\$94.6M from March 2025 data, adjusted from late 2024.

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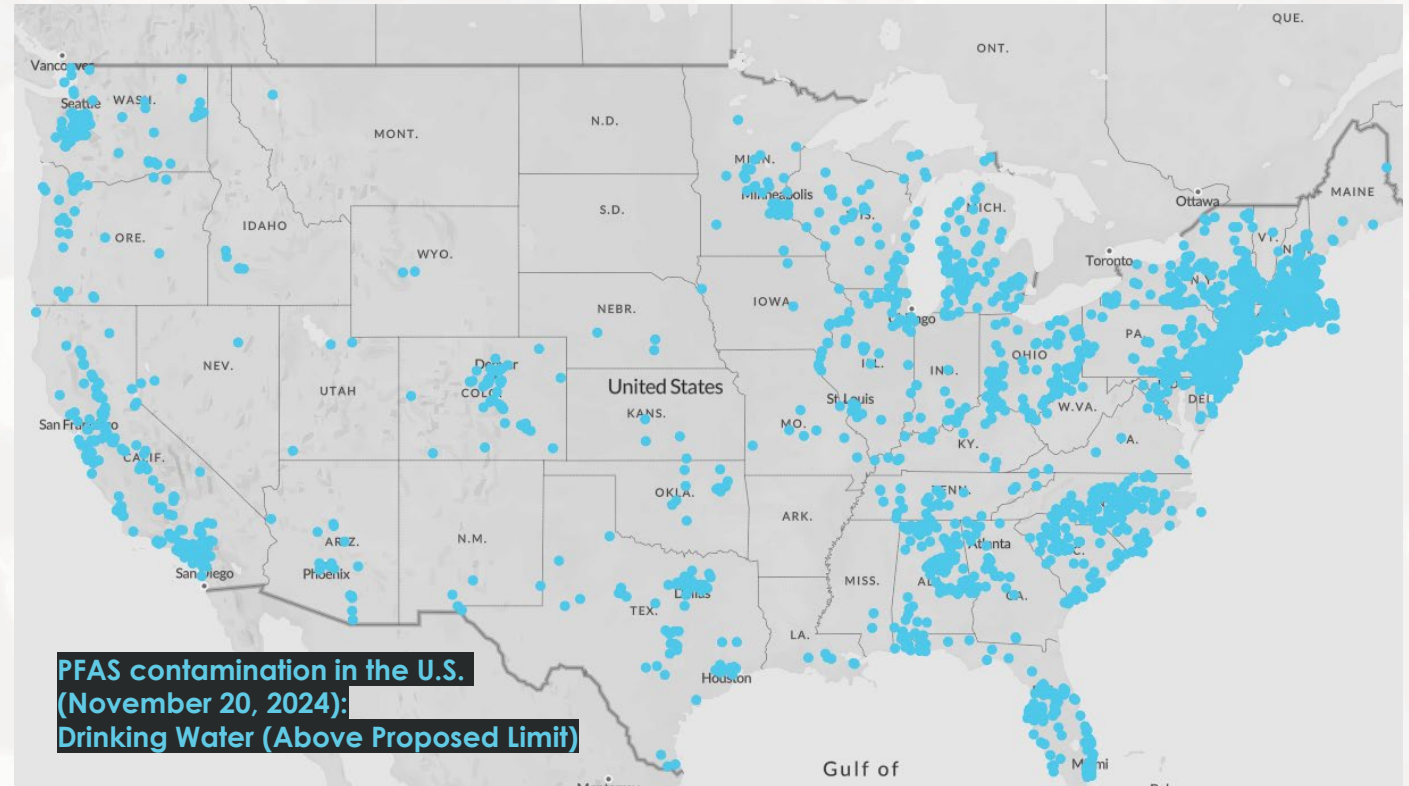
Appendices



Stricter PFAS Drinking Water Standards Provide Opportunities

Ensuring Safe Drinking Water Through Stricter PFAS Limits: Announced in April 2024, requiring monitoring by 2027 and compliance by 2029.

- **National Primary Drinking Water Regulations (NPDWR) for PFAS:** EPA finalised first-ever NPDWR on April 10, 2024, under the Biden Administration.
- **Regulatory Steps:** New rules set water limits (including PFOA and PFOS at 4.0 parts per trillion (ppt)), classify PFAS as hazardous, restrict purchases, and fund research.
- **Compliance Timeline:** April 2024 standards require monitoring by 2027, full compliance by 2029.
- **Expanded Oversight:** EPA tightened reporting, closed loopholes, and states are enforcing bans and cleanup rules.
- **An opportunity for Carbonxt:** Stricter environmental regulations are expected to drive demand for our advanced activated carbon products.



April 2024 NPDWR remains intact for now

Trump Administration has not officially changed or updated the National Primary Drinking Water Regulations (NPDWR) for PFAS announced by the EPA in April 2024.

- However, there are indications that **the current administration may seek to modify these standards.**
- In **December 2024**, allies of President Trump began criticising the EPA's PFAS regulations, labeling them as overly stringent and financially burdensome for water utilities. Senator Shelley Moore Capito, poised to chair the Senate environmental committee, argued that the strengthened PFAS limits are based on flawed science and impose excessive costs on water utilities.¹
- In **January 2025**, the Trump Administration's EPA withdrew a proposed rule from the Biden Administration that aimed to set discharge limits on PFAS for the chemical manufacturing sector. The decision halts what would have been a critical step in addressing industrial PFAS pollution in the water supply.²
- In **March 2025**, water companies on Long Island, supported by chemical and manufacturing industries, filed a federal lawsuit challenging the EPA's PFAS standards. They contend that the EPA did not adhere to proper procedures in establishing these regulations and that compliance costs are prohibitively high.³
- The withdrawal of a separate discharge rule and regulatory freeze signal a potential intent to revisit environmental policies, but **for now the drinking water MCLs and five-year timeline remain legally enforceable.**
- Despite the rapid pace of policy shifts within the first 50 days of Trump's term, the **NPDWR's complexity and public health implications may slow any formal revisions.**
- Nonetheless, investors should monitor EPA announcements and congressional actions for future developments.

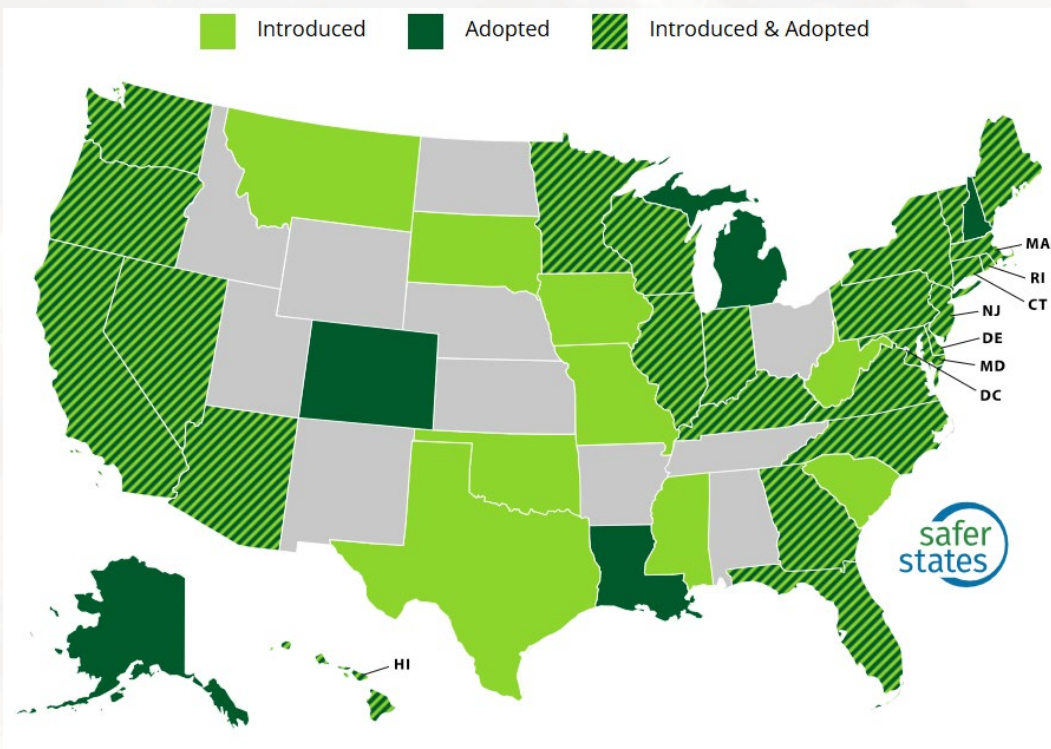
¹ Trump allies begin attack on EPA and rules protecting US drinking water. ² Trump EPA withdrawal of PFAS effluent limits is setback for public health, EWG warns.

³ Long Island water companies sue to rollback EPA standards on toxic 'forever chemicals'

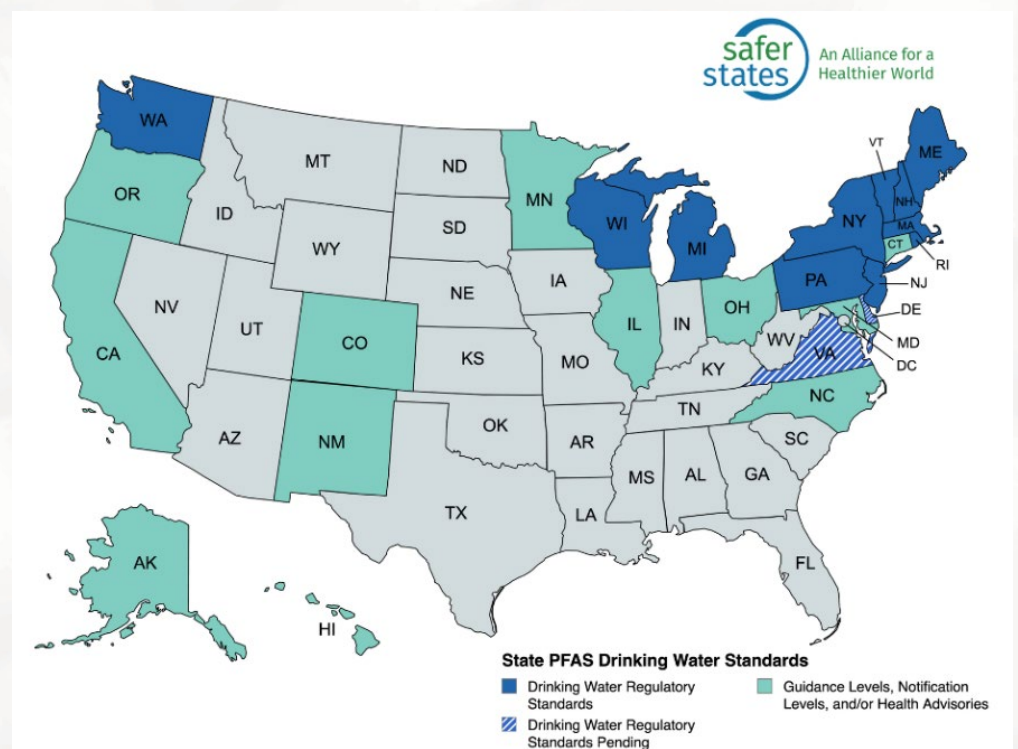
States have instigated their own PFAS Rules

Patchwork of regulations shapes Carbonxt's market, with stricter states offering immediate opportunities. States with enforceable MCLs likely drive higher demand for Carbonxt's activated carbon products due to immediate compliance needs, while advisory states may see gradual adoption as MCLs develop.

Policies for Addressing PFAS: 34 states have introduced **198 policies** to protect people from toxic chemicals. **154 state policies** have been adopted in **30 states**.



State Drinking Water Limits: Eleven states have standards such as **Maximum Contaminant Levels (MCLs)** for certain PFAS in drinking water.



States with Adopted PFAS Rules: Top 20 Population Analysis

- **States have introduced and adopted their own PFAS rules**, often in response to local contamination concerns or to preempt federal regulations like the EPA's April 2024 **National Primary Drinking Water Regulations (NPDWR)**, which set MCLs at 4 ppt for PFOA and PFOS.
- **Adoption Rate:** 9 of the top 20 states (45%) have adopted PFAS rules:
 - **Enforceable MCLs:** New York (10 ppt PFOA/PFOS), Pennsylvania (14 ppt PFOA, 18 ppt PFOS), Michigan (8 ppt PFOA, 16 ppt PFOS, etc.), New Jersey (14 ppt PFOA, 13 ppt PFOS, 13 ppt PFNA), Massachusetts (20 ppt for 6 PFAS), Wisconsin (70 ppt combined).
 - **Non-Enforceable/Advisory:** California (notification levels, PHGs), Illinois (health advisories), Washington (action levels).
- **Non-Adopters:** 11 states, including Texas, Florida, Ohio, and Georgia, rely on federal MCLs (4 ppt PFOA/PFOS by 2029), potentially due to lower PFAS contamination or political priorities.
- **Population Impact:** Large States with rules **represent ~131 million people (38% of the U.S. population)**, with California and New York alone accounting for ~59 million.

Top 20 States by Population and PFAS Rules

	State	Pop (mm) (2025)	PFAS Rules Adopted	Specific Details
1	California	39.1	Yes: Notification Levels, PHGs	PFOA NL: 5.1 ppt, PFOS NL: 6.5 ppt; PHGs: PFOA 0.007 ppt, PFOS 1 ppt (non-enforceable)
2	Texas	31.3	No	Follows federal NPDWR
3	Florida	23.4	No	Follows federal NPDWR
4	New York	19.8	Yes: MCLs	PFOA 10 ppt, PFOS 10 ppt (enforceable)
5	Pennsylvania	13.0	Yes: MCLs	PFOA 14 ppt, PFOS 18 ppt (enforceable)
6	Illinois	12.6	Yes: Health Advisories	PFOA 2 ppt, PFOS 14 ppt, others (non-enforceable)
7	Ohio	11.8	No	Follows federal NPDWR
8	Georgia	11.1	No	Follows federal NPDWR
9	North Carolina	11.0	No	Follows federal NPDWR
10	Michigan	10.1	Yes: MCLs	PFOA 8 ppt, PFOS 16 ppt, 5 others (enforceable)
11	New Jersey	9.4	Yes: MCLs	PFOA 14 ppt, PFOS 13 ppt, PFNA 13 ppt (enforceable)
12	Virginia	8.9	No	Follows federal NPDWR
13	Washington	8.0	Yes: Action Levels	PFOA 10 ppt, PFOS 15 ppt, others (advisory, triggers action)
14	Arizona	7.6	No	Follows federal NPDWR
15	Tennessee	7.2	No	Follows federal NPDWR
16	Massachusetts	7.1	Yes: MCL	Sum of 6 PFAS at 20 ppt (enforceable)
17	Indiana	6.9	No	Follows federal NPDWR
18	Missouri	6.2	No	Follows federal NPDWR
19	Maryland	6.2	No	Follows federal NPDWR
20	Wisconsin	5.9	Yes: MCL	PFOA + PFOS combined 70 pt (enforceable)

Methodology: Data is sourced from state environmental and health department websites, law firm analyses (e.g., BCLP), and regulatory summaries (e.g., ITRC, Safer States). Rules are considered "introduced and adopted" if proposed and finalised into enforceable or advisory regulations as of March 10, 2025. Population estimates are based on 2024 Census data adjusted for 2025 trends.

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