29 June 2026

Leilac secures contract with East Asian cement producer and prioritises zero capex commercial deployment

Sydney, Australia | 29 June 2026 – Australian industrial technology company, Calix Limited (ASX: CXL) (Calix) is pleased to announce today that its subsidiary, Leilac Limited (Leilac) has signed a paid contract in East Asia for the development of a potential commercial cement project. With two cement projects now being developed with no capital requirements from Leilac, the company has undertaken a strategic review and is pleased to provide an update across its project portfolio.

Highlights:

- On 23 June 2026, Calix announced Leilac's partnership with the Adani Group's Ambuja Cements by signing a Joint Development Agreement (JDA) to develop a commercial scale project in India.[1]
- Today, Leilac is announcing it has also secured a customer in East Asia and will commence a paid engineering study to support the development of a potential commercial cement project.
- The two cement projects in Asia are designed to:
  - Deliver economic returns for Leilac's partners via combinations of energy cost savings, electrical hybrid benefits, and increasing existing clinker production capacity.
  - Future-proof the operations through the Leilac technology's ability to capture unavoidable CO_2 emissions from the production of cement clinker.
  - Require no capital expenditure by Leilac or Calix.
  - Provide the fastest and most cost-effective route to commercial deployment of the Leilac technology in the global cement market.
- Leilac also continues to progress application of its technology for scalable carbon dioxide removal, with funding from Frontier founders Google, Stripe and Shopify.
- Leilac's resources will be focused on the delivery of its priority commercial projects

[1] Calix ASX Announcement. Leilac and Adani Group's Ambuja Cements to jointly develop a commercial-scale cement project in India. 23 July 2026

including Adani Group's Ambuja Cements, its agreement with a new cement producer in East Asia, and Frontier.

- Other Leilac projects that do not expect to be fully funded will be de-prioritised until customer or external funding is secured, as well as a clear and timely route to commercial operation.

Paid commercial project development in East Asia with cement partner

Leilac has signed a services agreement with a cement producer in East Asia[2] to deliver a paid engineering study in support of a potential commercial project. The study will assess the technical and economic viability of retrofitting the Leilac technology at the identified cement plant to take advantage of the technology's "hybrid" energy flexibility and to capture approximately 100,000 tonnes per annum of process carbon dioxide and enable its use by local industry.

This initial engineering study is expected to be completed in the first half of the 2027 Financial Year. Subject to a successful study and, ultimately, a Final Investment Decision, the project's development would be funded by the cement producer, including all capital requirements. Further project phases are subject to mutual agreement following completion of this initial engineering study. Key terms of the agreement are set out in the Appendix.

Carbon Dioxide Removal with Frontier

Funded by contracts with Frontier founders Google, Stripe and Shopify[3], Leilac continues to progress the potential commercial application of its technology to produce near-zero emissions materials for carbon dioxide removal via ocean alkalinity enhancement. The initial paid project—including material testing and techno-economic analysis—has indicated the potential of the approach for scalable carbon removal projects and is due to be completed in the first half of the 2027 Financial Year.

Leilac project prioritisation

Following a strategic review, Calix and Leilac are increasing their focus on a capital-light, customer-funded commercial deployment model, prioritising:

- Projects requiring no capital contribution from Calix or Leilac
- Near-term revenue generation opportunities
- Fast pathways to commercial-scale deployment.

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[2] The cement company in East Asia remains commercial-in-confidence. Calix confirms that it does not believe that the identity of the customer is information that a reasonable person would expect to have a material effect on the price or value of its securities. Further, Calix confirms that the announcement contains all material information relevant to assessing the impact of the contract on the price and value of its securities and is not misleading by omission.

[3] Calix News. Frontier selects Leilac to develop zero carbon lime solution. 22 Jan 2026

Priority is given to projects that meet these criteria, including projects with the Adani Group's Ambuja Cements, Leilac's new cement customer in East Asia, and the project with Frontier.

Following that review, projects that do not currently offer a clear and timely route to commercial operations, or that require funding from Leilac, will be deprioritised until a funded path to commercial operations is agreed. These include:

- The Leilac-2 project, located at Heidelberg Materials' cement plant in Ennigerloh, Germany, which remains delayed, with no line of sight to a timeline for completion. Leilac, along with the Leilac-2 project consortium, are considering alternative options to complete the project that could provide faster timelines and lower / no capital requirements from Leilac.
- Project Zeta in South Australia, which is delayed pending funding to match Calix's $15m Australian Government grant award being secured.
- Leilac's U.S. projects with Titan America, MLC, and Heirloom (Project Cypress[4]).

Leilac has not yet been notified of any outcome from the U.S. Department of Energy (U.S. DoE) funding review relating to its U.S. projects with cement company, Titan America, and lime company, MLC, that were previously selected for grant funding award negotiation[5]. Both projects remain paused.

In Direct Air Capture (DAC), Leilac has opened new commercial pathways for its technology. Following conclusion of the U.S. DoE review into funding for Project Cypress[6], Leilac has not received further information regarding potential next steps for the Heirloom-Leilac project. Under the licence agreement for DAC applications, Heirloom was required to meet certain conditions to maintain exclusive use of Leilac technology. As these conditions have not been met, Leilac has removed Heirloom's exclusivity relating to use of its technology in DAC, enabling alternative commercial pathways for Calix in DAC applications.

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Appendix: Summary of key terms for East Asia cement project

Under the agreement signed by Leilac Limited and its cement customer in East Asia, Leilac will undertake an engineering study to assess the technical and economic viability of deploying the Leilac technology at a cement plant owned by the East Asia cement company. The study will commence in July 2026 and is intended to be completed in the first half of the 2027 Financial Year, subject to an indicative, non-binding schedule. Engineering service fees for this initial phase of work of up to A$230k will be split into milestone payments to Leilac on project

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[4] Reuters. US Energy Department restores funding to carbon removal projects. 18 Apr 2026

[5] Calix ASX Announcement. Two Leilac projects selected for U.S. DOE grant funding. 10 Jan 2025

[6] Reuters. US Energy Department restores funding to carbon removal projects. 18 Apr 2026

commencement, delivery of outputs, and acceptance of deliverables, with payments made within 30 days of invoice. The agreement is subject to an existing confidentiality agreement between Calix and the East Asia cement company. Calix will retain all IP relating to its core technology. Subsequent phases of the project are outside the scope of the current agreement and subject to mutual agreement.

Calix confirms that it does not believe that the identity of the customer is information that a reasonable person would expect to have a material effect on the price or value of its securities. Further, Calix confirms that the announcement contains all material information relevant to assessing the impact of the contract on the price and value of its securities and is not misleading by omission.

This announcement has been authorised for release to the ASX by the Calix Board of Directors.

About Leilac

Leilac Limited aims to enable the most cost-effective production of conventional cement and lime, while delivering future-proof solutions to mitigate hard-to-abate industrial emissions.

Leilac's retrofittable technology is designed to reduce production costs through a hybrid heating system that can operate flexibly using low-carbon and/or low-cost fuels and electricity. In doing so, it efficiently separates unavoidable carbon emissions ready for use or storage, without additional chemicals or processes.

Through the production of zero emissions lime, Leilac also aims to support the decarbonisation of other hard-to-abate sectors, as well as removing carbon dioxide from the atmosphere.

Leilac Limited, a subsidiary of Australian technology company Calix Limited, is working with multiple partners across Europe, the Americas and Asia Pacific to support industrial competitiveness and decarbonisation.

leilac.com

About Calix

Calix Limited is an industrial technology company transforming the way the world's essential materials are made.

Designed to enable flexible energy use and electric heating, more efficient resource use, and the capture of unavoidable carbon dioxide emissions, Calix's patented platform technology is being developed to enable more competitive metal and mineral processing today, and future-proof solutions for a more sustainable tomorrow.

From cement and lime to iron and steel, alumina, critical minerals, water treatment and carbon dioxide removal—and alongside a network of strategic partners—Calix is building multiple businesses to deliver positive global impact.

Because Mars is for quitters.

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