

Companies Announcement Office
ASX Limited
Level 6, 20 Bridge Street
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CFOAM - DOE AWARDED PROJECT UPDATE

CFOAM Limited, CFOAM Corp (74.34% owned by CFOAM Limited, 25.66% owned by CONSOL Energy Inc) and its operating entity CFOAM LLC, Triadelphia, West Virginia, (CFOAM) wish to provide the following update:

- Promising results from initial test work undertaken on continuous kiln
- Negotiations to acquire and move the kiln are progressing
- The United States Department of Energy's (DOE) Office of Fossil Energy (FE) has awarded the CFOAM proposal for "Continuous Processing of Carbon Foam Products Made from Coal at Atmospheric Pressure" (or CFOAM Project) for a total project value of **US\$2,421,802 commencing 1 January 2021**, including DOE funding of US\$1,923,680 with CFOAM being approximately US\$1.523 million and cost share from CFOAM and CONSOL Energy Inc of US\$498,122
- This CFOAM Project will target applications capable of utilizing carbon foam at large scale, **transforming coal to carbon products**, with the potential for significant cost savings and consequently the ability to penetrate more competitive applications where volume and cost are paramount (e.g. building applications)

CFOAM PROJECT OBJECTIVES – COAL TO CARBON PRODUCTS

The objective is to create a continuous manufacturing process for carbon foam that operates at atmospheric pressure and can generate well-formed carbon foam panels and lightweight aggregates.

A successful outcome would:

- 1) significantly reduce the cost to manufacture carbon foam through reductions in capital and labour costs,
- 2) significantly reduce the cycle time to manufacture carbon foam from weeks to hours, and
- 3) enable the manufacture of much larger volumes of carbon foam.

All of these features will enable carbon foam to enter much larger markets and create meaningful demand for U.S. coal.

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CFOAM PROJECT UPDATE

CFOAM has undertaken 2 days of trials on a 68' long belt continuous kiln in North Carolina. This kiln appears to be suitable for the CFOAM Project. The CFOAM Project R&D team conducted a number of trials in the kiln. The initial results showed promising results, including well-formed bottoms and decent thickness on some samples and the aggregate formed well and no fusion. Work is now being undertaken to review, analyse and assess the full suite of samples.



CFOAM has commenced negotiations to acquire and relocate the kiln to West Virginia. The plan is to relocate the continuous kiln and various infrastructure in Q1 2021 and commission in Q2 2021.

This ASX release has been approved for release by Gary Steinepreis on behalf of the Board of Directors

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About CFOAM Limited

CFOAM® products are an inorganic carbon material that is manufactured from coal, pitch or lignin feedstock. CFOAM® products manufactured in this process have a rigid foam structure, similar in appearance to pumice stone, but with entirely different properties. CFOAM® products are currently used across a wide variety of markets including composite tooling for the aerospace sector, energy absorbing applications and defence applications. Additional markets such as automotive applications for energy absorption and fire resistance are also expected to become significant to the Company over time.

CFOAM® products were developed to meet the growing demand for ultra-high-end performance engineering materials in the industrial, aerospace, military and commercial product markets.

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