

Companies Announcement Office
ASX Limited
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CFOAM PROJECT SELECTED BY U.S. DEPARTMENT OF ENERGY FOR NEGOTIATION FOR FINANCIAL AWARD

CFOAM Limited, CFOAM Corp (75% owned by CFOAM Limited, 25% owned by CONSOL Energy Inc) and its operating entity CFOAM LLC, Triadelphia, West Virginia, (CFOAM) wish to provide the following update:

- CFOAM selected for negotiation for financial award for total project value of **US\$2,421,802**
- DOE award negotiation process to be completed within 75 days
- CFOAM's "Continuous Processing of Carbon Foam Products Made from Coal at Atmospheric Pressure" project
- *This project will target applications capable of utilizing carbon foam at large scale, transforming "coal" to "carbon ore"*

In April 2020, the United States Department of Energy's (DOE) Office of Fossil Energy (FE) announced a Financial Assistance Funding Opportunity Announcement (FOA) DE-FOA-0002185 for Coal-Derived Materials for Building, Infrastructure and Other Applications, with the goal of fostering new uses for domestic coal resources.

In July 2020, CFOAM lodged a proposal as lead investigator in response to this FOA under Area of Interest 4, Coal-Derived Carbon Foam Produced via a Continuous Process. CFOAM's proposal was entitled "Continuous Processing of Carbon Foam Products Made from Coal at Atmospheric Pressure."

CFOAM has been advised that it has been selected for negotiation for financial award for Area of Interest 4 with the total project value being US\$2,421,802, including DOE funding of US\$1,923,680 with CFOAM being approx.US\$1.523 million and cost share from CFOAM and CONSOL Energy Inc of US\$498,122. This notification does not guarantee Federal Government funding, as funding will only be obligated upon completion of successful negotiations. The award negotiation process may take up to 75 days.

CFOAM has already made good progress in the lab on the atmospheric pressure carbon foam and we believe that this was instrumental in CFOAM's application being selected for award. This has provided a solid base for this exciting project and allow us to hit the ground running when the project starts.

The US Department of Energy's Office of Fossil Energy has made the following press release:

DOE Invests \$8.7 Million to Foster New Uses for Domestic Coal Resources

WASHINGTON, D.C. – The U.S. Department of Energy's (DOE) Office of Fossil Energy (FE) has selected 14 projects to receive \$8.7 million in Federal funding for cost-shared research and development under Funding Opportunity Announcement (FOA) DE-FOA-0002185, Coal-Derived Materials for Building, Infrastructure, and Other Applications, with the goal of fostering new uses for domestic coal resources.

The National Energy Technology Laboratory (NETL) will manage the projects, which will support the Lab's [Advanced Coal Processing Technologies Program](#). The program is focused on improving coal feedstock for power production and steel-making, producing high-value solid products from coal, and alternative technologies to produce high-performance carbon material from coal.

AOI 4: Production of Coal-Derived Carbon Foam Using a Continuous, Rather than Batch, Process

One project was selected under this AOI, which is described below:

Continuous Processing of Carbon Foam Products Made from Coal at Atmospheric Pressure – CFOAM LLC (Triadelphia, WV) plans to develop continuous processing of carbon foam products made from coal at atmospheric pressure, utilizing 90-100 coal by weight with at least 80 carbon by weight. The objective is to significantly reduce the cost to manufacture carbon foam through reductions in capital and labor costs, and significantly reduce the manufacturing time from weeks to hours. CFOAM LLC aims to create a basis for large-scale production platform for carbon foam that can be utilized on the order of hundreds of millions of tons of coal in an environmentally safe process. This project will target applications capable of utilizing carbon foam at large scale, transforming "coal" to "carbon ore."

Funding: DOE: \$1,923,680; Non-DOE: \$498,122; Total: \$2,421,802

The Advanced Coal Processing Program is focused on the conversion of coal into value-added products, outside of traditional thermal and metallurgical markets, that can contribute to the U.S. gross domestic product and provide a stable and sizable market for U.S. coal production. For the Advanced Coal Processing Program, this FOA sought applications to conduct research and development on coal-derived materials for residential/commercial buildings, infrastructure, and high-value products. This includes supporting research and development to migrate from batch manufacturing to continuous manufacturing of coal-based building materials. The FOA will also support the design, R&D and validation of a prototype carbon-based building.

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CFOAM will also be contributing to Ohio University's project Coal-Derived Alternatives to Fiber-Cementitious Building Materials, where they plan to develop coal-based siding materials for residential and commercial building cladding applications.

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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