

Companies Announcement Office
ASX Limited
Level 6, 20 Bridge Street
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USA OPERATIONS FUNDING UPDATE

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

The Board of CFOAM Corp (CCORP) has determined that the business of CFOAM LLC requires working capital of US\$916,532 to continue its business operations. The funds are to be contributed on a pro rata basis being CFO US\$687,399 and CONSOL US\$229,133.

CONSOL has agreed to contribute its share of US\$229,133 by 4 September 2020 and, on a short term basis, contribute US\$229,133 of CFO's portion on or after 1 October 2020 for further equity in CCORP, allowing CFO time to raise its allocation.

CFO intends to raise capital to contribute as follows:

- On or before 31 October 2020 or such date as agreed, CFO will contribute US\$229,133 to CCORP.
- On or before 30 November 2020 or such date as agreed, CFO will contribute US\$229,133 to CCORP.
- In the event that CFO is unable to make part or all of the above contributions, then the board of directors of CCORP will discuss additional actions to be taken to satisfy CFOAM LLC's near-term working capital needs.
- On or before 21 December 2020, CFO will contribute any remaining proceeds to CCORP which will be used to repay the CONSOL prepaid amount. In the event that CFO does not contribute any of the US\$229,133 to repay the prepaid CONSOL amount by 21 December 2020, then CONSOL funds will be converted to equity in CCORP which would further dilute CFO's interest in CCORP.

CFO is currently assessing its options to raise its share of working capital for the CFOAM LLC business for minimal dilution in its equity interest in CCORP. CFO acknowledges CONSOL's commitment and confidence in the CFOAM LLC business by providing its share and prepayment of a portion of CFO's share.

ASX ANNOUNCEMENT

1 September 2020



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

For further details, please contact:

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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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