

14 February 2023

Company Announcements Office
ASX Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

Memorandum of Understanding (MOU) with 374Water Systems, Inc.

The Environmental Group Limited ('the Company') (ASX: EGL) is pleased to announce that it has executed a Memorandum of Understanding (MOU) with 374Water Systems, Inc. (NASDAQ: SCWO) for the establishment of a Strategic Partnership Agreement (SPA).

374Water Systems, Inc. (**374Water**) is a social impact and cleantech company founded in 2018. 374Water has developed and commercialised the novel AirSCWO™ system – a modular waste slurry destruction technology which destroys all organic compounds including PFAS and other persistent organic compounds. The technology utilises a physical-thermal process powered by water above its critical point (374°C and 221 bar) and air that yields a highly effective oxidation reaction that completely eliminates organic compounds. At scale, the process generates energy and safe by-products which can be recovered and reused.

The technology has a broad range of applications including the processing of:

- Biosolids and biosolid digestate.
- Landfill leachates.
- Commercial and domestic wastes (oils, fats, grease, plastic and food wastes).
- Liquids, sludges and slurries contaminated with PFAS, 1,4-Dioxane.
- Spent adsorption media like granulated activated carbon and ion exchange resins.
- Animal and animal processing wastes.

With EGL commercialising its own PFAS Concentration technology, establishing a strategic partnership agreement with 374Water is a natural fit. The AirSCWO™ technology allows EGL to offer its existing customers a complete PFAS solution where waste streams contaminated with PFAS are not only concentrated, but also destroyed. Additionally, the SPA allows 374Water to leverage EGL's broad waste and industrial customer base for successful sales and after sales support within the territories of the SPA.

EGL Chief Executive Officer Jason Dixon said. "EGL is very pleased to represent this new waste destruction technology in Australia. It is a very effective, safe and environmentally friendly technology to destroy many waste streams in our market. Combining AirSCWO with our own PFAS separation technology gives us a unique position in the market."

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They key terms of the MOU include:

- Establishment of a SPA on or before 30 April 2023.
- EGL granted the exclusive reseller rights of 374Water's AirSCWO™ technology within Australia and New Zealand.
- Implementation of AirSCWO™ technology into EGL PFAS Concentration projects for PFAS destruction.
- Where requested by 374Water, the provision of Project Services which include project management, design, procurement, construction, installation, commissioning and maintenance of AirSCWO™ systems within the territories of Australia, New Zealand, ASEAN member states and all Pacific Islands west of the international Date Line.
- The exploration of 374Water to market EGL's PFAS Concentration technology in the North American market as a complement to the AirSCWO™ technology.

This announcement has been authorised for release by the Board.

For further information, please contact:

Andrew Bush

Andrew.bush@egl.com.au

Joint Company Secretary & Chief Financial Officer.

The Environmental Group Limited

About EGL

EGL has five business units, all committed to the protection of the environment by improving air quality, reducing carbon emissions, enhancing waste treatment, and lifting water quality.

- **Total Air Pollution Control** has a range of technologies which reduce dust, odours and harmful gasses from the environment.
- **Baltec IES** produces inlet and exhaust systems for gas turbines, which are used to complement and augment solar and wind energy production, without the use of rare mineral battery resources.
- **Tomlinson Energy Service** offers a network of service offices across Australia providing 24/7 service, maintenance and repairs of both proprietary equipment and other OEM equipment. The division also provides an essential link in our strategy to build a bio/waste to energy platform.
- **EGL Water** division continues to develop our patented technologies in conjunction with Victoria University. EGL recognises that one of the world's most valuable assets is water and will persist in our vision to reduce water pollution, leading to an improved environment, through low-cost technology solutions.
- **EGL Waste Services** provides the sales and services platform for the exclusive Turmec Agency agreement in Australia, Turmec are specialists in recycling solutions for the global waste industry, providing bespoke systems that enable their customers to efficiently recover high-quality material from waste, reducing the need for landfills.

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