

8 June 2023

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

EGL Water PFAS Separation Plant Sale

The Environmental Group Limited (ASX:EGL) is pleased to announce the sale of the first commercial PFAS separation unit.

Key highlights:

- The first commercial plant was delivered on time and on budget in September 2022.
- Installation commenced on site late November, with the plant completed by mid-January for EPA approval.
- Commercial unit EPA documentation was submitted and approved by the EPA to process PFAS waste streams 31 January 2023.
- During the commissioning the plant processed various liquid waste streams with samples collected and sent to laboratories for analysing results.
- All PFAS waste streams treated resulted in regulated PFAS being removed to below detectable levels.
- A purchase order has been received for the plant with the sale completed subject to the sites EPA approval.
- The sale price includes installation and commissioning of the first plant along with a Service Level Agreement.
- Commercial terms have been agreed for the purchase of a second plant.

EGL has all data sets required to provide to our perspective clients to review the capability of our technology, low capital and operating costs. Marketing of the plant is well underway with several site visits by interested parties.

EGL CEO Jason Dixon said “this is a mile stone event for the company after many years of hard work and a true learning journey. The success of the technology is a testament to our staff in developing a PFAS separation technology that is effective, safe and economically viable for our customers to remove this problematic contaminant from our environment.”

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EGL Water's PFAS separation and concentration technology has now been demonstrated as a viable solution for treating PFAS contaminated ground water, surface water, leachate, and wastewater. Research and development will continue into the treatment of PFAS contaminated soils, with trials currently underway using the same technology platform with Victoria University, providing encouraging results.

EGL'S PFAS OPPORTUNITY

Per- and poly-fluoroalkyl substances (**PFAS**) are a group of man-made chemicals that includes PFOA, PFOS, GenX, and many other chemicals. PFAS have been manufactured and used in a variety of industries around the globe, including in the United States since the 1940s. PFOA and PFOS have been the most extensively produced and studied of these chemicals. Both chemicals are very persistent in the environment and in the human body meaning they don't break down and can accumulate over time. There is evidence that exposure to PFAS can lead to adverse human health effects¹.

Historically PFAS has been widely used in food packaging, **commercial household products**, including stain and water-repellent fabrics, non-stick products (e.g. Teflon), polishes, waxes, paints, cleaning products and fire-fighting foams (a major source of groundwater contamination at airports and military bases where fire-fighting training occurs). PFAS has also been used by industries such as chrome plating, electronics manufacturing and oil recovery, hence the prevalence in the environment.

The PFAS treatment market is a rapidly growing area driven by increasing environmental regulation as evidence emerges of the extent and toxic nature of PFAS substances in the environment and on human health. EGL believes that these regulations are driving a market need to remediate legacy sites ahead of redevelopment, as well as for the rehabilitation of active sites and those that impact human use such as agricultural applications, water ways, residential developments, nature reserves and recreational areas.

The separation of PFAS from both water and soil is a key step in removing the substance from contaminated areas and preventing further risks to health and the environment.

This announcement has been authorised by the Board.

For further information, please contact:

Andrew Bush

Andrew.bush@egl.com.au

Company Secretary & Chief Financial Officer

The Environmental Group Limited

¹ <https://www.epa.gov/pfas/basic-information-pfas>

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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.

- **EGL Clean Air - Total Air Pollution Control (TAPC) and Airtight Solutions** 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.
- **EGL Clean Energy- Tomlinson Energy Service & Ignite Services** 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.