calix

Mars is for quitters

Calix Limited **Annual Report 2024**

ACKNOWLEDGEMENT OF COUNTRY

Calix acknowledges the First Nations people and Traditional Custodians of the land on which we live and work, and recognise their deep, ongoing connection to the land, waters, and community. We pay our respects to their Elders past, present, and emerging, and extend that respect to all First Nations people.

SOCIAL INCLUSION STATEMENT

Calix embraces diversity and inclusion. It is one of our core values. We promote an inclusive and safe space for all and proudly welcome and support people of any race, ability, gender and identity.

SUSTAINABILITY STATEMENT

At Calix, sustainability means meeting our own needs without compromising the ability of future generations to meet their own needs. It is deeply embedded in our purpose: solving global challenges. Because Mars is for quitters.

BECAUSE

For more information on Calix's sustainability progress and governance, please visit our full reporting suite:

FY24 Sustainability Report

FY24 Corporate Governance Statement

calix

Solving global challenges in industrial decarbonisation and sustainability.

THERE'S ONLY ONE EARTH

Notes: This Report has been prepared by Calix Limited. It contains summary information about Calix Limited and its subsidiaries and their activities current as at 27 August 2024. It should be read in its entirety, together with the Forward Looking Statement Disclaimer at the back of this report. All dollar figures in this report are in Australian dollars unless otherwise indicated.

COMPANY OVERVIEW

ABOUT CALIX

Calix Limited is an environmental technology company solving urgent global challenges in industrial decarbonisation and sustainability.

Calix's unique patented core platform technology delivers indirect heating of raw materials to enable efficient, precise, flexible and renewably powered mineral processing and capture of unavoidable industrial emissions.

With strong and increasing demand driven by global decarbonisation commitments, Calix is applying its core technology to the cement, steel, alumina, and critical minerals industries, as well as the direct air capture of atmospheric carbon dioxide, and the production of sustainable environmental products.

Leveraging its core platform technology and a global network of partners, Calix is urgently developing multiple businesses that deliver positive global impact. Because there's only one Earth.

Mars is for quitters.

MARS IS FOR QUITTERS

Solving global challenges

Electrification of industrial processing | Capture of unavoidable emissions | Sustainable environmental solutions

7 COUNTRIES
5 CONTINENTS
9 OPERATIONAL SITES

155+ EMPLOYEES

25 LANGUAGES SPOKEN BY EMPLOYEES

13 COUNTRIES IN WHICH EMPLOYEES LIVE

2020 BECAME UNGC PARTICIPANT

29 PATENT FAMILIES

THE CALIX TECHNOLOGY CENTRE

Bacchus Marsh, Victoria, Australia

Two electric calciners for sustainable processing development and the production of advanced materials.

Commercial calciner for the production of up to 25,000 tonnes per year of magnesium oxide for water treatment and other environmental solutions.

A multi-purpose laboratory to support Calix's research and development capabilities, helping to speed up project development and drive new innovative applications.

MAGNESIUM CARBONATE MINE

Myrtle Springs, South Australia

A raw material magnesium carbonate mine.

IER

USA

Six manufacturing facilities producing water treatment products for North American customers.

LEILAC-1

Lixhe, Belgium

A pilot demonstration facility for CO_2 capture from lime and cement. Leilac-1 is one of the largest operating carbon capture facilities for cement in the world.

One platform technology, multiple opportunities

- CEMENT & LIME
- IRON & STEEL
- LITHIUM & CRITICAL MINERALS
- ALUMINA
- DIRECT AIR CAPTURE
- WATER
- AGRICULTURE

TECHNOLOGY

INNOVATING FOR EARTH

Calix's patented core platform technology enables electrification of industries, capture of unavoidable carbon dioxide (CO_2) emissions, and efficient industrial processing solutions.

Its flash heating approach can also produce unique nanoporous materials with enhanced chemical and/or bioactivity.

A NEW WAY TO HEAT STUFF UP

Capture of unavoidable emissions

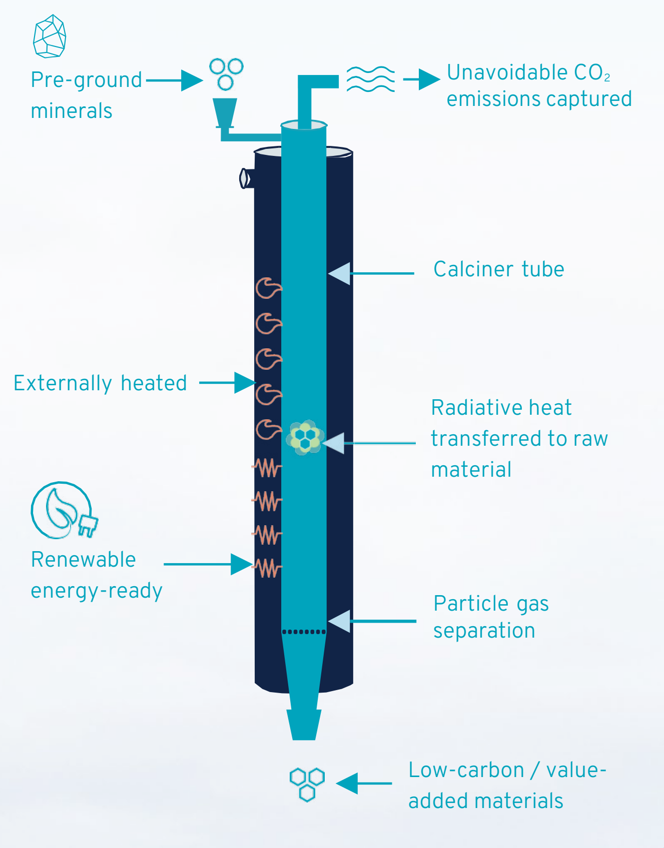
Unavoidable process CO_2 emissions from cement and lime production and CO_2 from the atmosphere are captured for use or storage.

Electrification and renewable energy-ready

Compatible with electricity and alternative fuels to provide viable, flexible and economical pathways to sustainable processing.

Highly-active materials

Produces highly-active materials with unique bioactive properties.



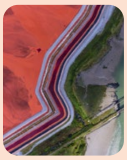
29 PATENT FAMILIES COVERING CORE TECHNOLOGY & APPLICATIONS

COMPANY STRUCTURE

ONE PLATFORM TECHNOLOGY, MULTIPLE OPPORTUNITIES

Calix is urgently developing multiple businesses that deliver positive global impact.

Each application of the technology is being deployed through a proven licensing, joint venture and spin out model. Subsidiary businesses focused on a specific application and target market accelerate commercialisation and enable a flexible equity funding model to support growth.

Platform output	Carbon Capture		Sustainable Processing			Magnesia	
Business subsidiary	Leilac		Pilbara minerals UJV	ZEAL	zesty by calix	IER	
Applications	 Cement & Lime	 Direct Air Capture	 Lithium	 Alumina	 Iron & Steel	 Water	 Ag / Marine / Bio
Market size	1.4 BTpa CO_2 [1]	Targeting >1 BTpa CO_2 [7]	US$7 Bpa [2]	US$45.5 Bpa [3]	US$640 Bpa [4]	~US$100m [5]	Multi-US$Bpa [6]
Partners	Multiple partners, including Heidelberg Materials	Heirloom	Pilbara Minerals	HILT CRC	Australian Government Australian Renewable Energy Agency ARENA		SAAFE CRC Solving Antimicrobial Resistance in Agribusiness, Food & Environments; Centre for Environmental and Agricultural Solutions to Antimicrobial Resistance
Revenue model	Licence fees ($ per tonne CO_2)		Licence fees (% Total Revenues)			Growing direct / distributor sales	

1. GCCA 2050 Net Zero Global Industry Roadmap.
2. Estimated as 50% of total lithium market as measured by lithium carbonate equivalent (LCE) derived from spodumene – https://www.mckinsey.com/industries/metals-and-mining/our-insights/australias-potential-in-the-lithium-market.
3. Alumina global market revenue estimated at https://www.precedenceresearch.com/press-release/alumina-market#:~:text=The%20global%20alumina%20market%20size,combination%20of%20aluminum%20and%20oxygen].
4. Estimated as US$400 per tonne of iron @ 1.6BTpa https://www.statista.com/statistics/589979/metal-content-of-the-global-iron-ore-production/.
5. US magnesium hydroxide market management estimate, caustic replacement market likely several multiples of this.
6. Frost and Sullivan – Independent Market Report – Calix IPO Prospectus 2018.
7. Heirloom statement in press release https://fox40.com/news/local-news/san-joaquin-county/heirloom-carbon-technologies-tracy-co2/.

CREATING VALUE AND IMPACT

VALUE-ADDED MINERAL PRODUCTS →

GREENHOUSE GAS EMISSIONS CAPTURED & AVOIDED →

REDUCED TOXINS & POLLUTANTS →

REDUCED WASTE →

ENERGY EFFICIENT OPERATIONS →

SAFE & SUSTAINABLE PRODUCTS →

Creating value for

People

Communities
Helping balance economic, social & environmental sustainability in support of a just transition to net zero

Shareholders
Targeting shareholder returns through delivery to large addressable markets

Our people
Enabling impactful work & personal development in a diverse & equitable environment

Partners

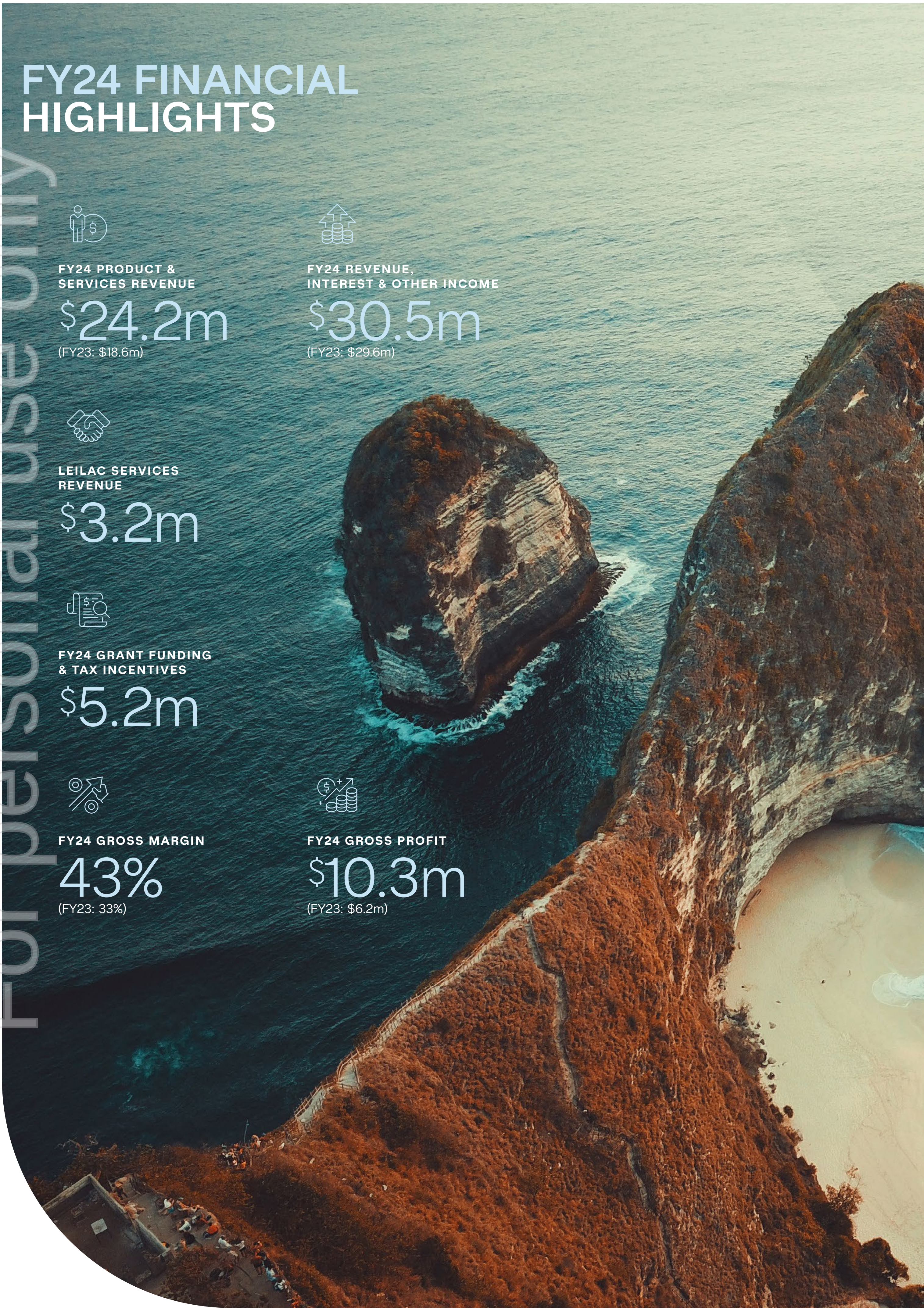
Developing cost-effective low-carbon mineral processing for:

- Cement & lime
- Iron & steel
- Critical minerals
- Alumina
- Direct Air Capture
- Water
- Agriculture

Planet

Targeting local & global environmental benefits including:

- Climate change mitigation
- Sustainable mineral production
- Effective water & wastewater treatment
- Non-toxic crop protection
- Prevention of antimicrobial resistance
- Sustainable development



FY24 FINANCIAL HIGHLIGHTS

FY24 PRODUCT & SERVICES REVENUE
$24.2m
(FY23: $18.6m)

FY24 REVENUE, INTEREST & OTHER INCOME
$30.5m
(FY23: $29.6m)

LEILAC SERVICES REVENUE
$3.2m

FY24 GRANT FUNDING & TAX INCENTIVES
$5.2m

FY24 GROSS MARGIN
43%
(FY23: 33%)

FY24 GROSS PROFIT
$10.3m
(FY23: $6.2m)

GAIN ON CONTRIBUTION OF THE PLS UJV

$12.2m

INVESTMENT IN PROPERTY, PLANT & EQUIPMENT

$15.1m

CASH ON HAND

$43.0m

(31 Dec 2023: $47.8m)
(30 June 2023: $74.5m)

Balance sheet strength

Calix finished FY24 well positioned to capitalise on global tailwinds. Calix's balance sheet – including its cash position and minimal debt – together with growing revenue streams and cost management discipline support Calix's current operations and technology developments.

Growing revenues

An increase in sales revenue was supported by an expansion in Calix's Magnesia business, and new revenue streams from Leilac from paid engineering studies. Additionally, Calix realised a gain from its Unincorporated Joint Venture (UJV) with Pilbara Minerals (ASX: PLS), recognising the value created by its free-carried equity in the UJV's demonstration plant.

Investment to deliver

Throughout FY24, Calix continued its planned investment in people, plant and equipment, focused on progressing its priority projects including the Mid-Stream lithium demonstration plant, scale up of ZESTY from pilot to demonstration scale, the development of Leilac-2, and direct air capture projects with Heirloom. This investment was supplemented by grants and tax rebates from governments in the various countries in which we operate.

FY24 OPERATIONAL HIGHLIGHTS

AUGUST 2023

Sustainable lithium demonstration plant with Pilbara Minerals passed Final Investment Decision

A Mid-Stream Demonstration Plant developed in a Unincorporated Joint Venture between Calix and Pilbara Minerals (ASX: PLS) passed its Final Investment Decision. Supported by $20m in Australian Government funding, the plant at Pilbara Minerals' Pilgangoora operation will use Calix's patented electric calcination technology to demonstrate an innovative refining process for sustainable lithium.

OCTOBER 2023

Leilac & Heirloom signed global licence and collaboration agreements for Direct Air Capture

Leilac signed a binding and perpetual global licence agreement and a collaboration agreement with Direct Air Capture (DAC) company, Heirloom, for the exclusive use of Leilac's technology by Heirloom for carbon dioxide removal by DAC. Under the terms of the agreement, Leilac will receive a royalty based on the value of the CO_2 captured with the technology. Carbon dioxide removal in the order of 1-10 billion tonnes per annum is expected[1] to be needed to limit or return global warming to 1.5°C, as committed to in the Paris Agreement.

FEBRUARY 2024

ZESTY study finds green iron solution with high economic potential

With funding support from the Australian Renewable Energy Agency (ARENA), Calix completed a Front-End Engineering and Design (FEED) study for a 30,000 tonne per annum ZESTY Hydrogen Direct Reduced Iron (H_2-DRI) demonstration plant. The study found ZESTY can produce near-zero emissions HBI from low grade iron ore for close to existing, carbon-intensive HBI processing costs[2], before any benefit of emissions reduction is accounted for.

MARCH 2024

New IER hydration facilities opened in Wisconsin and Texas

IER, Calix's water and wastewater treatment business in the USA, boosted its capacity with the official opening of new hydration facilities in Ripon, Wisconsin and Lufkin, Texas. The new plants are supporting the expansion of sales into new regions, including Wisconsin, Illinois and Texas, as well as supporting new business in the existing regions of the Pacific Northwest and Upper Midwest. The combination of the new facilities and significant regulatory tailwinds continue to position the business for growth.

MARCH 2024

Leilac-2 relocated to Heidelberg Materials' cement plant in Ennigerloh, Germany

Following Heidelberg Materials' (FWB: HEI) decision to end clinker production in Hanover, Germany, Heidelberg Materials' cement plant in Ennigerloh, Germany was selected as the new site for Leilac-2. With the aim of demonstrating a replicable module to efficiently capture up to 100,000 tonnes per year of unavoidable process carbon dioxide emissions released during cement and lime production, Leilac-2 has delivered a robust detailed design with construction expected to commence promptly following permitting.

APRIL 2024

ZESTY produced green iron from multiple Pilbara ores, and first green iron briquettes

Calix concluded an expansive ore testing program, including over 130 tests from nine different iron ores. The results demonstrated the production of green iron at commercial grades, including for low grade Australian hematite and goethite ores. The green iron fines produced by Zero Emissions Steel TechnologY (ZESTY) were also successfully processed into the first ZESTY green iron briquettes with highly encouraging properties, demonstrating the potential to produce a green Hot Briquetted Iron (HBI) product for export.

1. Intergovernmental Panel on Climate Change. Special Report. Global Warming of 1.5ºC.
2. Simplified levelised cost of competing low-carbon technologies in steel production. IEA. 2020.

MAY 2024

New electric calciner commissioned

Supported by grant funding from the Australian Government, a new electric calciner was built and commissioned at Calix's Technology Centre in Bacchus Marsh Victoria, Australia. It provides a significant increase to Calix's research and development capabilities and capacity, and also increases Calix's capacity to provide material testing for customers in support of business development.

JUNE 2024

Construction commenced for sustainable lithium project with Pilbara Minerals

The Mid-Stream Demonstration Plant aiming to produce a low-carbon intensity lithium salt in a UJV with Pilbara Minerals moved into construction phase at Pilbara Minerals' Pilgangoora Project. The project remains on time and budget, with commissioning due to commence in the March quarter 2025 and the first lithium salt production in the June quarter 2025.

JUNE 2024

Leilac & Heidelberg Materials entered into a Joint Venture for Leilac-2

Leilac and Heidelberg Materials formed a JV for the construction, operation and future ownership of the Leilac-2 demonstration plant. Construction of the Leilac-2 plant is expected to commence in 2025 and commissioning of the plant is expected to occur in mid-2026. In parallel with the construction of Leilac-2, both companies have committed to exploring the development of a full-scale commercial installation. Heidelberg Materials and Leilac have previously signed a global licence agreement, covering all plants where the Leilac technology is used, including Leilac-2.

Direct Air Capture projects in USA with Heirloom progress

Leilac will provide its innovative electric calcination and carbon capture technology to two Heirloom DAC facilities located in Shreveport, Louisiana, USA. The facilities will deploy Leilac's technology to remove up to ~320,000 tons of carbon dioxide from the atmosphere per year. The first facility is expected to commence operations by 2026 and the second facility in 2027.

JUNE 2024

Calix materials were proven to aide fight against antimicrobial resistance

Studies conducted with Australia's Cooperative Research Centre Solving Antimicrobial Resistance in Agribusiness, Food and Environments (CRC SAAFE) confirmed Calix's novel materials provide quantifiable control of pathogenic and drug-resistant bacteria. The antimicrobial properties of Calix's unique bioactive materials offer a promising sustainable alternative to conventional actives in health and livestock applications.

Completed pre-FEED study of Zero Emissions Alumina

Calix's electric calcination technology promises to provide a robust solution for zero emissions alumina by enabling the use of renewable energy inputs. Calix has successfully completed the generic basis of design of its Zero Emissions Alumina (ZEAL) technology, and feasibility studies are underway for both demonstration and full scale Calix ZEAL calciners.

LETTER FROM CHAIR AND CEO

Dear Shareholders

As Calix passes its sixth anniversary since listing on the ASX, its core purpose – solving global challenges – has never been more relevant. We are proud to be using our unique mineral processing technology to create great businesses and innovative solutions that help deliver a more sustainable future for societies, industry and the planet. To this end, we are pleased to present the Calix Limited Annual Report for the 2024 Financial Year (FY24).

FY24 was another challenging and turbulent year for financial markets, in particular for equity markets associated with the Environment, Social and Governance (ESG) investment thematic. Nonetheless, strong support for industrial decarbonisation continues to grow.

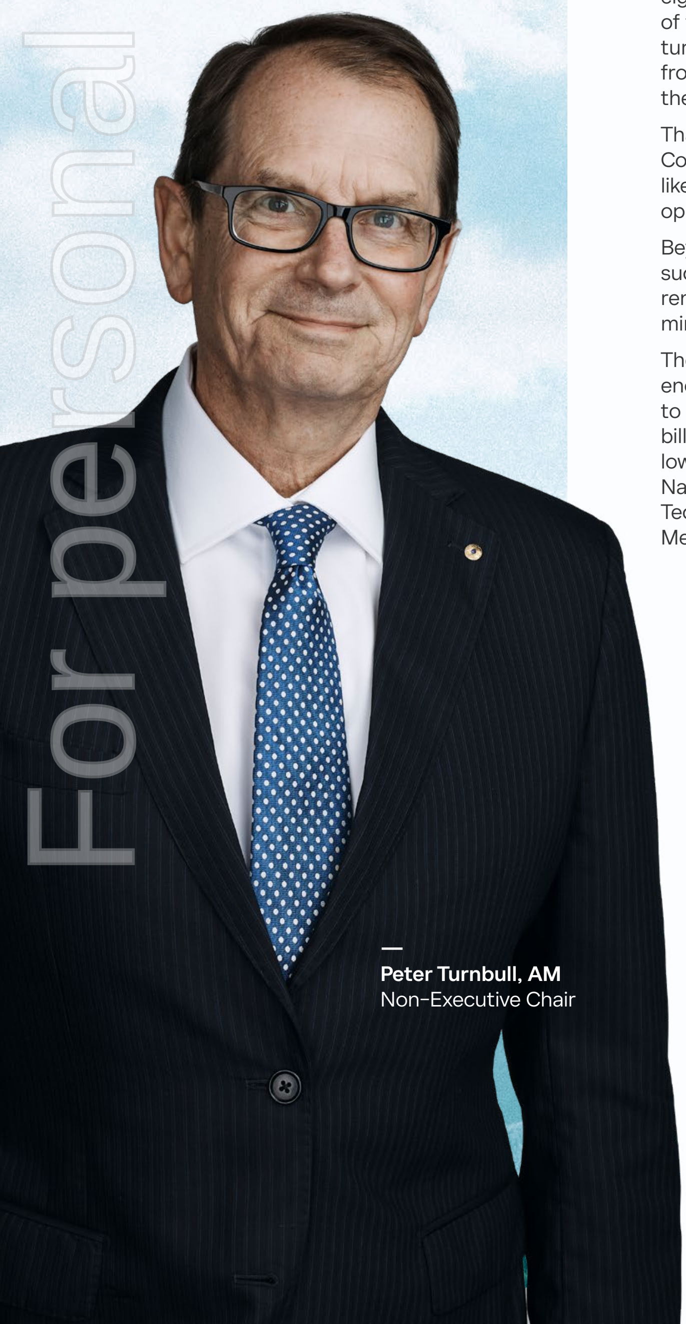
Iron and steel perhaps best encapsulates the risks and opportunities of decarbonisation for Australia. Australia produces over 50% of the world's iron ore[1], and iron ore dominates Australia's export earnings[2]. Almost all Australian ore, however, is of the hematite / goethite variety[3], considered low-grade and not suitable for use in the electric arc furnaces that are expected to dominate the future of steelmaking. Ensuring the compatibility of Australian iron ore with future low-carbon steelmaking must therefore be a national priority.

With iron and steel being responsible for ~8% of global CO_2 emissions, or around eight times the total emissions Australia produces domestically, decarbonisation of this sector offers a meaningful opportunity beyond our borders. Furthermore, turning iron ore into green iron can enable the capture of significantly more value from Australia's resources, not just protecting them from climate risks, but seizing the economic opportunities that global decarbonisation readily presents.

Thankfully, Australia is abundant in both iron ore and renewable energy resources. Combining government support, industry commitments and enabling technology like Calix's Zero Emissions Steel TechnologY (ZESTY) can help Australia seize the opportunity to turn its iron ore into green iron.

Beyond iron ore, alumina, lithium and other critical minerals, as well as metals such as magnesium, all require sustainable processing solutions compatible with renewable energy sources. Given Australia's comparative advantage in these minerals, we believe the opportunity for Australia is clear.

The $22.7 billion "Future Made in Australia" package will back some of these enormous opportunities with government support. The package includes measures to drive down the cost of renewable energy and green hydrogen and a $1.7 billion "Future Made in Australia Innovation Fund" to support green metals and low-carbon liquid fuels. This support is in addition to the Safeguard Mechanism, National Reconstruction Fund, Powering the Regions Fund, Carbon Capture Technologies Program and Critical Minerals Facility. A Carbon Border Adjustment Mechanism (CBAM) is also under review.



—
Peter Turnbull, AM
Non-Executive Chair

> "Importantly, these new and growing revenue streams provide great cash support as we develop the technology prior to the commencement of licensing royalties.

1. https://www.statista.com/statistics/300328/top-exporting-countries-of-iron-ore/.
2. https://www.minerals.org.au/news/record-high-resources-export-revenue.
3. Iron Ore | Geoscience Australia.

Overseas, Europe and the United States continue to lead the way on support for decarbonisation, albeit through contrasting approaches. Europe introduced a CBAM, facilitating the gradual cessation of free CO_2 allowances for the European Union (EU) Emissions Trading Scheme (ETS) for heavy industry. The EU ETS price bounced from a low of ~€50 – driven by a dip in economic activity and the impacts of the war in Ukraine – to finish the financial year at ~€70. Longer term forecasts predict EU ETS prices of around €200 by 2035[1]. The free allowances will start to be phased out in 2026, and by 2034, every tonne of CO_2 emitted by industrial facilities in Europe, or from goods imported into Europe, will be exposed to, and liable for the prevailing EU ETS price.

In the USA, bipartisan support for Carbon Capture, Utilisation and Storage (CCUS) and Direct Air Capture (DAC) continues. Tax incentives, introduced in 2008 by the Bush administration and enhanced by the Biden administration's Inflation Reduction Act, provide significant reward for the capture of CO_2 from industry and the atmosphere.

Leilac's DAC partner, Heirloom, had their federal government funding for projects in Louisiana enhanced by additional State Government funding. Heirloom's planned facilities in Louisiana are part of Project Cypress, supported by up to US$600m in funding under the Bipartisan Infrastructure Law. Heirloom will also receive up to US$10m from the Republican Louisiana State Government. Leilac and Heirloom have signed an exclusive global licence agreement for the use of the Leilac technology in Heirloom's DAC process, and Leilac is already being paid to engineer two projects, including one for Project Cypress.

LEILAC'S ENGINEERING REVENUES

$3.2m

MAGNESIA'S SALES AND SERVICES REVENUE

$21m

GAIN ON CONTRIBUTION OF THE PLS UJV

$12.2m

In Asia, momentum for carbon accounting and trading is emerging, with India, Malaysia, Indonesia, Thailand, Vietnam and others introducing regulatory frameworks for future ETS launches.

Together, these policies speak volumes for the strong support globally for industrial decarbonisation and the technology solutions that will achieve the necessary change. The policies make evident the need for urgent, cost-effective and scalable solutions that balance social, economic and environmental sustainability to solve some of the greatest global challenges of our time.

Focused delivery

Calix finished FY24 well positioned to capitalise on these global tailwinds, having focused on and delivered significant milestones on the path to commercial returns across all its lines of business.

In Calix's Carbon Capture business, Leilac, engineering revenues jumped from $0.1m in FY23 to $3.2m in FY24, driven by advancing its pipeline of opportunities into paid studies and work. In the Magnesia business, sales and services revenue increased 14% from FY23 to $21.0m, driven largely by growth in the U.S. at increased gross margin. And in the Sustainable Processing business, continued on-time and on-budget development of our Unincorporated Joint Venture project with Pilbara Minerals (ASX: PLS) is setting this business up for its first major revenues.

This focused delivery is reflected in our group financial results. In FY24, Calix achieved a gross profit of $10.3m, up from $6.2m in FY23, driven by a 30% increase in products and services revenue to $24.2m. Additionally, Calix realised a gain of $12.2m in FY24 from its UJV with Pilbara Minerals. This gain is a result of Calix's free-carried equity in the UJV's demonstration plant and recognises the value of our intellectual property contribution. Calix finished the financial year with $43m cash on hand, down just 10% from 31 December 2023, despite continued investment in capability and key project delivery.

It is pleasing to see growth and diversification in our revenue streams, especially in revenue contributions from the Leilac business. This growth reflects growing demand for paid engineering studies and materials testing with our core technology, underscoring both the technology's potential and the growing industrial push to decarbonise, notwithstanding the current market conditions. Importantly, these new and growing revenue streams provide great cash support as we develop the technology prior to the commencement of licensing royalties.

Throughout FY24, Calix continued its planned investment in people, plant and equipment, focused on the delivery of its priority projects. These are the Mid-Stream Demonstration Plant in a UJV with Pilbara Minerals, scale up of ZESTY from pilot to demonstration scale, the development of a replicable and retrofittable module for cement and lime decarbonisation with Leilac-2, and DAC projects with Heirloom. Whilst Calix's platform technology can be deployed in many directions, we continue to employ considerable discipline as to where we direct our capital, people and focus. The determining factor is profitable growth. We direct our attention to projects which can launch new revenue streams, provide material revenue uplift at attractive margins and where we generate the best return for allocating our capital.

Our investments in FY24 were supplemented by $5.2m in grants and tax rebates from governments in the various countries in which we operate. In addition, a grant from the Australian Government supported the development of a new electric calciner at Calix's Technology Centre that will increase the Company's capacity for technology development and material testing for commercial, paid projects.

More commercial milestones

In addition to significantly growing and diversifying our revenue streams, our dedicated team has delivered significant commercial progress against the Company's key milestones in FY24, including:

- A signed JV agreement between Leilac and Heidelberg Materials (FWB: HEI) for Leilac-2;
- The relocation of Leilac-2 to Heidelberg Materials' cement plant in Ennigerloh, Germany;
- Signed global licence and collaboration agreements between Leilac and leading U.S. DAC company, Heirloom;
- The development of two DAC projects with Heirloom in Louisiana, USA;
- The start of construction of Calix's sustainable lithium demonstration plant in UJV with Pilbara Minerals, following a successful Final Investment Decision (FID) and detailed design engineering;
- The completion of pilot scale testing for ZESTY, which produced green iron from multiple ores, and the first green iron briquettes; and
- The completion of the ZESTY demonstration plant Front-End Engineering and Design (FEED) study, which found ZESTY has the potential to deliver an economical green iron solution, even at demonstration scale and without accounting for the price of carbon.

1. Forecast European Union Emissions Trading System (EU-ETS) average carbon allowance prices from 2024 to 2035. Statista. 2024.

LETTER FROM CHAIR AND CEO

Other significant progress included:

- Successful completion of a pre-FEED study for Calix's Zero Emissions Alumina (ZEAL) technology;
- Opening of new hydration facilities in Wisconsin and Texas to boost our U.S. Magnesia business capacity;
- Completion of a study confirming Calix's bioactive magnesium oxide materials provide quantifiable control of pathogenic and drug-resistant bacteria; and
- Commissioning of a new electric calciner at the Calix Technology Centre to increase the Company's research and development, and business development capabilities.

Further information on each of these projects can be found in the FY24 highlights and business updates contained in this Annual Report, as well as within the new investor centre on the Calix website.

Looking ahead

In FY25, we will prioritise completing construction and commissioning of Calix's sustainable lithium demonstration plant with Pilbara Minerals, breaking ground on the Leilac-2 plant in Ennigerloh, Germany with Heidelberg Materials, and breaking ground on the first commercial scale DAC facility with Heirloom in the U.S. The successful commissioning of these plants will pave the way to our first licensing revenues from the lithium, cement and DAC applications.

We also hope to pass the FID point for Calix's ZESTY demonstration plant. Following the completion of our pilot-scale testing and FEED study in FY24, we made significant progress on establishing the location, hydrogen supply, iron ore supply, green iron offtake, and project finance required for a ZESTY demonstration plant. FY25 will see a continued and concerted effort to progress a ZESTY demonstration plant to FID and beyond.

Another priority in FY25 is our zero emissions lime and cement demonstration plant in South Australia. It is off to a great start with the award of a $15m grant from the Australian Government. This innovative carbon capture and use project aims to generate revenue through two products – zero emissions lime sold via our partners, and captured CO_2 for use by the Solar Methanol 1 project to produce low-carbon fuel for shipping.

As we work to deliver Calix's key priority projects and turn licence agreements into royalty payments, we will also prioritise revenue growth and diversification from Calix's Magnesia business as well as paid engineering studies. Our commercialisation strategy is designed to provide flexible funding options at a subsidiary and project level to accelerate the technology's deployment in large addressable markets and deliver commercial success as early as possible.

Capital strategy

Calix's balance sheet, growing revenue streams and cost management discipline provide the cash support needed for current operations and technology development. Calix's approach to couple paid engineering studies with secured grant funding is designed to support first-of-a-kind commercial demonstration of the technology in key markets prior to first receipts of royalty revenues. Calix's capital management and funding strategy continues to focus on opportunities to secure capital in the form of equity, debt or grants at the subsidiary and project level to fund projects and accelerate industry application.

Our pathway to sustainability

As we work to help solve global challenges, we are pleased to report that Calix itself is also making progress towards greater sustainability in our own operations. With a commitment to three key sustainability ambitions – science-based emission reduction in line with the 1.5°C pathway, gender balance at all levels of the organisation, and addressing the sustainability of the materials and resources we use in our business – we are moving to better integrate Calix's internal sustainability initiatives with the Company's strategic priorities.

Leveraging the learnings from Calix's inaugural greenhouse gas assessment in FY23, in FY24, we strengthened our data collection to generate a more robust and accurate assessment of emissions hotspots in Calix's operations and value chain. This work is enabling us to more carefully target our efforts to reduce emissions.

Calix continues as a participant of the United Nations Global Compact (UNGC). We are committed to embedding the Ten Principles of the UNGC on human rights, labour, environment and anti-corruption into Calix's operations.

This year, Calix's Annual Report is being published alongside our Sustainability Report and a detailed Corporate Governance Statement, another indication of the maturing of our sustainability journey.

Good governance is critical to strong sustainability performance. We remain steadfast in our adherence to high standards of corporate governance and transparency. This commitment supports the delivery of Calix's strategy, while meeting prevailing best practice governance standards.

The Board continues to take a proactive approach to board succession and renewal, ensuring the composition of the board is appropriate at all times to support the delivery of Calix's strategic goals. To this end, we announced the appointments of Dr Sarah Ryan and Peter Dixon to the Board as independent non-executive directors in December 2023.

> "Calix's capital management and funding strategy continues to focus on opportunities to secure capital in the form of equity, debt or grants at the subsidiary and project level to fund projects and accelerate industry application.

Our purpose-driven team

An absolute commitment exists across the Company to the safety and wellbeing of our people. We are pleased to report that Calix's safety culture continues to strengthen with no significant injuries recorded. This achievement is supported by a strong reporting, investigation, and remediation regime, in addition to initiatives to foster mental health and wellbeing.

As core values, diversity and inclusion are foundational to Calix's culture. Creating a strong pipeline of diverse candidates, complemented by initiatives to develop our people and foster an inclusive culture are important ingredients as we continue to strive to create a workforce that is reflective of the communities in which we operate.

In FY24 we continued to make a significant investment in our purpose-driven team, which grew by 32 full-time positions to 155, including 20 new engineers and scientists to support research, development, commercialisation and project delivery. Calix's mission helps to attract scientists, engineers and technical specialists with strong alignment with our values. Our people are dedicated to using their unique skills to make a positive difference for the longer term by helping to solve global challenges.

At Calix, we strive to provide work that is rewarding, innovative and impactful to give our people the opportunity to grow both personally and professionally. We aim to ensure that every employee across the Group creates a development plan with their manager that identifies personal development and growth objectives linked to their strengths, passions and interests. Further alignment with our objectives is supported by an Employee Incentive Scheme, enabling our people to hold a stake in the Company we are working diligently to build.

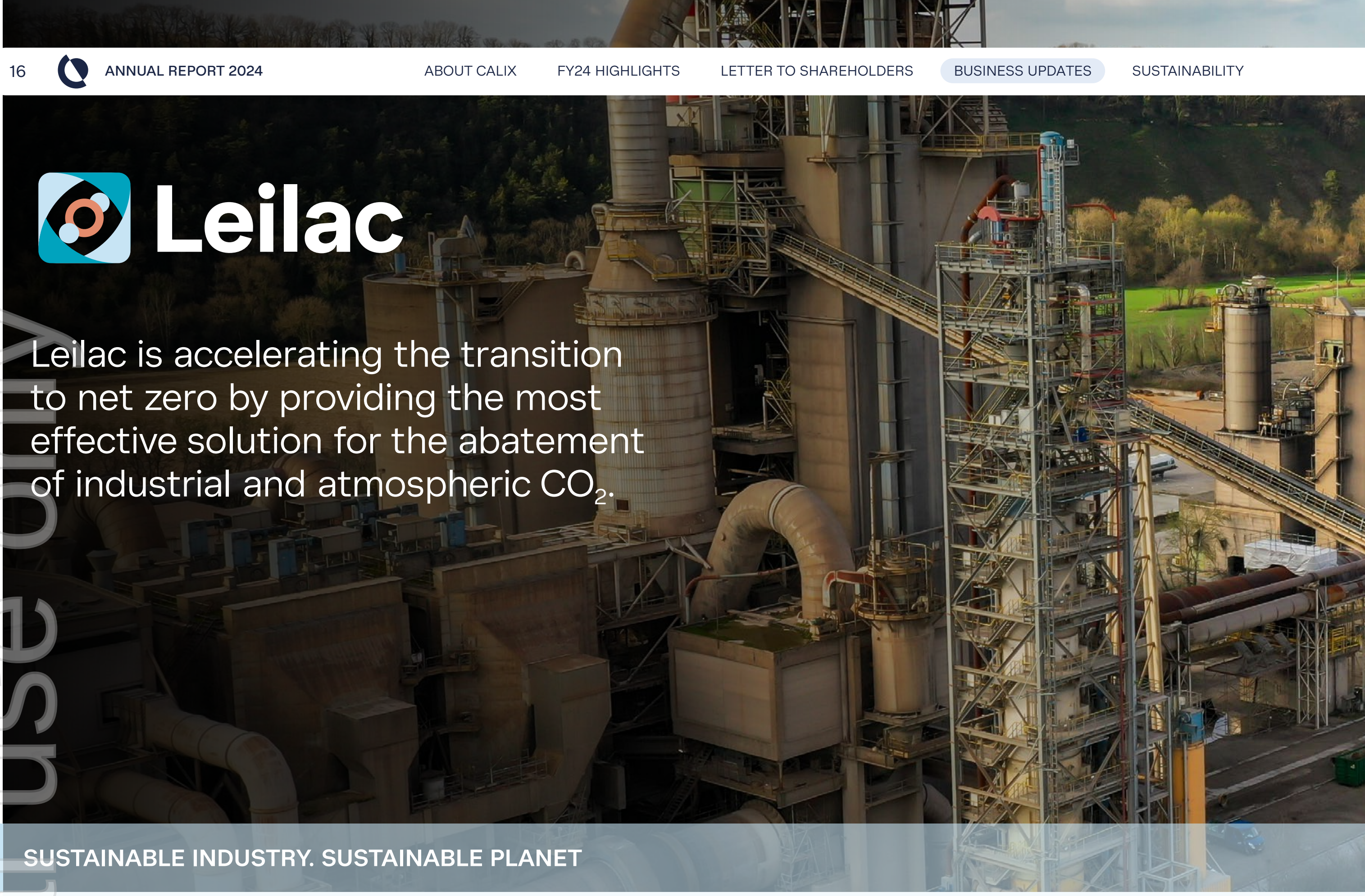
On behalf of the Board, we would like to thank Calix's employees for their tireless efforts and unwavering commitment to achieving our purpose and goals. It is a privilege to be part of such a talented, capable, diverse and driven team. We are also grateful to our customers and partners for their continued commitment and collaboration as we work together to solve global challenges. And, importantly, we thank all of our shareholders for their continued support of our vision to deliver commercial success that creates both significant shareholder and societal value as we help solve some of the most pressing global challenges of our time.

We look forward to keeping you well informed of Calix's progress during FY25.

Peter Turnbull, AM
Non-Executive Chair

Phil Hodgson
Managing Director &
Chief Executive Officer

Phil Hodgson
Managing Director &
Chief Executive Officer



Leilac

Leilac is accelerating the transition to net zero by providing the most effective solution for the abatement of industrial and atmospheric CO_2.

SUSTAINABLE INDUSTRY. SUSTAINABLE PLANET

Business overview

Leilac is the collaborative technology partner accelerating a sustainable future for cement and lime in a carbon neutral world.

Leilac's technology efficiently separates unavoidable carbon emissions ready for use or storage, without additional chemicals or processes. It is designed to be scalable, retrofittable, energy agnostic and electrification ready, to provide flexible and economical pathways to low-carbon cement and lime.

Through the production of zero emissions lime, Leilac also aims to support the decarbonisation of other hard-to-abate sectors, as well as removing carbon dioxide from the atmosphere through Direct Air Capture (DAC).

Operating across Europe, the Americas and Asia Pacific, Leilac has imagined the future for sustainable industry. And we're creating it. Today.

Market trends

In FY24, government policies and regulation continued to support industrial decarbonisation commitments around the world.

In Europe, the introduction of a Carbon Border Adjustment Mechanism (CBAM) enabled the European Union (EU) to announce the phasing out of free allowances to its Emissions Trading System (ETS). Hard-to-abate industries, including cement and lime, will have their free allowances reduced 48.5% by 2030 and 100% by 2034.

The European Commission released a 2040 Roadmap recommending 90% CO_2 reduction by 2040. To support this target, an Industrial Carbon Management Strategy outlined support for industrial decarbonisation, including by carbon capture, use and storage of industrial and atmospheric carbon dioxide, building on the Net-Zero Industry Act.

In the U.S., tax incentives for Carbon Capture Use and Storage (CCUS) and DAC continued to receive bipartisan support. Tax credits under section 45Q of the U.S. tax code provides US$85 per tonne of CO_2 captured and permanently stored from industry, and US$180 per tonne of CO_2 removed from the atmosphere by DAC.

The development of Emissions Trading Systems and carbon pricing continued to grow momentum in the Asia Pacific, with India, Malaysia, Indonesia, Thailand, Vietnam and other countries introducing regulatory frameworks to support future ETS launches.

In Australia, the Safeguard Mechanism requires large industrial facilities to reduce their emissions in line with national targets and puts a price on emissions beyond this cap. The Australian Government's Carbon Capture Technologies Program is also providing support for industrial CCUS projects, particularly those focused on cement and lime.

FY24 achievements

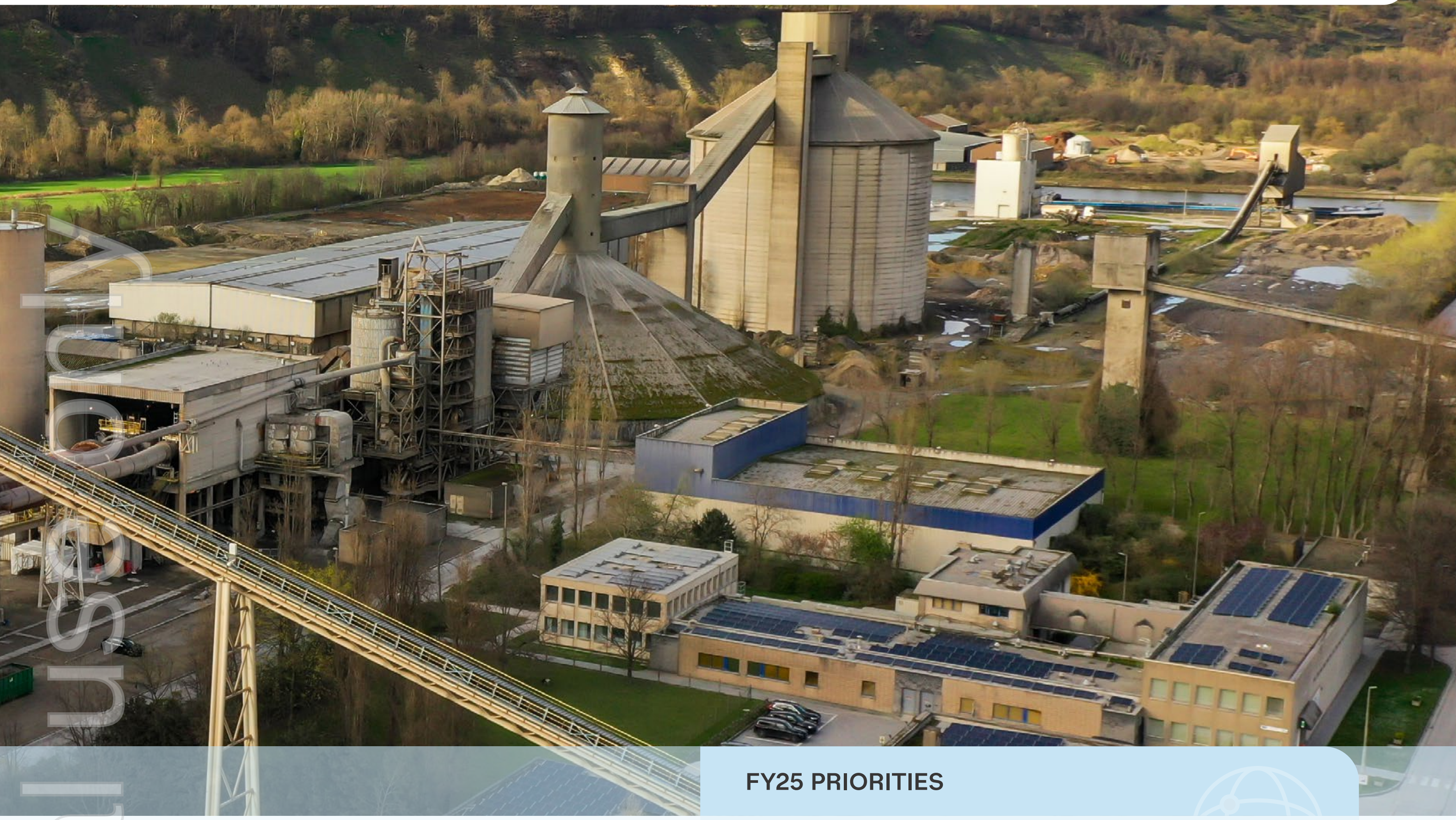
Leilac-2

The EU funded Leilac-2 project aims to demonstrate a replicable and retrofittable module capable of efficiently capturing up to 100,000 tonnes per year of unavoidable process carbon dioxide emissions released during cement and lime production, while operating on low-cost and lower carbon alternative fuels. As such, it represents an important demonstration and scale up step to enable full-scale and industry-wide deployment of the Leilac technology.

Following Heidelberg Materials' (FWB: HEI) decision to end clinker production in Hanover, Germany, the Leilac-2 project was successfully relocated to Heidelberg Materials' cement plant in Ennigerloh, Germany[1]. The rapid relocation of the project was testament to the robust and replicable technology design and the commitment of the project team. Construction of the Leilac-2 plant is expected to commence in 2025 and commissioning of the plant is expected to occur in mid-2026.

Leilac and Heidelberg Materials also formed a Joint Venture (JV) for the construction, operation and future transfer of ownership of the Leilac-2 demonstration plant at Heidelberg Materials' cement plant in Ennigerloh, Germany[2]. In parallel with the construction of Leilac-2, both companies have committed to exploring the development of a full-scale commercial installation. Heidelberg Materials and Leilac have previously signed a global licence agreement covering all plants where the Leilac technology is used, including Leilac-2[3].

1. Calix ASX Announcement. Calix and Heidelberg Materials confirm new site for Leilac-2. 4 Mar 2024.
2. Calix ASX Announcement. Calix announces Leilac and Heidelberg Materials JV for L-2. 11 Jun 2024.
3. Calix ASX Announcement. Calix announces global licence and underwritten equity raise. 19 Oct 2022.



Direct Air Capture

DAC is a new application of the Leilac technology and opens an emerging and rapidly growing market. Carbon dioxide removal in the order of 1–10 billion tonnes per annum is expected to be needed to limit or return global warming to 1.5°C, as committed to in the Paris Agreement[1].

In October 2023, Leilac signed a binding and perpetual global licence agreement and a collaboration agreement with DAC company, Heirloom, for the exclusive use of Leilac's technology by Heirloom for carbon dioxide removal by DAC[2]. Under the terms of the agreement, Leilac will receive a royalty based on the value of the CO_2 captured with the technology.

Electric and renewably powered versions of the Leilac technology will first be installed at Heirloom's DAC facilities in Shreveport, Louisiana, USA. A first facility will aim to capture ~17,000 tons[3] of carbon dioxide from the atmosphere per year, with operations expected to commence by 2026. A second co-located facility is Heirloom's contribution to Project Cypress, a U.S. Department of Energy-supported DAC Hub eligible for up to US$600m in government funding under the Bipartisan Infrastructure Law. This second facility aims to scale incrementally to capture ~300,000 tons[3] of CO_2 from the atmosphere each year, with the first 100,000 tons per annum of capture capacity expected to come online in 2027.

Business growth

In FY24, Leilac's team of industry experts and specialists grew to 70. Located in 13 countries and speaking 25 languages, Leilac has built a world-class team ready to support the global deployment of the technology to cement, lime and DAC.

In FY24, Leilac focused on advancing its priority projects and finished the financial year with 82 projects in its pipeline. Advancing the pipeline of opportunities into paid studies and work generated engineering revenues of $3.2m in FY24, up from $0.1m in FY23.

FY25 PRIORITIES

- Commencing site works at Heidelberg Materials' cement plant in Ennigerloh, Germany for Leilac-2.
- Generating revenue through paid engineering studies for new projects.
- Commencing construction of the first of two DAC facilities in Louisiana, USA in partnership with DAC company, Heirloom.
- Completing the pre-Front-End Engineering Design study for the green methanol German-Australian Hydrogen Innovation and Technology Incubator (HyGATE) project.

ALIGNMENT WITH THE SUSTAINABLE DEVELOPMENT GOALS

"Carbon Capture and Storage plays a major role in decarbonizing the industry sector in the context of 1.5°C and 2°C pathways, especially in industries with higher process emissions, such as cement." SR1.5. Chapter 2. IPCC. 2018.

Leilac is the collaborative technology partner seeking to enable a sustainable future for cement and lime in a net-zero world. Our potentially lowest cost carbon abatement solution aims to equip producers to take urgent action against climate change and protect their industries' jobs and prosperity.

Like the Sustainable Development Goals (Global Goals), Calix recognises the need to balance social, economic and environmental sustainability. Leilac's innovation, development and partnerships are aligned with the Global Goals, helping to accelerate its work to create sustainable industries and a sustainable planet.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

13 CLIMATE ACTION

17 PARTNERSHIPS FOR THE GOALS

1. Intergovernmental Panel on Climate Change. Special Report. Global Warming of 1.5°C. 2018.
2. Calix ASX Announcement. Calix announces Heirloom licence agreement. 30 Oct 2023.
3. 1 ton = 0.91 tonnes.

SUSTAINABLE PROCESSING

Enabling low carbon, low waste and value-added mineral products.

MINERAL PROCESSING FOR THE ELECTRIC AGE

Business overview

Calix is enabling mineral processing to enter the electric age with applications targeting green iron and steel, zero emissions alumina, and sustainable lithium and other critical minerals.

Calix's patented core platform technology uses indirect radiative heating to process raw minerals into low carbon mineral products. Efficient and precise electric heating, fully compatible with renewable energy sources, replaces inefficient combustion of fossil fuels. Calix's Zero Emissions Steel TechnologY (ZESTY) pairs electric heating with green hydrogen as a reducing agent to replace coal and produce green iron and steel.

Processing minerals at the mine site can also offer a new paradigm in sustainable mineral production, including enhanced ore recovery, fewer processing steps, zero-waste, rationalised supply chains, and reduced transport costs.

Market trends

In Australia, the $22.7 billion Future Made in Australia package[1] was introduced, targeting priority industries such as green metals that will have a comparative advantage as the global economy transitions to net zero. The package outlines support for renewable energy, green hydrogen, critical minerals, and the production of green metals such as iron and aluminium, including a $1.7 billion Future Made in Australia Innovation Fund to support green metals and low-carbon liquid fuels.

This Australian Government support is in addition to the Safeguard Mechanism, $15 billion National Reconstruction Fund, $1.9 billion Powering the Regions Fund, and $4 billion Critical Minerals Facility. A Carbon Border Adjustment Mechanism (CBAM) is also under review.

Like cement, the iron and steel industry in Europe will see its free allowances to the European Union Emissions Trading Scheme (EU ETS) phased out 48.5% by 2030 and 100% by 2034, following the introduction of a CBAM.

In Asia Pacific, China is expected to add cement, steel and alumina to its ETS, and the China Certified Emission Reduction voluntary carbon market is expected to be restarted[2]. Prices are expected to remain low before increasing, as emissions peak closer to 2030.

ETS momentum is emerging across Asia Pacific, with India, Malaysia, Indonesia, Thailand, Vietnam and other countries introducing regulatory frameworks for future ETS launches.

FY24 achievements

Zero Emissions Steel TechnologY

Pilot-scale ZESTY trials using the electric 'BATMn' calciner at the Calix Technology Centre in Bacchus Marsh, Australia, continued throughout much of FY24, with over 130 tests from nine different Australian iron ores completed.[3]

Most test runs at the targeted temperature range achieved the level of metallisation suitable for downstream use in either a melter or blast furnace, while several tests reached sufficient metallisation levels for feed directly to an electric arc furnace. Importantly, this included low-grade hematite and goethite ores that account for ~96% of Australian iron ore exports[4], or ~50% of global iron ore supply[5] and are not otherwise suited to use in an electric arc furnace.

The ZESTY H_2-DRI (Hydrogen Direct Reduced Iron) fines have been successfully processed into the first ZESTY green iron briquettes with highly encouraging properties, demonstrating the potential to produce a green Hot Briquetted Iron (HBI) product for export.

With funding support from the Australian Renewable Energy Agency (ARENA), Calix completed a Front-End Engineering and Design (FEED) study for a 30,000 tonne per annum ZESTY green iron demonstration plant[6]. The study found that even at demonstration scale, ZESTY has the potential to produce near-zero emissions HBI from low grade iron ore for close to the cost of existing, carbon-intensive HBI processing costs[7], before any benefit of emissions reduction is accounted for. A Final Investment Decision on a ZESTY HBI demonstration facility is being progressed and is subject to plant location and commercial agreements currently under negotiation.

1. Future Made in Australia. Treasury. Australian Government. 14 May 2024.
2. China Carbon Pricing. J.P. Morgan. 10 Jan 2024.
3. Calix ASX Announcement. Calix ZESTY Investor Presentation. 11 Jun 2024.
4 Iron Ore | Geoscience Australia.
5. https://www.statista.com/statistics/300328/top-exporting-countries-of-iron-ore/.
6. Calix ASX Announcement. ZESTY FEED study results published. 12 Feb 2024.
7. IEA. Simplified levelized cost of competing low-carbon technologies in steel production. 2020.

FY25 PRIORITIES

- Commissioning of the Calix and Pilbara Minerals UJV Mid-Stream Demonstration Plant and commercialisation of the lithium salt product.
- Reaching a FID for the ZESTY green iron demonstration plant.
- Commencing the FEED study for a ZEAL demonstration plant.

Pilbara Minerals Unincorporated Joint Venture

In a Unincorporated Joint Venture (UJV) with Pilbara Minerals[1] (ASX: PLS), Calix is applying its electric calcination technology for the production of a sustainable and concentrated lithium salt at the mine site. The UJV aims to develop an innovative 'mid-stream' process that reduces the carbon intensity, waste and cost associated with lithium production, while also capturing more value from the mineral resource.

A demonstration plant, with a full production capacity of more than 3,000 tonnes per year of concentrated lithium-phosphate salt product from a feedstock of around 27,000 tonnes per year of spodumene – including lower grade fine spodumene concentrate – made significant progress in FY24. Following a successful Final Investment Decision (FID)[2], detailed design engineering and the fabrication of key equipment preceded the commencement of construction.

The demonstration plant is supported by $20m in Australian Government funding and remains on time and on budget, with commissioning due to commence in the March quarter 2025 and the first lithium salt production by June quarter 2025. In FY24, Calix recognised a gain of $12.2m that resulted from its free-carried equity in the UJV's demonstration plant.

Zero Emissions Alumina

Amongst the most energy-intensive of industrial processes, aluminium is also a critical metal for many technologies.

Calix's Zero Emissions Alumina (ZEAL) technology aims to provide a cost-effective decarbonisation solution for alumina by enabling 100% use of renewable energy inputs, eliminating costs from fuel combustion and hard face refractory, and enabling steam recycling.

In FY24, Calix successfully completed a pre-FEED study for its ZEAL technology, including establishing a generic basis of design.

Advanced Batteries

In FY24, Calix's Advanced Batteries business was incorporated into Sustainable Processing, reflecting the value proposition for batteries mostly relating to a process improvement[3]. A first battery module in consumer format was produced and research and development on multiple battery chemistries continued.

ALIGNMENT WITH THE SUSTAINABLE DEVELOPMENT GOALS

To reach the Sustainable Development Goals on climate change and clean energy, hard-to-abate sectors of our industry that traditionally rely on carbon-intensive heating sources and feedstocks must become compatible with clean alternatives.

Calix's technology is energy agnostic and electrification-ready, providing sustainable and economical pathways for industrial processes to transition to clean energy sources, including renewable electricity.

From electrification, to enabling green steel through hydrogen reduction, to reducing the waste and CO_2 footprint of mineral processing with innovative refining solutions, Calix is enabling sustainable industrial processing.

7 AFFORDABLE AND CLEAN ENERGY
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
13 CLIMATE ACTION
17 PARTNERSHIPS FOR THE GOALS

1. Calix ASX Announcement. Pilbara & Calix enter into Joint Venture Agreement. 28 Nov 2022.
2. Calix ASX Announcement. Final Investment Decision for Mid-Stream Demonstration Plant. 2 Aug 2023.
3. Calix ASX Announcement. Calix 1H FY23 Results Announcement. 21 Feb 2023.

MAGNESIA

Safe and sustainable magnesium-based products solving global environmental challenges in water and agriculture.

WATER, AGRICULTURE, MARINE & ANTIMICROBIAL RESISTANCE

Business overview

Calix's magnesium-based products deliver safe, sustainable and effective solutions for global environmental challenges.

For water treatment, aquaculture and wastewater management, Calix's magnesium hydroxide liquid products stabilise alkalinity and reduce pollution of our water systems. They provide a sustainable and cost-effective alternative to caustic soda.

The unique bioactive properties of Calix's high surface area magnesium oxide materials are also enabling the development of novel solutions for crop protection in agriculture, non-toxic marine coatings, and non-lethal alternatives to biocides and antibiotics for the prevention of antimicrobial resistance.

Leveraging its platform technology for sustainable mineral processing and capture of unavoidable carbon dioxide emissions, Calix's magnesia business is also developing sustainable processing solutions for magnesium metal, a critical mineral used in lightweight metal alloys.

Market trends

The effective and sustainable treatment of water is imperative to improved public health outcomes, economic activity and protecting natural ecosystems.

Increased regulation of nitrogen removal in wastewater is creating support for solutions that boost alkalinity and maintain effective microorganism activity. For the potable water market, strengthened regulation on residual lead and copper requires alternative pH control solutions to minimise the corrosivity of water within the distribution system.

In agriculture, reducing dependence on lethal chemical pesticides continues to be an important challenge. Existing chemicals and pesticides are being deregistered, or regulations around when and how they can be used are becoming tighter. This regulation follows recognition that conventional pesticides are often toxic [1], can persist and accumulate in the environment [2], reduce biodiversity [3], and are becoming less effective through the development of target resistance [4].

Antimicrobial resistance is now a rapidly emerging global crisis following many years of antibiotic overuse. It is projected to cost the global economy US$100 trillion and cause 10 million deaths per year by 2050 [5].

FY24 achievements

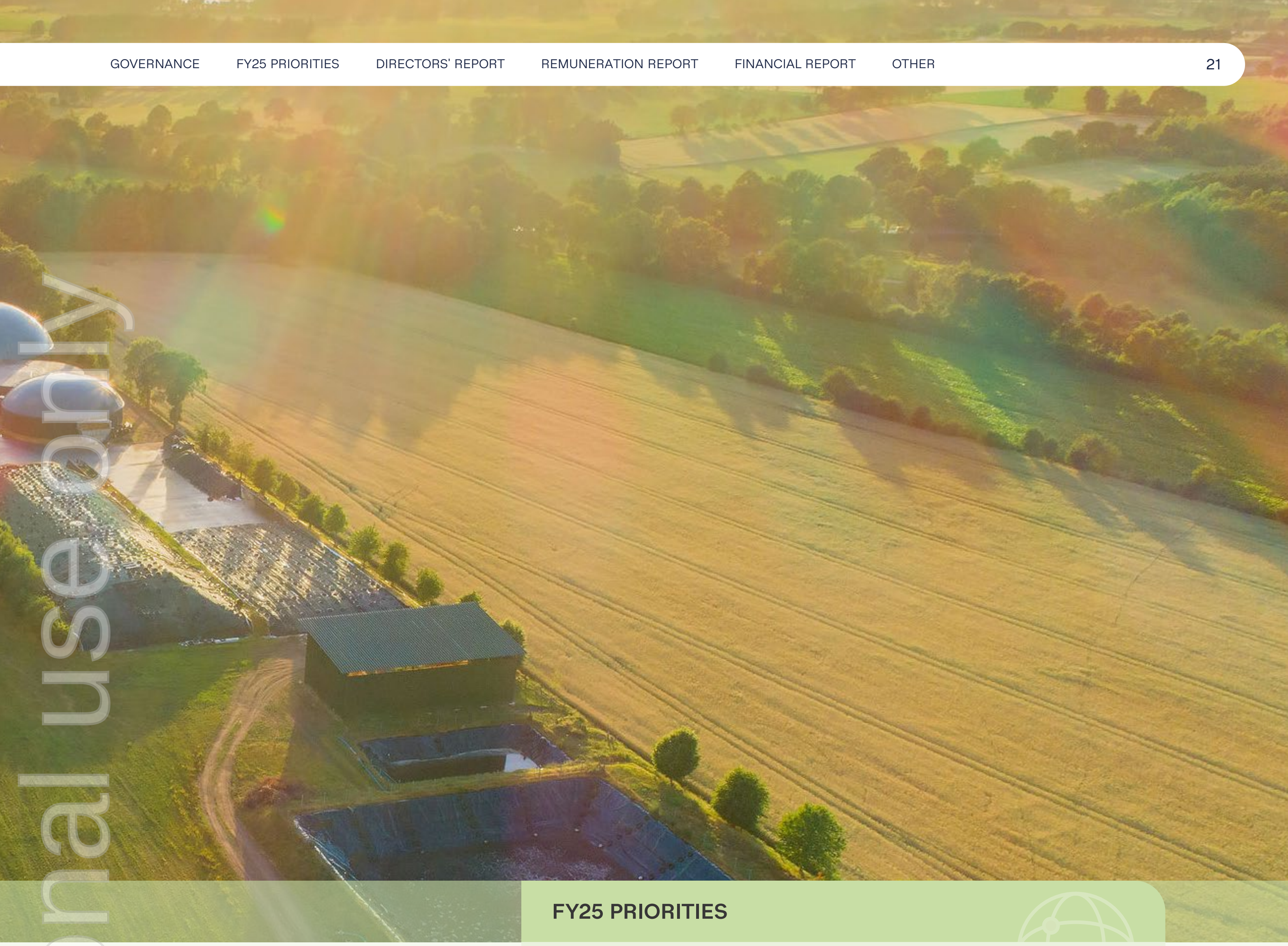
In FY24, the Magnesia business recorded revenues of $21.0m and gross profit of $7.0m, up 13.7% and 15.5% from FY23 respectively.

Water

IER, Calix's water and wastewater treatment subsidiary in the USA, boosted its capacity with the opening of new hydration facilities in Ripon, Wisconsin and Lufkin, Texas. The new plants supported the expansion of sales into new regions, including Wisconsin, Illinois and Texas, as well as new business in the existing regions of the Pacific Northwest and Upper Midwest.

The demand for additional capacity follows the development of ALKA-Mag+, a safe, sustainable and cost-effective alternative to caustic soda. In addition to the new facilities, IER grew and strengthened its team to support further business growth.

1. European Food Safety Authority. Peer review of the pesticide risk assessment of the active substance mancozeb. Dec 2022.
2. F. Maggi et al. Agricultural pesticide land budget and river discharge to oceans. Nature. 620. 1013-1017. 2023.
3. S. Oosthoek. Pesticides spark broad biodiversity loss. Nature. 2013.
4. N. Hawkins et al. The evolutionary origins of pesticide resistance. Biol Rev Camb Philos Soc. 94. 135-155. 2019.
5. European Commission. EU Action on Antimicrobial Resistance. 2023.



FY25 PRIORITIES

- Continuing revenue growth in Calix's water business in the USA and Asia.
- Completing the pre-Front-End Engineering and Design study for a magnesium metal plant.
- Continuing to develop and commercialise Calix's platform technology for applications in water and agriculture.

Agriculture

In collaboration with Australia's Cooperative Research Centre for Solving Antimicrobial Resistance (CRC SAAFE) an ongoing livestock health project confirmed Calix's bioactive materials provide quantifiable control of pathogenic and drug-resistant animal and human bacteria. An additional project that aims to mitigate the development of fungicide resistance in crop protection is under development.

Three projects with the Centre for Environmental and Agricultural Solutions to Antimicrobial Resistance (CEA StAR) were also established to study Calix's bioactive materials for anti-bacterial, anti-fungal and anti-viral protection in livestock.

Outstanding results were achieved in the agricultural application of BOOSTER-Mag in controlling fungal disease in olive trees in Greece.

Marine

Long-term testing of marine coatings applications in collaboration with a coating supplier and a major end-customer continued successfully in FY24.

Magnesium (Mg) metal

A patent was filed for a new production route for pure magnesium. The basis-of-design for a production facility was postponed while this intellectual property is developed.

ALIGNMENT WITH THE SUSTAINABLE DEVELOPMENT GOALS

The current use of toxic products with lethal modes-of-action in the agriculture, shipping and pharmaceutical industries damages ecosystems on land and below water, threatening biodiversity and risking future outbreaks of infectious diseases.

To reach the Sustainable Development Goals, solutions that enable the sustainable use of our land and oceans are needed. Calix's bioactive magnesium-based products offer effective, economical and sustainable alternatives to conventional environmentally damaging practices.

OUR APPROACH TO SUSTAINABILITY

Sustainability sits at the core of Calix's purpose:

SOLVING GLOBAL CHALLENGES

Sustainability steers the Company's decision-making, shapes our strategies, and inspires innovation. As we work to solve global challenges, we are pleased to be making progress towards the Company's approach to sustainability, internally.

Sustainability governance

Good governance is critical to strong sustainability performance. With support from Calix Limited's Board of Directors' (the Board) Committees, including the Sustainability Committee, the Board is responsible for the oversight of all sustainability matters. This includes the Company's sustainability strategies, policies and initiatives, climate and regulatory-related risk management systems, in addition to embedding Environmental, Social and Governance considerations across the Company.

Calix's management, under authority delegated by the Board, is responsible for the implementation of the Company's sustainability strategy. Led by the Company's Sustainability Manager, a group of Calix volunteers from across regions, functions and business lines drives the implementation.

United Nations Global Compact

Calix has been a participant of the United Nations Global Compact (UNGC) since 2020. The Company is committed to embedding the Ten Principles of the UNGC on human rights, labour, environment and anti-corruption into Calix's operations. By embracing the Ten Principles, we strive to make a positive impact, be a catalyst for change and contribute to a sustainable future for all. The multi-year strategy of the UNGC is to drive business awareness and action to support the achievement of the Sustainable Development Goals by 2030.

Calix's 2030 sustainability ambitions

Calix is working towards achieving three key sustainability ambitions within its operations:

1. Science-based emission reduction in line with the 1.5°C pathway.

2. Gender balance at all levels of the organisation.

3. Address the sustainability of the materials and resources we use in our business.

FY24 Sustainability Report

This year, Calix's Sustainability Report has been published alongside the Company's Annual Report and Corporate Governance Statement. The FY24 Sustainability Report provides an overview of how the Company has furthered its commitments to people and the planet, including progress towards achieving the Company's 2030 sustainability ambitions.

Following the release of the International Financial Reporting Standards S1 and S2, Calix is working to strengthen the Company's sustainability strategy, governance, and risk management in line with the Australian Accounting Standards Board's proposed Australian Sustainability Reporting Standards (ASRS). The Company continues to lay the groundwork for ASRS compliance ahead of the FY28 reporting deadline recommended by the Australian Government's Treasury.

OUR APPROACH TO CORPORATE GOVERNANCE

Calix is committed to high standards of corporate governance and transparency, with a focus on acting with integrity, mitigating risks, and enhancing the Company's long-term sustainability. This commitment supports the delivery of Calix's strategy, while meeting prevailing best practice governance standards.

The Calix Limited Board of Directors

The Calix Limited Board of Directors (the Board) is responsible for the overall operation and stewardship of Calix, including the Company's strategies and financial objectives, monitoring progress against these objectives, and monitoring compliance with regulatory requirements and ethical standards. In performing these responsibilities, the Board acts in a manner designed to create and continue to build sustainable value for shareholders, and in accordance with the duties and obligations imposed on them by the Calix Limited Constitution and by law.

ASX Principles and Recommendations

In accordance with the fourth edition of the Australian Securities Exchange (ASX) Corporate Governance Principles and Recommendations (Principles and Recommendations), Calix's policy and charter documents are reviewed and approved annually and are available in the Investor Centre on the Company's website.

Calix's compliance with the ASX Principles and Recommendations and a checklist cross-referencing these Principles and Recommendations to the relevant disclosures are outlined within ASX Appendix 4G. Calix's current ASX Appendix 4G has been lodged with the ASX and is also available in the Investor Centre on the Company's website.

Corporate Governance Statement

In addition to the ASX Appendix 4G, Calix has for the first time published a Corporate Governance Statement, alongside the Company's Annual Report and Sustainability Report. The FY24 Corporate Governance Statement outlines Calix's corporate governance framework, policies and practices for effective decision-making and accountability.

Board renewal

The Board takes a proactive approach to board succession and renewal to ensure the composition of the Board is appropriate at all times to support the delivery of Calix's strategic goals.

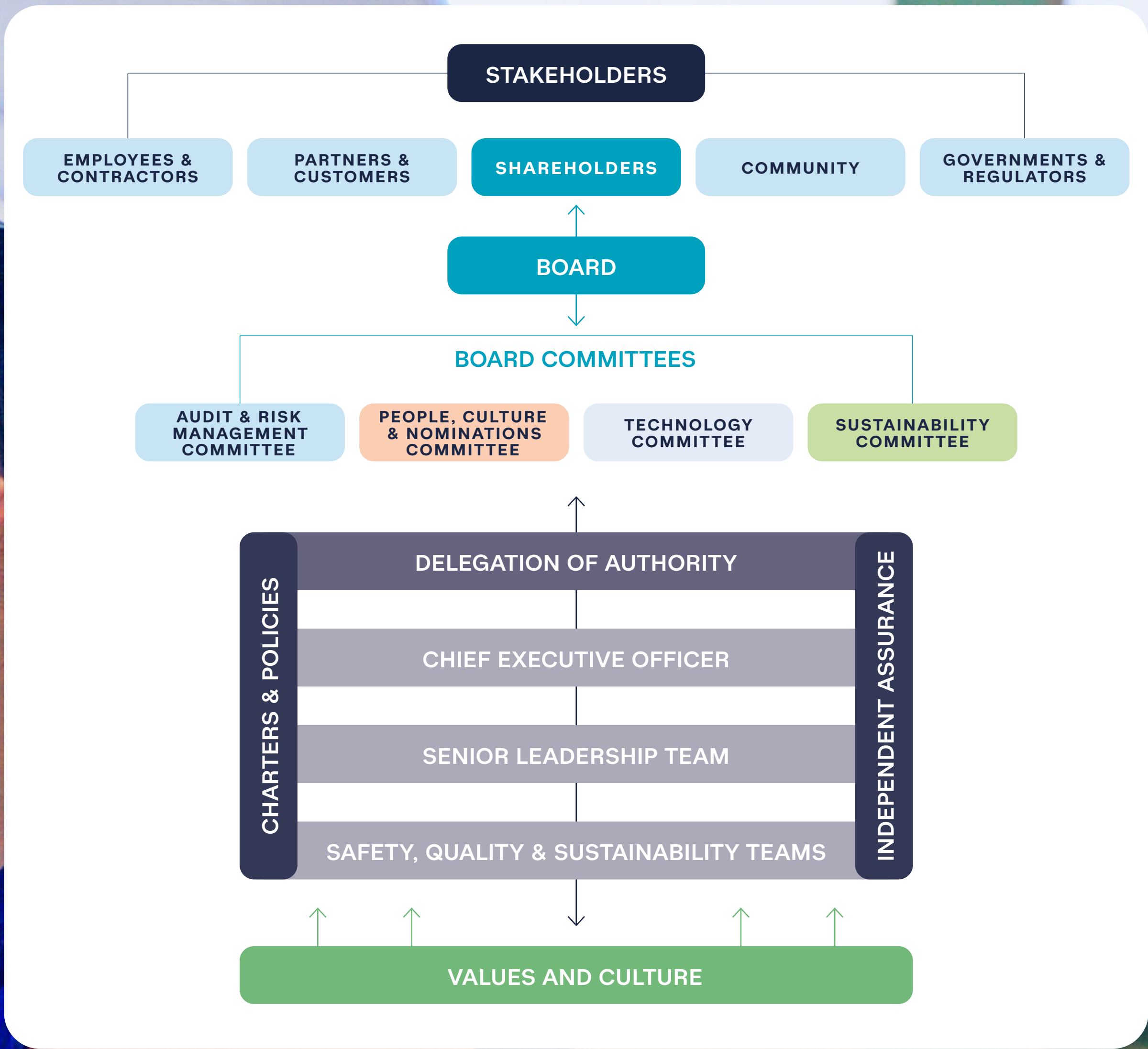
On 19 December 2023, Calix announced the appointments of Dr Sarah Ryan and Peter Dixon to the Board as independent non-executive directors. Effective from 1 January 2024, the appointments represented an important step in Calix's board renewal, and followed the appointment of Alison Deans on 1 March 2023.

Dr Ryan brings to Calix extensive global experience from across the energy, mining and investment sectors, including a deep understanding of heavy industry, complex project management, technology commercialisation and company scale-up processes. Her combination of deep technical expertise and breadth of executive and board experience will enhance the Board's ability to support Calix's strategic growth objectives.

Mr Dixon brings to Calix a unique and valuable mix of global expertise in investment banking, equity capital markets, mergers and acquisitions, strategy formulation, organisational scaling and growth, as well as legal expertise, complementing the Board's existing and future skills base.

A further step is the planned retirement of Peter Turnbull on 30 September 2024, with Ms Deans to become the new chair following Mr Turnbull's retirement. The Board renewal outlined above will result in the Board being comprised of four highly experienced non-executives and two executive directors, further enhancing the governance of the Company.

Calix Limited Governance Framework



FY25 PRIORITIES

In FY25, Calix will continue to develop and deploy its platform technology through a proven licensing, joint venture and spin out model.

Subsidiary businesses focused on specific applications and target markets aims to accelerate commercialisation and enable a flexible equity funding model to support exponential growth in large addressable markets.

Commercialisation priority targets

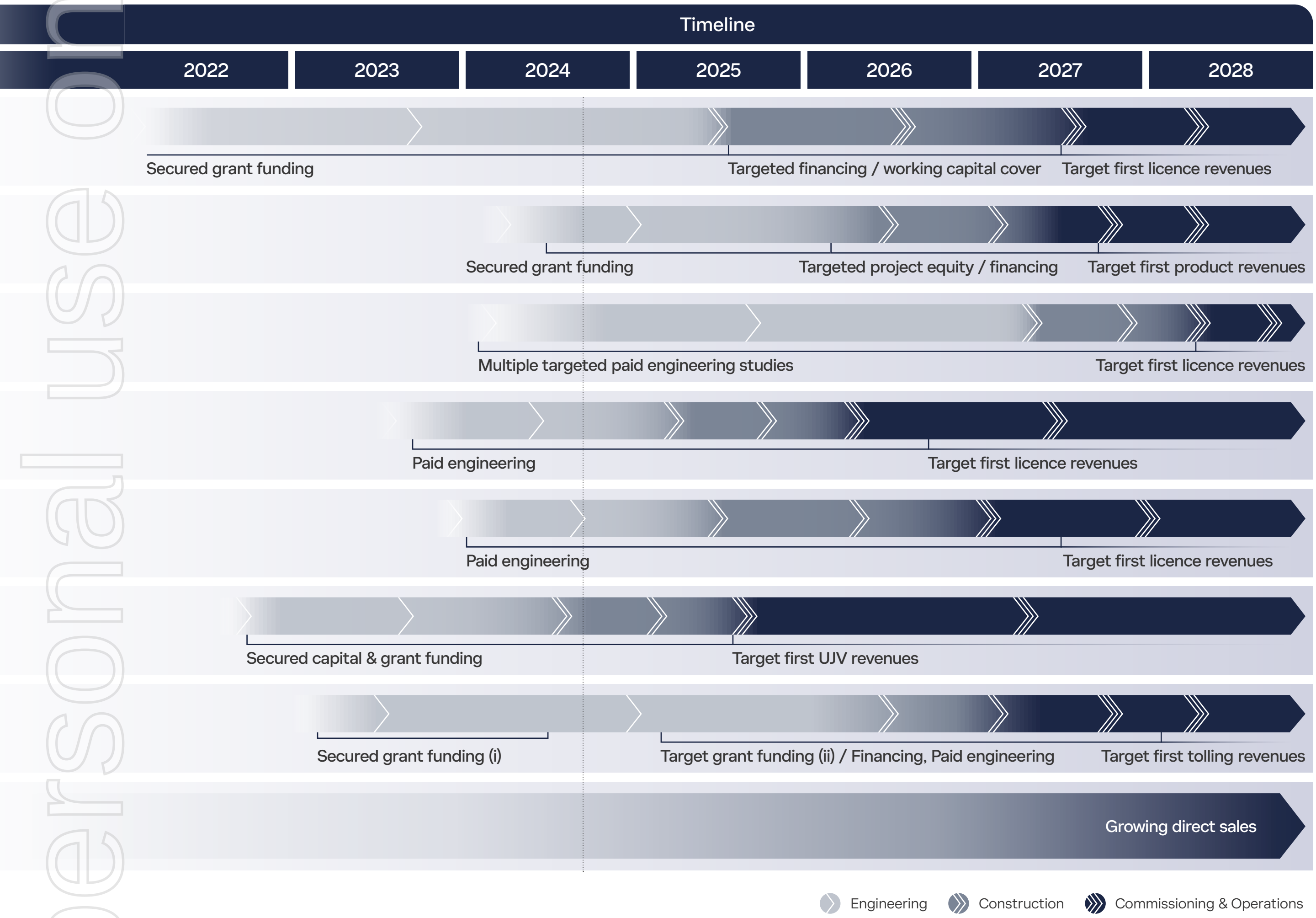
Priorities to accelerate the commercialisation of key applications of Calix's platform technology include:

- Commissioning of the Calix and Pilbara Minerals (ASX: PLS) Unincorporated Joint Venture Mid-Stream Demonstration Plant and commercialisation of the lithium salt product.
- Commencing site works at Heidelberg Materials' (FWB: HEI) cement plant in Ennigerloh, Germany for Leilac-2.
- Generating revenue through paid engineering studies for new projects.
- Commencing construction of the first of two Direct Air Capture (DAC) facilities in Louisiana, USA in partnership with DAC company, Heirloom.
- Reaching a Final Investment Decision for the Zero Emissions Steel TechnologY (ZESTY) green iron demonstration plant.
- Continuing revenue growth in Calix's Water business in the USA and Asia.
- Completing the pre-Front-End Engineering Design (FEED) study for the green methanol German-Australian Hydrogen Innovation and Technology Incubator (HyGATE) project.
- Commencing the FEED study for a ZEAL demonstration plant.
- Completing the pre-FEED study for a magnesium metal plant.
- Continuing to develop and commercialise Calix's platform technology for applications in water and agriculture.

Indicative project & revenue timeline

Business	Project / Product	Partners	Industry
Leilac	Leilac-2	Heidelberg Materials	Cement
Leilac	ZETA	VAST, Maranafi	Lime & Cement
Leilac	Leilac full scale	Heidelberg Materials + OTHERS TBA	Cement
Leilac	Heirloom, LA, USA	Heirloom	Direct Air Capture
Leilac	Heirloom, Project Cypress LA, USA	Heirloom	Direct Air Capture
Sustainable Processing	PLS UJV	Pilbara Minerals	Lithium & Critical Minerals
Sustainable Processing	zesty by calix	HILT CRC	Iron & Steel
Magnesia	Magnesium Hydroxide Liquid	SAAFE CRC Solving Antimicrobial Resistance in Agribusiness, Food & Environments	Water, Agriculture, Bio

*Project timelines are indicative only. Please refer to ASX releases for latest project timelines


Timeline
2022
2023
2024
2025
2026
2027
2028
Secured grant funding
Targeted financing / working capital cover
Target first licence revenues
Secured grant funding
Targeted project equity / financing
Target first product revenues
Multiple targeted paid engineering studies
Target first licence revenues
Paid engineering
Target first licence revenues
Paid engineering
Target first licence revenues
Secured capital & grant funding
Target first UJV revenues
Secured grant funding (i)
Target grant funding (ii) / Financing, Paid engineering
Target first tolling revenues
Growing direct sales
Engineering
Construction
Commissioning & Operations

We are proud to be delivering solutions for the world's most urgent sustainability challenges. With our patented platform technology, we are able to target multiple applications to deliver positive impact. This is made possible through rigorous research and development, targeted investments and funding, and the ingenuity and passion of our dedicated team, supported by strong global tailwinds.

As we strive to solve some of humanity's greatest global challenges, we aim to create value for our shareholders, our people, our partners and the planet.

MARS IS FOR QUITTERS

DIRECTORS' REPORT

DIRECTORS' REPORT

The directors present their report on Calix Limited and its controlled entities ("the Group" or "Calix") consisting of Calix Limited ("the Company") and entities under its control as of, or during the year ended, 30 June 2024.

Directors

The following persons were directors of the Company during the whole of the year ended 30 June 2024 and up to the date of the report, unless otherwise stated:

- Peter Turnbull, AM
- Alison Deans
- Peter Dixon (appointed 1 January 2024)
- Helen Fisher
- Dr Sarah Ryan (appointed 1 January 2024)
- Dr Phil Hodgson
- Dr Mark Sceats

Principal activities

Calix Limited (ASX: CXL) is an environmental technology company solving urgent global challenges in industrial decarbonisation and sustainability.

Calix's unique patented core platform technology delivers indirect heating of raw materials to enable efficient, precise, flexible and renewably powered mineral processing and capture of unavoidable industrial emissions.

With strong and increasing demand driven by global decarbonisation commitments, Calix is applying its core technology to the cement, steel, alumina and critical minerals industries, as well as the direct air capture of atmospheric carbon dioxide, and the production of sustainable environmental products.

Leveraging its core platform technology and a global network of partners, Calix is urgently developing multiple businesses that deliver positive global impact.

Technology

Calix's platform technology is a reinvention of the kiln process with three core benefits:

- Capture of unavoidable emissions: unavoidable process CO_2 emissions from cement and lime production and CO_2 from the atmosphere are captured for use or storage.
- Electrification and renewable energy-ready: compatible with electricity and alternative fuels to provide viable, flexible and economical pathways to sustainable processing.
- Highly-active materials: produces high purity / active materials with enhanced chemical and/or bioactivity.

Operations

The Group has operations, customers and distribution partners across Australia, New Zealand, Asia, Europe and the United States of America ("US"). Its activities in the 2024 Financial Year ("FY24") were focused across three business segments, being: Leilac (CO_2 mitigation), Sustainable Processing, and Magnesia. These "lines of business" are supported by Research & Development ("R&D"), engineering, operations, marketing, and finance and administration teams.

Our business activities are underpinned by:

- A commercial-scale operations facility – the Calix Technology Centre – at Bacchus Marsh in Victoria, Australia with a name-plate capacity of 25,000 tonnes per year of raw (magnesium oxide) product;
- A raw material (magnesium carbonate) mine near Leigh Creek in South Australia;
- A pilot demonstration facility for CO_2 capture from lime and cement ("Leilac-1" facility) in Lixhe, Belgium;
- Two electric calciners for sustainable processing development and the production of advanced materials at the Calix Technology Centre; and
- Six manufacturing facilities in the U.S. to produce water treatment products to serve North American customers.

Operating results

In FY24, product revenues increased by 30% to $24.2m (FY23: $18.6m), with gross margin growing to 43% (FY23: 33%) from the Magnesia and Leilac lines of business. In FY24, Calix materially grew the revenue stream associated with performing engineering services in support of Leilac's customers, contributing $3.2m. Calix also realised a gain of $12.2m that resulted from Calix's free-carried equity in its unincorporated joint venture with Pilbara Minerals (ASX: PLS).

The Company incurred expenditure of $41.9m (FY23: $31.7m) in capability and capacity building to commercialise Calix's platform technology, particularly in the Leilac and Sustainable Processing lines of business. This includes investment in additional research, development and engineering, which accounted for 67% of the total increase in operational expenditure. Calix concluded FY24 with 155 full-time employees (FY23: 123 full-time employees), which includes 20 new engineers and scientists to support our technology commercialisation, as well as new employees to support customer projects.

Financial position

The Group held $43.0m in cash and cash equivalents at 30 June 2024 (30 June 2023: $74.5m) and had a surplus of $27.0m of total current assets over total current liabilities (30 June 2023: $68.2m). Calix's strong balance sheet, including its cash position and minimal debt, provides the capacity to simultaneously pursue commercialisation opportunities in large addressable markets across the Company's lines of business.

Market conditions

Despite an otherwise challenging macroeconomic environment, commitment to and investment in solutions that align with Environmental, Social and Governance (ESG) goals continues to grow year-on-year as governments, industries and investors look to achieve their decarbonisation goals and meet their net-zero commitments.

In FY24, further policies to drive decarbonisation were announced around the world, including:

Europe

- Free allowances for the European Union Emissions Trading Scheme (ETS) will be progressively phased out following the introduction of a Carbon Border Adjustment Mechanism (CBAM). Free allowances, including for cement, lime and steel producers, will reduce 48.5% by 2030 and 100% by 2034.
- The European Commission released a 2040 Roadmap recommending a 90% CO_2 reduction by 2040.
- The European Commission published an Industrial Carbon Management Strategy that outlined support for industrial decarbonisation, including by carbon capture, use and storage of industrial and atmospheric carbon dioxide.

DIRECTORS' REPORT

USA

- Bipartisan support for 45Q, a U.S. tax incentive introduced in 2008. It underpins investment in Carbon Capture Use and Storage and Direct Air Capture.
- Project Cypress, a DAC hub in which Heirloom is one of two DAC firms, was selected by the U.S. Department of Energy for up to US$600 million in funding through the Bipartisan Infrastructure Law.

Asia Pacific

- China is expected to add cement, steel and alumina to its ETS, and the China Certified Emission Reduction (CCER) voluntary carbon market is expected to be restarted. Prices are expected to remain low before increasing as emissions peak closer to 2030.
- ETS momentum is emerging across Asia Pacific, with Malaysia, Indonesia, Thailand, Vietnam and other countries introducing regulatory frameworks for future ETS launches.
- India introduced the Carbon Credit Trading Scheme (CCTS) as a framework for an ETS launch.
- In addition to the Safeguard Mechanism, Powering the Regions Fund, National Reconstruction Fund, Critical Minerals Strategy in Australia, and the Carbon Capture Technologies Program, the Australian Government launched the Future Made in Australia policy to maximise the economic and industrial benefits of the energy transition. A CBAM is also under review.

These policies recognise the need for urgent, affordable and scalable solutions that balance social, economic and environmental sustainability to solve some of the greatest global challenges of our time.

Going concern

The financial report has been prepared on a going concern basis.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the year.

Dividends

No dividends were paid or were payable during the year (2023: $NIL).

After balance date events

On 23 July 2024, Calix announced it had been awarded a $15 million grant from the Australian Government's Carbon Capture Technologies Program. The grant will support the construction of a world-first renewably powered carbon capture and use demonstration plant in South Australia to produce near zero emissions lime and supply captured industrial CO_2 emissions to the HyGATE funded Solar Methanol 1 project ("SM1"). Further information is available on Calix's website in its investor centre and the ASX market announcements platform.

No other matters or circumstances have arisen since the end of the financial year which significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future years.

Environmental regulation

The Group's operations are subject to local, state and federal environmental legislation and regulations in both the testing and operational areas. The Calix Limited Board of Directors ("Board") is responsible for regular monitoring of environmental exposure and compliance with environmental regulations and is not aware of any breaches of these regulations during the year. The Group is committed to achieving a high standard of environmental performance.

Indemnification and insurance of officers

During the financial year, the Company paid a premium to insure the directors, officers and senior managers against certain liabilities that may be incurred whilst they perform their duties for the Company. This may include liabilities and costs associated with defending civil or criminal proceedings brought against the individuals in their capacity as officers of the entities in the Group.

Options, warrants and rights

At the date of this report, there were no unissued ordinary shares of the Company under option, no warrants on issue and 5,739,820 share options on issue. Refer to Note 20 of the financial statements for further details of the share options outstanding at balance date.

The details of options, warrants and rights issued to Key Management Personnel as remuneration are set out in the Remuneration Report.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

Auditor

KPMG was appointed Auditor on 15 January 2024, following a vote taken at the Company's Annual General Meeting held on 16 November 2023 and ASIC's consent to the resignation of BDO Audit Pty Ltd in accordance with section 327 of the *Corporations Act 2001*.

Non-audit services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or Group are important.

The Group has not paid any amounts nor had any amounts payable to the auditors for non-audit services during FY24. In the prior year, when BDO Audit Pty Ltd acted as auditor, the Group paid $29,348 to BDO for tax consulting services.

The Company's Board would consider the provision of the non-audit services by the auditor as to whether those services are compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. Directors were satisfied that the provision of non-audit services by the auditors, as set out above, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services had been reviewed by the directors to ensure they do not impair the impartiality and objectivity of the audit; and
- None of the services undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)*.

Auditor independence

A copy of the auditor's independence declaration as required under section 307c of the *Corporations Act 2001* is set out on page 44.

Rounding off

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) instrument 2016/191 and in accordance with that instrument, amounts in the consolidated financial statements and directors' report have been rounded off to the nearest thousand dollars unless otherwise stated.

This report is signed in accordance with a resolution of the Board.

P J Turnbull AM
Chair

Sydney, Australia
27 August 2024

REMUNERATION REPORT

REMUNERATION REPORT

Letter from the Chair of the People, Culture and Nominations Committee

Dear Shareholders

On behalf of the Board of Directors of Calix Limited (the Board), I am pleased to present the Remuneration Report for the year ended 30 June 2024 (FY24).

It is a privilege to have been appointed Chair of the People, Culture and Nominations Committee. I would like to take this opportunity to recognise and thank Peter Turnbull for his dedication over the past 15 years as a Non-Executive Director, ten years as Chair of the Board, and the past ten years as Chair of the People, Culture and Nominations Committee.

The Remuneration Report sets out the remuneration information for directors of Calix Limited and its controlled entities, and other Key Management Personnel (KMP), as well as providing a summary of performance outcomes for FY24 and their associated remuneration outcomes.

The key objectives of Calix's remuneration policies are to align Calix's directors and employees, including KMP, with shareholders' interests, while ensuring remuneration structures are fair and competitive. The policies seek to balance incentives to achieve annual short-term goals with incentives to create and execute opportunities that build long-term shareholder value.

FY24 performance and reward outcomes

The Board is satisfied that the reward outcomes for FY24 reflect the Company's performance.

In FY24, Calix maintained a strong balance sheet, as well as diversifying and growing its revenue. The expansion of Calix's U.S. Water business saw an increase in sales revenue and gross margin, while Leilac and the Sustainable Processing lines of business brought in new revenue streams.

In FY24, a focus on key projects delivered substantial milestones. Calix's sustainable lithium demonstration plant in Unincorporated Joint Venture (UJV) with Pilbara Minerals (ASX: PLS) commenced construction. Pilot scale testing and a Front-End Engineering and Design (FEED) study for ZESTY were completed, delivering the production of green iron from multiple ores and the first green iron briquettes.

Leilac entered into a JV agreement with Heidelberg Materials (FWB: HEI) for Leilac-2, signed global licence and collaboration agreements with leading U.S. Direct Air Capture (DAC) company, Heirloom, and announced the development of two DAC projects with Heirloom in Louisiana, USA.

Further information on Calix's financial performance and the progress of key projects can be found in the Calix Limited Annual Report, as well as the investor centre on the Calix website.

Under the terms of the Employee Incentive Scheme (EIS) applying to FY24, three Performance Gateways, more details of which can be found in this Remuneration Report, are used to determine performance-vesting in each year and are applied sequentially.

When applying the performance criteria to FY24, the Board assessed:

1) **Gateway 1:** the performance against the Company's annual safety and quality action plan was met and achieved in full.
2) **Gateway 2:** the Total Shareholder Returns (TSR) performance was not met.
3) **Gateway 3:** the Group's Key Performance Indicators (KPIs) were assessed for the business as 7.6 out of 10.

As a result of failing to satisfy Gateway 2, no FY24 options granted to KMP vested for FY24. Further details on this year's remuneration outcomes, including the Company's KPI Dashboard, are provided in this report.

Proposed new remuneration framework

The Board is committed to ensuring Calix's remuneration framework and the associated reward outcomes continue to align with the Company's business objectives, performance and shareholder expectations.

Our approach to developing our remuneration framework is designed to ensure we remain competitive in the global market, attracting and retaining top talent despite our relatively smaller size. By benchmarking our compensation packages against industry standards, we aim to offer fair and attractive salaries that reflect the value and expertise our employees bring to the Company operating with a global footprint.

Accordingly, the People, Culture and Nominations Committee engaged an external remuneration consultant to assist with the design of a new framework to be implemented for FY25 and beyond, but not for the FY24 period. The Board, based on advice and recommendations provided by the external remuneration consultant, has determined that a new remuneration framework be adopted for the FY25 year and future years. The framework is a more typical structure applied by listed companies. The framework comprises a short-term and long-term performance component that can be earned by KMP and senior executives, in addition to fixed pay.

The following principles are being incorporated into the new framework:

- Alignment of employees' interests with Company strategies and shareholders' interests;
- Enhanced alignment of the new framework with market practice;
- Flexibility to allow adjustments based on market demand and future growth;
- Simplicity and transparency to ensure the new framework can be easily explained and understood by stakeholders;
- Features to attract, retain and motivate executives; and
- Features to fairly and adequately reward individual and collective high performance.

The details of the proposed new remuneration framework will be outlined in the Notice of Meeting for Calix's 2024 Annual General Meeting (AGM).

I invite you to read our FY24 Remuneration Report to understand how Calix is building alignment of employees' interests with shareholders' interests to deliver long term shareholder value.

On behalf of the Company's Directors, we look forward to welcoming you and receiving your feedback at our 2024 AGM.

Peter Dixon
Chair
People, Culture and Nominations Committee

REMUNERATION REPORT (AUDITED)

Introduction

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001* (Cth). This remuneration report sets out the remuneration information for directors of Calix Limited and its controlled entities ("the Group" or "Calix") consisting of Calix Limited ("the Company") and entities under its control, and other Key Management Personnel ("KMP"). For the purposes of this report, KMP of the Group is defined as those persons having authority and responsibility for planning, directing and controlling major activities of the Company and the Group, directly or indirectly, including any director of the Company.

The key objectives of the Group's remuneration policies are to align Calix's directors, KMP and employees with shareholders' interests, while ensuring remuneration structures are fair and competitive. The policies, including an Employee Incentive Scheme ("EIS"), seek to balance incentives to achieve annual short-term goals with incentives to create and execute opportunities that build long-term shareholder value. The EIS, in particular, is designed to balance these goals by providing employees with 'at risk' rewards for their performance. Subject to performance requirements being met, employees receive awards that vest over a period of six years.

The directors' policies for determining the nature and amount of remuneration for directors and KMP of the Group follow:

Non-executive director remuneration

Non-executive directors' remuneration is approved by the Board of Directors ("the Board") and shareholders. Remuneration is reviewed annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting ("AGM").

Non-executive directors

The following people were non-executive directors of the Group during the 2024 financial year ("FY24") and, unless otherwise indicated, were classified as non-executive directors for the entire year.

- Peter Turnbull, AM, Independent Chair
- Alison Deans, Independent Director
- Peter Dixon, Independent Director (appointed 1 January 2024)
- Helen Fisher, Independent Director
- Dr Sarah Ryan, Independent Director (appointed 1 January 2024)

KMP salary and retirement benefits

All KMP, including the CEO, receive a base salary, which is based on factors such as experience, skills and competencies. The Board reviews KMP base salary levels annually by reference to the Group's performance, individual performance and comparable information from industry sectors. All Australian-based KMP employees also receive a superannuation guarantee contribution, which for FY24 was 11% (10.5% for FY23) up to the concessional contributions cap, and do not receive any other retirement benefits.

Employee incentives

- An EIS is applied based upon performance of both the Group and individual Key Performance Indicators ("KPI"). The Board sets yearly KPIs for the Group to drive performance, appropriately balancing current and future value creation, and reflecting the nature and strategy of the Group. The actual performance against KPIs is reviewed regularly and assessed at the end of the financial year by the People, Culture and Nominations Committee to determine EIS outcomes.
- The EIS is a hybrid share-based scheme that combines both short-term and long-term incentives. It is designed to retain and motivate Calix's employees, building alignment of employees' interests with shareholders' interests to deliver shareholder value, consistent with the nature and strategy of the Group.

Details of the mechanisms by which the EIS operates are further set out in the Remuneration Report.

KMP remuneration

The following executives of the Group were classified as KMP during FY24 and, unless otherwise indicated, were classified as KMP for the entire year.

- Dr Phil Hodgson, Managing Director and Chief Executive Officer
- Dr Mark Sceats, Chief Scientist, Executive Director and Co-founder
- Darren Charles, Chief Financial Officer and Company Secretary

REMUNERATION REPORT (AUDITED)

KMP remuneration continued

Details of the remuneration of the directors and the KMP of the Group are set out in the following tables:

	Short term benefits	Post-employment benefits	Other long-term benefits			
	Salary $	Super-annuation $	Long service leave $	Value of equity benefits granted $	Total $	% of performance related remuneration
30 June 2024						
Company directors						
Peter Turnbull, AM	**215,000**	**—**	**—**	**—**	**215,000**	**—**
Alison Deans	**94,594**	**10,405**	**—**	**—**	**105,000**	**—**
Peter Dixon [1]	**62,960**	**—**	**—**	**—**	**62,960**	**—**
Helen Fisher	**139,169**	**—**	**—**	**—**	**139,169**	**—**
Sarah Ryan [1]	**47,500**	**—**	**—**	**—**	**47,500**	**—**
Phil Hodgson	**523,757**	**27,399**	**15,742**	**326,818**	**893,716**	**37%**
Mark Sceats	**375,739**	**27,399**	**10,491**	**180,351**	**593,980**	**30%**
	1,458,719	**65,203**	**26,233**	**507,169**	**2,057,325**	**25%**
Other KMP of the Group						
Darren Charles	**404,061**	**27,399**	**12,016**	**180,351**	**623,827**	**29%**
Total KMP compensation	**1,862,780**	**92,602**	**38,249**	**687,520**	**2,681,152**	**26%**
30 June 2023						
Company directors						
Peter Turnbull, AM	180,547	—	—	—	180,547	—
Alison Deans [2]	35,000	—	—	—	35,000	—
Helen Fisher	115,669	—	—	—	115,669	—
Jack Hamilton [3]	72,237	—	—	—	72,237	—
Phil Hodgson	494,668	25,292	16,930	217,747	754,637	29%
Mark Sceats	354,870	25,292	17,747	120,161	518,070	23%
	1,252,991	**50,584**	**34,677**	**337,908**	**1,676,160**	**20%**
Other KMP of the Group						
Darren Charles	354,870	25,292	13,326	120,161	513,649	23%
Total KMP compensation	**1,607,861**	**75,876**	**48,003**	**458,069**	**2,189,809**	**21%**

1. Peter Dixon and Sarah Ryan were appointed as directors on 1 January 2024.
2. Alison Deans was appointed as a director on 1 March 2023.
3. Jack Hamilton retired as a director on 8 March 2023.

Additional disclosures relating to KMP

The number of Ordinary Shares in the Company held during the financial year by each director and other KMP of the Group, is set out in the following table:

30 June 2024	Balance at the start of the year	Received as part of remuneration	Additions	Disposals or other changes	Balance at 30 June 2024
Company directors					
Peter Turnbull, AM	1,133,789	—	—	—	**1,133,789**
Alison Deans	50,000	—	50,000	—	**100,000**
Peter Dixon [1]	642,162	—	—	—	**642,162**
Helen Fisher	16,210	—	—	—	**16,210**
Sarah Ryan [1]	16,000	—	20,000	—	**36,000**
Phil Hodgson	4,114,362	—	—	—	**4,114,362**
Mark Sceats	7,657,765	—	100,000	—	**7,757,765**
	13,630,288	**—**	**170,000**	**—**	**13,800,288**
Other KMP of the Group					
Darren Charles	1,268,817	—	—	(99,000)	**1,169,817**
Total Ordinary Shares	**14,899,105**	**—**	**170,000**	**(99,000)**	**14,970,105**

1. Balance at the date of appointment.

Minimum shareholding requirements

The Company's Minimum Shareholding Policy for directors stipulates that all directors of Calix should have and maintain a shareholding in Calix (directly or indirectly) that meets or exceeds the following minimum values, which are calculated using the share price at the time of purchase:

– 25% of the director's year 1 base director fee (after tax) – one year after their initial appointment; and
– 50% of the director's year 1 base director fee (after tax) – within two years after their initial appointment.

The Minimum Shareholding Policy for directors was approved by the Board on 22 March 2023 and a copy is available on the Company's website. For any director serving at that time, the policy notes that they have until 30 June 2025 to fulfill this minimum shareholding requirement.

Loans provided to KMP

Details of loans made to directors of the Company and other KMP of the Group, including close family members and entities related to them, are set out in the following table:

30 June 2024	Balance at the start of the year	Interest paid and payable for the year	Interest not charged	Balance at the end of the year	Highest balance during the year
Loan funds provided					
Phil Hodgson	—	17,691	—	**237,691**	313,323
	—	**17,691**	**—**	**237,691**	**313,323**

The loan set out above is unsecured and accrues at an arm's length variable interest rate charge of 8.27% per annum. No write-downs or allowances for doubtful receivables have been recognised in relation to the loans made to the KMP. The loan has been partially repaid as at the date of this report.

Service agreements for executives

The key terms concerning the employment of Phil Hodgson as Managing Director and Chief Executive Officer with Calix are as follows:

– Nature and term of employment: full-time employment
– Termination for cause: if convicted of an offence, becomes bankrupt, breach of contract or commits willful misconduct
– Termination on notice: six months by either party (or payment in lieu)

The key terms concerning the employment of Mark Sceats as Executive Director and Chief Scientist with Calix are as follows:

– Nature and term of employment: full-time employment
– Termination for cause: if convicted of an offence, becomes bankrupt, breach of contract or commits willful misconduct
– Termination on notice: three months by either party (or payment in lieu)

For other KMP, the key terms of employment are as follows:

– Nature and term of employment: full-time employment
– Termination for cause: breach of contract or gross misconduct
– Termination on notice: three months by either party (or payment in lieu)

The Calix Employee Incentive Scheme – a hybrid short and long-term incentive scheme

A core pillar of the Group's approach to its remuneration policies is to ensure that management and staff are strongly aligned with shareholders and that all team members can earn an equity interest in the Company they are working diligently to build. Calix's success into the future will be based on its ability to commercialise its intellectual property assets and to continue to innovate and find new ways to apply its capability. To this end, team members need to strike the right balance between achieving annual short-term goals whilst also working towards new opportunities to build shareholder value by leveraging Calix's technology. Calix's 'at-risk' EIS was designed to balance these objectives, providing rewards for performance in the current year that accrue over the medium to longer term.

Background

On 18 April 2018, at an extraordinary general meeting, the shareholders of Calix approved an EIS to operate once the Company was listed. The Calix Officers & Employees Incentive Scheme ("EIS") provides for the grant of rights and/or options to eligible officers and employees (as determined by the Board) and is intended to provide competitive, performance-based remuneration supporting retention, incentive and reward, and alignment with shareholders. Non-executive and independent directors are not invited to participate in the EIS.

Key terms of the EIS have been published on the ASX and the scheme is summarised below:

Overview of the EIS

The EIS is a hybrid scheme that provides both short-term and long-term incentive to all employees, including KMP – aligning employees' remuneration and interests with shareholders' interests. For KMP and senior executives, each round of the scheme operates over a six-year period (including the re-test period), with a maximum option pool approved by the Board in year zero, the first tranche of awards vesting at the end of year one, and the final tranche of awards vesting on the sixth anniversary of the initial option award.

The EIS for KMP and senior executives is delivered by granting participants zero priced options. Performance-vesting of the granted options is subject to a series of three Performance Gateways assessed in each year of the three-year performance period. At the end of each year of the 3 year performance period, options that did not meet annual performance gates are subjected to re-testing based on criteria for Total Shareholder Return ("TSR") performance. Any un-vested options that did not vest at their testing date can be re-tested annually between the testing date and the end of the financial year immediately after this date. Details and worked examples of the performance criteria and vesting schedules over the six-year period are provided in this report.

REMUNERATION REPORT (AUDITED)

Overview of the EIS continued

The first round of the EIS was made available to all Calix employees, including KMP (but excluding non-executive directors), at the end of 2018 with an ability to earn parcels of options over the proceeding five-year period to 30 June 2024. The scheme was extended in 2022 with an additional round made available with the ability to earn parcels of options over the proceeding five-year period (EIS 2). The Board has determined that the current EIS scheme will be replaced in FY25 with a more traditional short-term and long-term incentive performance rights plan.

The Board typically limits the number of shares over which options will be issued under the EIS to 2% of the total number of shares on issue (i.e. undiluted) in any one year. Subject to any limitations that might apply under the *Corporations Act 2001* or limits under ASIC class order relief, there is no limit on the number of options that may be issued under the EIS. The actual percentage of options on issue will fluctuate as a result of changes in staffing levels.

Individual incentives and performance criteria for KMP and Senior Executives

The maximum potential award under the EIS for each executive is based on a percentage of gross annual salary, with the proportion of total remuneration 'at risk' increasing with executive responsibility. The maximum potential award per year for senior executives is 40% of their gross salary, 50% for the Chief Science Officer and Chief Financial Officer, and 60% for the Chief Executive Officer.

The actual award each year is determined as a percentage of maximum potential award, based on the three performance gateways detailed below (performance vesting). The actual award from each year then vests over the subsequent three-year period with one third of the actual award vesting immediately and one third at the end of each subsequent year (tenure vesting).

In an illustrative example – a senior executive is allocated a maximum possible 90,000 options under the EIS at the start of the three-year period, reflecting 120% (40% x 3) of the executive's gross salary. Assuming an annual salary of $225,000 this results in an allocation of $270,000. Assuming $3 per Calix ordinary share at the commencement of the scheme this results in an allocation of 90,000 zero priced options at the start of the scheme. At the end of each of the first three years of the scheme, the maximum potential award is 30,000 options, with the actual award being subject to three performance gateways (performance vesting). The actual award for each year, then vests subject to tenure, with one third able to vest immediately, and the remaining two thirds vesting in equal tranches over the next two years (tenure vesting).

Performance Gateways

Three Performance Gateways are used to determine performance-vesting in each year and are applied sequentially:

Gateway 1 – SHEQ performance

Gateway 1 is achieving the Company's Safety, Health, Environment, and Quality Action Plan KPIs as agreed with the Board each year. If the Safety Health, Environment, and Quality Action Plan KPIs are not met, then options can be awarded for performance that year. This Performance Gateway is designed to ensure that Safety, Health and Environmental performance of our team members and Quality of our products and services remain paramount at all times. The Action Plan reflects International Standard ISO45001, against which the Company is audited annually.

Gateway 2 – Share price performance

Gateway 2 assesses absolute share price performance over the year as measured by Total Shareholder Return ("TSR"), as described below. TSR is measured as Calix's share price performance, being the 30-day Volume-Weighted Average Price ("VWAP") over the 15 days preceding, and the 15 days after, June 30 in the prior financial year ("Baseline TSR") as compared with the 30-day VWAP over the 15 days preceding and the 15 days after 30 June in the current financial year ("Measured TSR"). If the Measured TSR for a particular financial year is not higher than the Baseline TSR for that period of measurement, any options earned under Performance Gateway 3 (as described below) remain unvested. However, such unvested options may vest if at any time before the end of the financial year immediately after each testing period, the 30-day VWAP for Calix's shares exceeds the applicable Baseline TSR for those unvested options. This mechanism is designed to ensure that shorter-term goals or advances do not dominate over more significant, longer-term value creation opportunities, so that KMP continue to balance shorter term outcomes with a longer-term view of outcomes for a multi-year, multi-application value opportunity.

Gateway 3 – Performance against KPIs

Gateway 3 measures company and executive performance against KPIs agreed each year with the Board. These KPIs reflect the corporate milestone targets set for each line of business, and are communicated to the market at regular times during the year via the Company's market updates and the scheduled lodgment of its financial reports. Gateway 3 helps to drive achievement of annual performance metrics that balance both short-term and long-term shareholder value creation.

The EIS options that have passed through all three gateways will be classed as "performance-vested". These options will then be subject to tenure-based vesting with one third vesting immediately. The other two thirds will then vest in two equal traches at the end of each of the two full financial years following the performance year, provided the KMP or senior executive remains a full-time employee of the Company.

To continue the illustrative example above:

1) In year one, a KPI result of 7/10 was achieved, meaning 21,000 options have performance-vested for the senior executive above. Of these 21,000 options, one third is immediately tenure-vested, while the remaining 14,000 options vest in equal tranches at one year and two years after the performance year, provided the senior executive is still with the Company.
2) In year two, a KPI result of 6/10 was achieved, meaning 18,000 options have performance-vested. Of these 18,000 options, one third is immediately tenure-vested, while the remaining 12,000 options vest in equal tranches at one year and two years after the performance year, provided the senior executive is still with the Company.
3) In year three, a KPI result of 9/10 was achieved, meaning 27,000 options have performance-vested. Of these 27,000 options, one third is immediately tenure-vested, while the remaining 18,000 options vest in equal tranches at one year and two years after the performance year, provided the senior executive is still with the Company.

REMUNERATION REPORT (AUDITED)

Performance Gateways continued

The table below outlines this illustrative example:

Illustrative example: vesting of options

A maximum total of 90,000 options are allocated to a senior executive	Vesting of each tranche of options under the initial allocation of a 90,000 option pool for a senior executive					
	Beginning year 1	**End of year 1**	**End of year 2**	**End of year 3**	**End of year 4**	**End of year 5**
Tranche 1 earned options in year 1: 7/10 KPI result		7,000	7,000	7,000		
Tranche 2 earned options in year 2: 6/10 KPI result			6,000	6,000	6,000	
Tranche 3 earned options in year 3: 9/10 KPI result				9,000	9,000	9,000
Unearned options		3,000	7,000	8,000	5,000	1,000
Total options earned and vested		7,000	13,000	22,000	15,000	9,000

Further performance testing of unvested options at the end of each year of the three-year performance period

For the first Tranche of the EIS 2 (granted in 2024), options that remain unvested at the end of each performance period will be subject to further performance testing. The Board would award those options if the team delivered a TSR performance measured as follows:

EIS 2 Tranche 1 (grant date in 2024) options where the Baseline TSR was $4.22:

- 50% of the remaining unvested options if the Measured TSR at the end of the performance vesting period has exceeded the 1 July 2023 Baseline TSR by 75%, being $7.38; and
- The remaining 50% of the unvested options if the Measured TSR at the end of the performance vesting period has exceeded the 1 July 2023 Baseline TSR by 125%, being $9.50.

For the second and third Tranches of the EIS 2 (granted in 2024), if any options remain unvested (other than due to the timing of the grant of such options), the Board will be able to perform a further performance review annually between end of FY25 to FY26. The Board will be able to performance vest those options if the team has delivered a TSR performance, defined as follows:

EIS 2 Tranche 2 and 3 (grant date in 2024) options where the Baseline TSR was $4.22:

- 50% of the remaining unvested options if the Measured TSR at the end of the performance vesting period has exceeded the 1 July 2023 Baseline TSR by 75%, being $7.38; and
- The remaining 50% of the unvested options if the Measured TSR at the end of the last performance vesting period has exceeded the 1 July 2023 Baseline TSR by 125%, being $9.50.

REMUNERATION REPORT (AUDITED)

Performance Gateways continued

If TSR performance vested, these options will then be subject to tenure-based vesting over three years.

These provisions are a key mechanism to ensure that innovations that create long-term value for shareholders are rewarded, and that the Company and KMP balance their focus on long-term value creation, while also delivering on shorter term KPIs focused on the foundations of long-term value.

Following on from the illustrative example above, the table below shows how this further performance testing works:

Illustrative example: vesting of options

A maximum total of 90,000 options are allocated to a senior executive	Vesting of each tranche of options under the initial allocation of a 90,000 option pool for a senior executive					
	Beginning year 1	End of year 1	End of year 2	End of year 3	End of year 4	End of year 5
Tranche 1 earned options in year 1: 7/10 KPI result		7,000	7,000	7,000		
Tranche 2 earned options in year 2: 6/10 KPI result			6,000	6,000	6,000	
Tranche 3 earned options in year 3: 9/10 KPI result				9,000	9,000	9,000
Unearned options (24,000)		3,000[1]	7,000[2]	8,000[3]	5,000[4]	1,000[5]
Total options earned and vested		7,000	13,000	22,000	15,000	9,000
If share price 75% above 1 July 2023 Baseline			50% of 3,000 = 1,500	50% of 7,000 = 3,500	50% of 8,000 = 4,000	50% of 5,000 = 2,500[6]
If share price 125% above 1 July 2023 Baseline			50% of 3,000 = 1,500	50% of 7,000 = 3,500	50% of 8,000 = 4,000	50% of 5,000 = 2,500[6]

1. Re-test point will be the end of year 2.
2. Re-test point will be the end of year 3.
3. Re-test point will be the end of year 4.
4. Re-test point will be the end of year 5.
5. Re-test point will be the end of year 6.
6. 50% of 1,000 = 500.

Claw back provision

In the event of fraud, dishonesty, or other material breaches of company policy, the Board reserves the right to reassess and reduce or immediately lapse all unexercised options, whether vested or not.

The EIS and a takeover or change of control

If the Board recommends that a takeover bid be accepted by the Company's shareholders or the Board determines that a transaction has occurred that results in change of control, the Board may at its discretion, determine that any unvested options can vest and be exercised and included in the equity transaction.

Vesting of options for performance to 30 June 2024

When applying the performance criteria for the period to 30 June 2024, the Board assessed the actual performance against the performance vesting criteria as follows:

– **Gateway 1:** performance against the Company's annual safety and quality action plan was met and achieved in full.
– **Gateway 2:** the TSR performance was not met.
– **Gateway 3:** the Group KPIs were assessed for the business as 7.6 out of 10 (the KPI Dashboard for FY24 follows).

As a result of Gateway 2 not being met, the options granted for FY24 have not performance-vested at this point in time.

However, as outlined above, the Board will perform a further performance review in the following manner:

1. At the end of FY25, if the Measured TSR is above Baseline TSR, Gateway 2 will be met and the FY24 options will performance-vest. They will then be subject to tenure-based vesting; or
2. At the end of FY25, if the team has delivered a superior TSR performance as defined in the further testing criteria, either 50% or 100% of unearned options from FY24, under the second round of the EIS, will performance vest. They will then be subject to tenure-based vesting.

REMUNERATION REPORT (AUDITED)

Vesting of options for performance to 30 June 2024 continued

Gateway 3 measures performance based upon KPIs agreed each year with the Board. The Company's performance against the Board approved FY24 KPIs is set out below:

KPI Dashboard for FY24

- Completed
- Part completed
- Not delivered
- Pivot

GATEWAY All High Level SHESQ action items completed on time

Carbon Capture
6.7 / 10

- Leilac-2 all permitting and civil works complete (Not delivered)
- Continue to move projects down the pipeline (Completed)
- BOD for green methanol consortia project (Completed)

Sustainable Processing
8.0 / 10

Spodumene
- Spodumene Project Construction commenced (Completed)

Iron and Steel - "ZESTY"
- Successful expanded ore program (Completed)
- Completed FEED study leading to FID (Part completed)

Alumina
- First successful Pre-FEED (Completed)

Advanced Batteries
- First battery module in consumer product (Completed)

Magnesia
9.5 / 10

Water
- Continued growth US, Asia (Completed)

Mg Metal
- BOD for Mg Metal plant (Pivot)

Specialties
- Continued commercialisation of Ag, Coatings and Biotech applications (Completed)

In the Leilac business, the completion of permitting and civil works for the Leilac-2 demonstration plant was unavoidably delayed due to Heidelberg Materials' decision to close the project's host cement plant in January 2024. The Leilac-2 project team, in close collaboration with Heidelberg Materials, IKN, and other project partners, worked quickly and effectively to assess and select a new site for the facility, minimising impact to the project. Leilac successfully advanced two paid projects through its pipeline with Heirloom for Direct Air Capture, as well as expanding the pipeline with several new projects in the scoping phase. Leilac also signed a global, perpetual licence agreement with Heirloom, with a minimum royalty of US$3 per tonne of CO_2 captured. The green methanol project, located in South Australia and in collaboration with Vast and Mabanaft, was advanced with the Basis-of-Design completed. Following the close of FY24, Calix was awarded a $15m grant from the Australian Government's Carbon Capture Technologies Program to support the construction of the project.

In Sustainable Processing, construction commenced on time and budget for the spodumene processing demonstration plant developed in a an unincorporated joint venture with Pilbara Minerals. An expanded ore testing program and Front-End Engineering Design (FEED) study for a ZESTY demonstration facility for green iron were both successfully completed, with support from Australian Renewable Energy Agency (ARENA) and in collaboration with the Heavy Industry Low-carbon Transition Cooperative Research Centre (HILT CRC). Metallisation rates suitable for downstream use in either a melter or blast furnace were achieved from multiple ores from HILT CRC member companies and beyond, while several tests reached sufficient metallisation levels for feed directly to an electric arc furnace. A Final Investment Decision (FID) for the ZESTY demonstration plant has not yet been taken, as financing for the project is still being progressed. A general pre-FEED study has been completed for an alumina demonstration facility following a successful test program and a prospective techno-economic assessment conducted in collaboration with the HILT CRC.

In Advanced Batteries, commercial format packs have been produced and were installed in an electric scooter for further testing. An assessment of the Advanced Batteries value proposition found that it mostly related to a process improvement. As such, the Advanced Batteries business was incorporated into the Sustainable Processing line of business, with many activities paused and resources redeployed to other immediate priorities. The Calix technology's advantages for the manufacture of battery materials remain prospective and will be pursued under the sustainable processing line of business.

The Water business was judged to have performed outstandingly, with substantial organic growth in revenue and increasing gross margins, particularly in the USA. Two new magnesium hydroxide plants were successfully commissioned, increasing the total capacity of the U.S. business by 50%. The business is well positioned for further growth in prospective markets.

In magnesium (Mg) metal – a patent was filed for a new production route for pure magnesium and the basis-of-design for a production facility postponed while this intellectual property was developed. In Magnesia specialties, applications in health were pursued as part of the Solving Antimicrobial Resistance in Agribusiness, Food, and Environments Cooperative Research Centre ("SAAFE CRC") with early work continuing to provide prospective results. Long-term testing of marine coatings applications in collaboration with a coating supplier and a major end-customer continued successfully. Additionally, outstanding results were achieved in the agricultural application of BOOSTER-Mag in controlling fungal disease in olive trees.

After assessing the KPI contributions from each line of business, the Board determined a weighted average KPI score for the Group for FY24 of 7.6 out of 10.

REMUNERATION REPORT (AUDITED)

The table below details certain measures in respect of the current financial year and previous four financial years that are monitored as indicators of the performance of the Group. KMP performance is measured against KPI's set at the start of each year and the TSR share price is used as a gateway to determine vesting of KMP options.

	2024	2023	2022	2021	2020
Loss attributable to owners of the Company	**($25,262,000)**	($23,186,000)	($16,338,000)	($9,107,000)	($7,077,000)
TSR share price	**$1.36**	$4.22	$7.33	$2.69	$0.86

EIS options issued to KMP

30 June 2024	Balance at the start of the year	Options issued	Options exercised	Balance as at 30 June 2024	Options earned, vested & exercisable	Unearned Options
Phil Hodgson	1,257,464	111,152	—	**1,368,616**	1,118,524	250,092
Mark Sceats	763,862	61,338	—	**825,200**	687,191	138,009
Darren Charles	581,298	61,338	—	**642,636**	504,627	138,009
	2,602,624	**233,828**	**—**	**2,836,452**	**2,310,342**	**526,110**

The fair value of options exercised by KMP during the year was $NIL (FY23 $0.7m).

Options granted	Number of options granted during the year	Vesting conditions	Grant date	Fair value at grant date $	Expiry date
Phil Hodgson	111,152	Performance against safety & quality action plan, TSR performance, Corporate KPI's for FY24& tenure until 30 June 2026	1 Jul 23	267,819	5 years from vesting date
Mark Sceats	61,338	Performance against safety & quality action plan, TSR performance, Corporate KPI's for FY24 & tenure until 30 June 2026	1 Jul 23	147,793	5 years from vesting date
Darren Charles	61,338	Performance against safety & quality action plan, TSR performance, Corporate KPI's for FY24 & tenure until 30 June 2026	1 Jul 23	147,793	5 years from vesting date

	Instrument	Number	Grant date	% vested in year	% forfeited in the year	Financial years in which grant vests	Maximum value yet to vest $
Phil Hodgson	EIS 1 Options	1,239,383	17/12/2018	—	—	FY20, FY21, FY22, FY23	—
	EIS 2 Options	111,152	1/7/2021	25%	—	FY22, FY23, FY24, FY25	—
	EIS 2 Options	111,152	1/7/2022	0%	—	FY23, FY24, FY25, FY26	38,580
	EIS 2 Options	111,152	1/7/2023	0%	—	FY24, FY25, FY26, FY27	102,535
Mark Sceats	EIS 1 Options	766,356	17/12/2018	—	—	FY20, FY21, FY22, FY23	—
	EIS 2 Options	61,338	1/7/2021	25%	—	FY22, FY23, FY24, FY25	—
	EIS 2 Options	61,338	1/7/2022	0%	—	FY23, FY24, FY25, FY26	21,290
	EIS 2 Options	61,338	1/7/2023	0%	—	FY24, FY25, FY26, FY27	56,583
Darren Charles	EIS 1 Options	727,437	17/12/2018	—	—	FY20, FY21, FY22, FY23	—
	EIS 2 Options	61,338	1/7/2021	25%	—	FY22, FY23, FY24, FY25	—
	EIS 2 Options	61,338	1/7/2022	0%	—	FY23, FY24, FY25, FY26	21,290
	EIS 2 Options	61,338	1/7/2023	0%	—	FY24, FY25, FY26, FY27	56,583

EIS options on issue

As at the date of this report, 5,739,820 options remain on issue with certain options having lapsed as a result of staffing changes, 4,608,326 being earned, vested and currently unexercised into Ordinary Shares, a further 1,131,494 remain unearned and unvested.

REMUNERATION REPORT (AUDITED)

FY25 priorities

In FY25, Calix will continue to develop and deploy its platform technology through a licensing, joint venture and spin-out model. Subsidiary businesses focused on specific applications and target markets will accelerate commercialisation and enable a flexible equity funding model to support growth in large addressable markets.

Gateway 3 measures performance based upon KPIs agreed each year with the Board. This helps to drive achievement of annual performance metrics, balancing both short-term and long-term shareholder value creation.

The KPIs agreed by the Board for Calix's priority projects in FY25 follow:

KPI Dashboard for FY25

Corporate 10%

- Corporate Affairs, Sustainability, People and Culture KPIs

GATEWAY
All High Level SHESQ action items completed on time

Carbon Capture
30%

- Leilac-2 – Ennigerloh – site works commenced
- Pipeline – at least 3 x Scoping / BOD complete leading to contracted pre-FEED studies
- Heirloom – Project DOS construction commenced
- Pre-FEED complete for green methanol "HYGATE" project

Sustainable Processing
30%

Spodumene
- PLS UJV Project commissioned
- At least 1 x 3rd party contracted Ore Study

Iron and Steel – "ZESTY"
- FID – Demo Plant leading to Detailed Engineering

Alumina
- 1 x FEED study commenced with 3rd party for Demo Plant

Magnesia
30%

Water
- Continued revenue growth US, Asia

Mg Metal
- Pre-FEED completed for Mg Metal plant

Specialties
- Continued commercialisation of Ag, Coatings and Biotech applications

AUDITOR'S INDEPENDENCE DECLARATION

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Calix Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Calix Limited for the financial year ended 30 June 2024 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Daniel Camilleri

Partner

Sydney

27 August 2024

FINANCIAL REPORT

Consolidated Financial Statements

Notes to the Financial Report

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2024

	Note	June 2024 $'000	June 2023 $'000 restated*
Revenue	3	**24,190**	18,600
Cost of sales		**(13,905)**	(12,403)
Gross profit		**10,285**	**6,197**
Other income	3	**5,262**	10,709
Gross profit and other income		**15,547**	**16,906**
Sales and marketing expenses		**(10,654)**	(9,450)
Research and development expenses		**(21,380)**	(14,532)
Administration and other expenses		**(9,896)**	(7,700)
Depreciation, amortisation and impairment expenses	4	**(7,413)**	(5,861)
Interest income		**1,082**	298
Finance costs		**(193)**	(327)
Foreign exchange losses		**(429)**	(87)
Share based payment expense	20	**(5,125)**	(2,741)
Gain on contribution to the unincorporated joint venture	25	**12,169**	—
Loss from ordinary activities before income tax		**(26,292)**	**(23,494)**
Income tax benefit	6	**82**	79
Loss for the year		**(26,210)**	**(23,415)**
Total loss for the year is attributable to:			
Owners of Calix Limited		**(25,263)**	(23,186)
Non-controlling interests		**(947)**	(229)
		(26,210)	**(23,415)**
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		**130**	1,275
Total comprehensive income for the year		**(26,080)**	**(22,140)**
Total comprehensive income for the year is attributable to:			
Owners of Calix Limited		**(25,059)**	(22,064)
Non-controlling interests		**(1,021)**	(76)
		(26,080)	**(22,140)**
Basic and diluted earnings per share (cents)	21	**(14.44)**	**(13.46)**

* The prior period has been represented due to change in reclassification. Refer to Note 1 (i).

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Note	June 2024 $'000	June 2023 $'000
Assets			
Current assets			
Cash and cash equivalents	7	**42,958**	74,466
Trade, other receivables and other assets	8	**4,325**	10,309
Inventories	9	**5,434**	4,335
Total current assets		**52,717**	**89,110**
Non-current assets			
Trade, other receivables and other assets	8	**301**	293
Intangible assets	10	**12,637**	9,074
Goodwill	11	**3,638**	3,638
Right of use asset	15	**2,481**	948
Property, plant and equipment	12	**40,622**	24,443
Total non-current assets		**59,679**	**38,396**
Total assets		**112,396**	**127,506**
Liabilities			
Current liabilities			
Trade and other payables	13	**12,174**	5,267
Borrowings	14	**760**	318
Current lease liabilities	15	**783**	355
Provisions	16	**1,900**	1,728
Deferred revenue	17	**10,104**	13,261
Total current liabilities		**25,721**	**20,929**
Non-current liabilities			
Borrowings	14	**—**	7
Non-current lease liabilities	15	**1,715**	637
Provisions	16	**526**	465
Deferred tax		**430**	509
Total non-current liabilities		**2,671**	**1,618**
Total liabilities		**28,392**	**22,547**
Net assets		**84,004**	**104,959**
Equity			
Issued capital	18	**154,226**	153,452
Reserves	19	**30,717**	26,162
Accumulated losses		**(101,150)**	(75,887)
Capital and reserves attributable to the owners of Calix Limited		**83,793**	103,727
Non-controlling interests	31	**211**	1,232
Total equity		**84,004**	**104,959**

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2024

	Note	June 2024 $'000	June 2023 $'000 restated*
Cash flows from operating activities			
Receipts from customers		**22,663**	18,584
Receipts from government bodies		**10,773**	7,382
Payments to suppliers and employees		**(48,149)**	(43,234)
Interest received		**1,082**	298
Interest paid		**(56)**	(287)
Income taxes paid		**8**	—
Net cash used in operating activities	29	**(13,679)**	**(17,257)**
Cash flows from investing activities			
Receipts from government bodies		**2,085**	—
Receipts from sale of property, plant and equipment		**32**	—
Purchase of property, plant and equipment	12	**(15,115)**	(9,855)
Payments for loans to directors		**(300)**	—
Receipts of repayment of loans to directors		**80**	1,166
Purchase of intangible assets	10	**(4,331)**	(3,176)
Net cash used in investing activities		**(17,549)**	**(11,865)**
Cash flows from financing activities			
Proceeds from issues of shares		**—**	81,591
Payment for transaction costs related to issues of shares		**—**	(2,030)
Payment for lease principal	15	**(714)**	(403)
Proceeds from borrowings		**1,574**	1,727
Repayments of borrowings		**(1,140)**	(2,280)
Net cash (used in) / provided from financing activities		**(280)**	**78,605**
Net increase in cash and cash equivalents		**(31,508)**	**49,483**
Cash and cash equivalents at the beginning of the year		**74,466**	24,983
Cash and cash equivalents at the end of the year	7	**42,958**	**74,466**

* The prior period has been represented due to change in reclassification. Refer to Note 1 (i).

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

	Issued Capital $'000	Reserves $'000	Accumulated losses $'000	Total Parent Entity Interest $'000	Non-Controlling Interest $'000	Total $'000
Balance at 30 June 2022	**72,956**	**23,234**	**(52,701)**	**43,489**	**1,308**	**44,797**
Net losses for the year after tax	—	—	(23,186)	(23,186)	(229)	(23,415)
Other comprehensive income for the year						
Net movement in foreign currency translation reserve	—	1,122	—	1,122	153	1,275
Total comprehensive income for the year	**—**	**1,122**	**(23,186)**	**(22,064)**	**(76)**	**(22,140)**
Other transactions						
New issues of shares (net of transaction costs)	79,561	—	—	79,561	—	79,561
Fair value of EIS rights granted	—	2,741	—	2,741	—	2,741
Fair value of EIS rights issued	935	(935)	—	—	—	—
Balance at 30 June 2023	**153,452**	**26,162**	**(75,887)**	**103,727**	**1,232**	**104,959**
Net losses for the year after tax	**—**	**—**	**(25,263)**	**(25,263)**	**(947)**	**(26,210)**
Other comprehensive income for the year						
Net movement in foreign currency translation reserve	**—**	**204**	**—**	**204**	**(74)**	**130**
Total comprehensive income for the year	**—**	**204**	**(25,263)**	**(25,059)**	**(1,021)**	**(26,080)**
Other transactions						
New issues of shares (net of transaction costs)	**—**	**—**	**—**	**—**	**—**	**—**
Fair value of EIS rights granted	**—**	**5,125**	**—**	**5,125**	**—**	**5,125**
Fair value of EIS rights issued	**774**	**(774)**	**—**	**—**	**—**	**—**
Reduction in ownership of investment in subsidiary	**—**	**—**	**—**	**—**	**—**	**—**
Balance at 30 June 2024	**154,226**	**30,717**	**(101,150)**	**83,793**	**211**	**84,004**

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL REPORT

1. Summary of material accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. The financial report covers the consolidated group of Calix Limited ("the Company") and its controlled entities ("the Group").

Accounting policies are selected and applied in a manner that ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Other material accounting policies are contained in the notes to the consolidated financial statements to which they relate.

The accounting policies have been consistently applied to all years presented, unless otherwise stated.

a) Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance and compliance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board (AASB) and *Corporations Act 2001* as appropriate for profit oriented entities; and therefore this financial report also complies with the International Financial Reporting Standards as issued by the International Accounting Standards Board. The financial report was approved by the Calix Limited Board of Directors on 27 August 2024.

i) Historical cost convention

The financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

ii) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 1(h).

b) Going concern

The financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business. The Group has incurred a loss after tax for the year ended 30 June 2024 of $26.2m (30 June 2023 loss $23.4m). The Group has cash balances of $43.0m (30 June 2023 $74.5m), net assets of $84.0m (30 June 2023 $105.0m) and net current assets of $27.0m (30 June 2023 $68.2m). Current loans and borrowings are $1.5m (including lease liabilities of $0.8m) compared to 30 June 2023 $0.7m. Operating cash outflow for the year was $11.6m (30 June 2023 $17.3m).

Management have prepared cashflow forecasts underpinning the basis of preparation as a going concern. These cashflow forecasts for the Group are dependent on a combination of the following assumptions:

- The magnesia business to continue to experience growth in volumes and gross margins in both Australia and the US and to have lower capital expenditure investment in new plant than over the prior period;
- Continued growth in revenues in Leilac associated with paid engineering services and a slowdown in the rate of growth of its operating expenditures; and
- A focus and prioritisation of externally funded projects and a reduced level of pure research and development expenditure.

Based on these forecasts and assumptions, the directors of Calix consider that the Group will continue to fulfill all obligations as and when they fall due for the foreseeable future and accordingly consider that the Group's financial statements should be prepared on a going concern basis.

c) Rounding of amounts

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated, in accordance with the instrument.

d) Goods and services tax

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

NOTES TO THE FINANCIAL REPORT

1. Summary of material accounting policies continued

e) New or amended accounting standards and interpretations

The group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

f) New accounting standards and interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2024 and effective from 30 June 2027. The following new and amended accounting standards are not expected to have a significant impact on the Group's consolidated financial statements:

- Classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants (Amendments to AASB 101)
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (AASB 2014-10).

Presentation and Disclosure in Financial Statements (AASB 18), issued June 2024 and effective from 30 June 2027, may have a significant impact on the financial statement disclosures, their effect though has not been assessed.

g) Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian Dollars which is the Company's functional and the Group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date; and
- income and expense are translated at average exchange rates for the year.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are also recognised in the statement of comprehensive income as other comprehensive income. The foreign currency reserve is recognised in profit or loss when the foreign operation is disposed of.

h) Critical accounting estimates and judgments

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. Information on material estimates and judgements used in applying the accounting policies can be found in the following notes:

	Note
Income tax	6
Goodwill impairment test	11
Share-based payment transactions	20

i) Comparatives

Certain comparative balances have been changed to align with the current year classification. The main items adjusted were:

Interest income

Historically the Group classified 'Interest income' as 'Other income'. In the current period the Group has reclassified 'Interest income' separately. As a result, $1.1m was reclassified from 'Other income' to 'Interest income' in the comparative period.

Loans to directors

Historically, the Group has classified 'Receipts of repayment of loans to directors' as a financing activity in the Statement of Cash Flows. In the current period, the Group has reclassified these to investing activities. As a result, $1.1m was reclassified in the comparative period.

Other comparative balance changes are disclosed in Notes 6, 16, 22, 28.

NOTES TO THE FINANCIAL REPORT

2. Segment information

The Group identifies its operating segments based on the internal reports that are reviewed and used by the Group's chief operating decision makers ("CODM"). The CODM consists of the Executive KMP as disclosed in the Remuneration Report on pages 33–43. For the year ended 30 June 2024, the Group has identified three segments based on the geographical regions and business line in which they operate. The LEILAC segment is in Europe with a small US subsidiary who collectively are the CO_2 mitigation business line, the US segment is the US section of the water business line, and the Australian & SE Asian segments comprise of all business segments.

The aggregation criteria under AASB 8 – Operating Segments has been applied to include the results of each region within the segment in which it operates.

For the period ended June 2024	Australia & SE Asia $'000	US $'000	LEILAC $'000	Elimination $'000	Total $'000
Segment Revenue					
Products sold	3,965	16,677	—	—	20,642
Revenue from rental agreements	207	155	—	—	362
Other services	—	—	3,186	—	3,186
Intersegment revenues	791	—	100	(891)	—
Total Segment Revenue	4,963	16,832	3,286	(891)	24,190
Other Income	2,408	—	2,854	—	5,262
Total Revenue and Other Income	7,371	16,832	6,140	(891)	29,452
The following items are included in the below EBTDA values but warrant separate disclosure:					
Interest Income	1,057	12	13	—	1,082
Research and development expenses	12,265	—	9,115	—	21,380
Sales and marketing expenses	2,791	6,302	1,561	—	10,654
Share based payments	5,125	—	—	—	5,125
EBTDA	(9,893)	648	(9,634)	—	(18,879)
Depreciation and amortisation including leases	2,154	796	3,882	378	7,210
Impairment	194	—	9	—	203
Loss before income tax expense	(12,241)	(147)	(13,526)	(378)	(26,292)
Income tax benefit					82
Loss after income tax expense					(26,210)
Total Segment Assets	74,891	11,080	20,830	5,595	112,396
Capital Expenditure	17,912[1]	3,765	7,137	—	28,814[1]
Total Segment Liabilities	12,578	3,736	11,739	339	28,392

1. $7,253,000 of the $17,912,000 capital expenditure relates to the gain on the Midstream UJV, that is not represented by cashflow from the Group.

NOTES TO THE FINANCIAL REPORT

2. Segment information continued

For the period ended June 2023	Australia & SE Asia $'000	US $'000	LEILAC $'000	Elimination $'000	Total $'000
Segment Revenue					
Products sold	3,489	14,768	—	—	18,257
Revenue from rental agreements	118	103	—	(8)	213
Other services	82	—	48	—	130
Intersegment revenues	773	—	6,091	(6,864)	—
Total Segment Revenue	**4,462**	**14,871**	**6,139**	**(6,872)**	**18,600**
Other Income	8,707	13	1,989	—	10,709
Total Revenue and Other Income	**13,169**	**14,884**	**8,128**	**(6,872)**	**29,309**
The following items are included in the below EBTDA values but warrant separate disclosure:					
Interest Income	287	6	38	(33)	298
Research and development	14,881	—	4,684	(5,033)	14,532
Sales and marketing expenses	3,199	4,980	1,271	—	9,450
Share based payments	2,741	—	—	—	2,741
EBTDA	**(17,833)**	**(476)**	**(119)**	**(157)**	**(17,633)**
Depreciation and amortisation including leases	2,711	536	2,236	378	5,861
Impairment	—	—	—	—	—
Loss before income tax expense	**(20,545)**	**(60)**	**(2,354)**	**(535)**	**(23,494)**
Income tax benefit					79
Loss after income tax expense					**(23,415)**
Total Segment Assets	**90,985**	**7,687**	**31,033**	**(2,199)**	**127,506**
Capital Expenditure	**5,903**	**1,564**	**6,319**	**—**	**13,786**
Total Segment Liabilities	**12,740**	**5,292**	**12,256**	**(7,741)**	**22,547**

3. Revenue and other income

	June 2024 $'000	June 2023 $'000 restated*
Revenue		
Magnesia product revenues	**21,004**	18,470
LEILAC engineering services	**3,186**	48
Other product revenues	**—**	82
Total revenue	**24,190**	**18,600**
Other income disaggregated along business lines:		
Other income		
Magnesia	**275**	1,955
Leilac	**3,189**	5,417
Other	**1,798**	3,337
Total other income	**5,262**[1]	**10,709**

1. Other income includes grant income of $4,608,000 (June 2023: $2,971,000) and R&D incentive income of $632,000 (June 2023: $7,721,000).

* The prior period has been represented due to change in reclassification. Refer to Note 1(i).

NOTES TO THE FINANCIAL REPORT

3. Revenue and other income continued

Recognition and Measurement

The Group primarily generates revenue from the sale of magnesium hydroxide liquid (MHL) to customers. Additionally, the Group sells and rents MHL dosing units and equipment for dispersing MHL into customers' applications. Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer, reflecting the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue is recognised and disclosed net of trade allowances, duties, and taxes paid. The Group follows the five-step approach to revenue recognition, which requires: (i) identifying contracts, (ii) identifying separate performance obligations, (iii) determining the transaction price, (iv) allocating the transaction price to each performance obligation, and (v) recognising revenue as each performance obligation is satisfied.

Product Sales (MHL, Dosing Unit, and Equipment Sales)

Revenue is recognised when control of the product has passed to the customer and the product is ready for its intended use. Virtually all product sales constitute a single performance obligation at this point of intended use.

Payment terms are typically 30 days after receipt of the goods.

Rentals

Revenue from rental activities is recognised as customers obtain the benefit of the service over time. Rental income is recognised on a straight-line basis over the corresponding rental period. If payments are received in advance, the income is deferred to the period when the service is delivered.

Engineering Services

The Group provides engineering services to clients in the lime, cement, and sustainable processing industries, related to the application of the Calix Group's calcination technology to their specific requirements. The terms of individual contracts determine when the revenue is recognised.

For contracts where the engagement is for delivery of a bespoke report or technical specifications as the main performance obligation, revenues are recognised at a point in time when the report is provided at the completion of the project or term for the deliverable as set out in the client purchase order or contract.

For contracts where a service is being delivered over a period of time, the time and materials are recharged to the customer as they are performed, and the associated revenue is recognised during the period of service. Payment terms depend on contract specifics and usually range from 30 to 60 days.

Grant income

Government grants are recognised when received or when the right to receive payment is established. Government grants related to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

R&D incentive income

R&D incentive income relates to eligible research expenditure incurred for current projects. The claimed amounts were reviewed externally to ensure compliance with the requirements of the Australian Taxation Office and AusIndustry.

Other Income

Other income includes gains on disposal of items of property, plant and equipment and other receipts. The amount of income is determined as the difference between the net disposal proceeds and the carrying amount of the item.

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Products sold $'000	Revenue from rental agreements $'000	Other services $'000	Total $'000
2024				
Magnesia	**20,642**	**362**	**—**	**21,004**
Leilac	**—**	**—**	**3,186**	**3,186**
Other	**—**	**—**	**—**	**—**
	20,642	**362**	**3,186**	**24,190**
2023				
Magnesia	18,257	213	—	18,470
Leilac	—	—	48	48
Other	—	—	82	82
	18,257	**213**	**130**	**18,600**

NOTES TO THE FINANCIAL REPORT

4. Expenses

The Group has identified several expense items which are material due to the significance of their nature and/or amount. These are listed separately here to provide a better understanding of the financial performance of the Group:

	Note	June 2024 $'000	June 2023 $'000
Employee benefit expenses		**32,354**	13,749
Changes in inventories of finished goods and work in progress		**772**	393
Financing costs		**193**	327
Depreciation and amortisation expense	10, 12	**6,660**	5,511
Depreciation of right of use asset	15	**550**	350
Impairment expense	10	**203**	—

Employee benefit expenses

Employer contributions to defined contribution superannuation plans are recognised as an expense in the profit or loss as they are paid or payable. Refer to Note 16 and Note 20 for details on provisions for employee benefits and details of share-based payments.

Financing costs

Finance costs includes interest relating to borrowings, lease liabilities and vehicle financing facilities. Interest is recognised over the life of the facilities calculated using the effective interest rate. Refer to Note 14 and Note 15 for details on borrowings, vehicle financing facilities and leases.

5. Employee benefit expense

	June 2024 $'000	June 2023 $'000
Wages and salaries	**22,571**	8,725
Social security contributions	**2,998**	1,158
Contributions to defined contribution plans	**1,520**	1,008
Expenses related to long service leave	**140**	117
Equity settled share-based payments	**5,125**	2,741
Total employee benefit expenses	**32,354**	**13,749**

6. Income tax

	June 2024 $'000	June 2023 $'000
Current tax		
Current tax on profits for the year	**—**	—
Adjustments for current tax of prior periods	**(3)**	—
Total current tax benefit	**(3)**	**—**
Deferred income tax		
(Decrease) in deferred tax liabilities	**(79)**	(79)
Total deferred tax benefit	**(79)**	(79)
Income tax benefit attributable to the Group	**(82)**	**(79)**

NOTES TO THE FINANCIAL REPORT

6. Income tax continued

Numerical reconciliation of income tax to prima facie tax payable:

	June 2024 $'000	June 2023 $'000 restated*
Prima facie income tax expense/(benefit) on loss from ordinary activities (25%)*	(6,573)	(5,854)
Effect of tax rates in foreign jurisdictions	36	(9)
Amortisation of intangibles	(79)	(79)
Adjustments for current tax of prior periods	(3)	—
Tax effect of R&D incentive**	—	2,901
Expenses not deductible for tax purposes	302	281
Temporary differences not recognised	2,045	1,136
Utilisation of prior period tax losses	19	—
Tax losses not recognised	4,171	1,545
Income tax benefit attributable to the Group	**(82)**	**(79)**

* The prior period has been represented due to change in reclassification. Refer to Note 1 (i).

Unrecognised deferred tax assets

Deferred tax assets have not been recognized in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

	June 2024 $'000	June 2023 $'000
Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	38,855	22,179
Potential income tax benefit @ 25%*	**9,714**	**5,545**

* The tax losses for which no deferred tax asset was recognized do not expire.

** The Group accounts for R&D tax incentives as a government grant under AASB 120, resulting in the incentive being recognised in the profit or loss; however the R&D expenditure is treated as non-deductible for tax purposes.

Recognition and Measurement

Current tax

The income tax benefit for the year comprises current income tax benefit and deferred tax benefit. Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period together with the research and development claim submitted for the reporting period. Current tax liabilities/assets are therefore measured at the amounts expected to be paid to/recovered from the relevant taxation authority.

Deferred tax

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense/(benefit) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss or does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that is it probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where the temporary difference exists in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities related to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that the net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred assets or liabilities are expected to be recovered or settled.

NOTES TO THE FINANCIAL REPORT

7. Current assets – cash and cash equivalents

	June 2024 $'000	June 2023 $'000
Cash at bank and on hand	**42,958**	74,466

Cash at bank and on hand bears floating interest rates. The interest rate relating to cash and cash equivalents for the year across all bank accounts was between 0.00% and 3.3% (2023: between 0.00% and 1.35%).

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

8. Trade, other receivables and other assets

	June 2024 $'000	June 2023 $'000
Current		
Trade receivables	**2,736**	1,523
R&D incentive receivable	**—**	7,721
Other receivables	**887**	5
Prepayments	**404**	749
Deposits	**298**	311
Total current trade, other receivables and other assets	**4,325**	**10,309**
Non-current		
Deposits	**274**	274
Other	**27**	19
Total non-current trade, other receivables and other assets	**301**	**293**

Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date. Trade receivables are generally due for settlement within 30 days.

Recoverability of trade receivables

Credit risk management processes

Credit risk is managed through the maintenance of procedures ensuring to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairments. Where the Group is unable to ascertain a satisfactory credit risk profile in relation to a customer or counterparty, the risk may be further managed through obtaining security by way of personal or commercial guarantees over assets of sufficient value which can be claimed against in the event of any default. Where a debtor is more than 60 days overdue, and there is no agreed payment plan in place, the debt shall be considered impaired and a bad debt provision shall be raised in accordance with the Group's policy on recoverability of trade receivables, see Note 22. Where a debtor is more than 90 days overdue, and there is no agreed payment plan in place, the debt shall be defined to be in default on the basis that there is a low expectation of recoverability of the amount.

Recognition and measurement of expected credit losses

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. Trade receivables and contract assets have shared credit risk characteristics and, as such, the expected loss rates for trade receivables are a reasonable approximation of loss rates for contract assets. Losses incurred in the last 3 years represent less than 1% of receivables and are immaterial. Therefore, no provision for expected credit losses has been recorded.

Other receivables are recognised at amortised cost, less any provision for expected credit losses.

Due to the short-term nature of the receivables, their carrying amount is assumed to approximate fair value. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivables mentioned above. Refer to Note 22 for more information on the risk management policy of the Group and credit quality of the receivables.

R&D incentive receivable

The Company was eligible, in the prior year, for an R&D grant which was receivable after the Australia Tax Office processes the Company's tax return. The amount of R&D grant receivable is accrued based on eligible expenses incurred during the prior financial year. The company exceeded the $20m group turnover threshold to be eligible for the R&D incentive rebate in the current year and therefore is not eligible for the cash rebate from the ATO.

Deposit paid

The balance of deposits paid comprise prepayment associated with supply of utilities for Bacchus Marsh; a guarantee on the office sites at Pymble; deposits for an overseas employer of record; and a bond paid to the Department of Energy & Mining in South Australia for future mine rehabilitation work.

NOTES TO THE FINANCIAL REPORT

9. Current assets – inventory

	June 2024 $'000	June 2023 $'000
Raw materials and consumables	**3,839**	3,512
Work-in-progress	**1,522**	600
Finished goods and goods for resale	**73**	223
Total inventory	**5,434**	**4,335**

Inventories are measured at the lower of cost and net realisable value. Costs including material and freight are assigned on the basis of weighted averages. Net realisable value represents the estimated selling price less estimated costs necessary to make the sale.

10. Non-current assets – intangibles

	June 2024 $'000	June 2023 $'000
Customer contracts	**2,091**	2,091
Less: accumulated amortisation	**(958)**	(749)
Intellectual property	**1,359**	1,359
Less: accumulated amortisation	**(623)**	(487)
Brand names	**329**	329
Less: accumulated amortisation	**(151)**	(118)
Capitalised development costs	**8,201**	4,375
Less: accumulated amortisation and impairment	**(203)**	—
Patents and trademarks	**3,336**	2,831
Less: accumulated amortisation	**(744)**	(557)
Total intangibles	**12,637**	**9,074**

Movement in the carrying amounts for intangible assets between the beginning and the end of the period:

	Intangible Assets $'000
Balance as at 30 June 2023	9,074
Additions during the period	
Capitalised development costs	3,826
Patents and trademarks	505
Less amortisation during the period	(565)
Less impairment	(203)
Balance as at 30 June 2024	**12,637**

Intangibles

Intangible assets are measured at cost less any accumulated amortisation and any impairment losses. Amortisation is systematically allocated over the useful life of each identifiable asset with a finite life.

Customer contracts

Customer contracts were acquired as part of a business combination. They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line basis over their estimated useful lives. Customer contracts have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. In calculating amortisation costs, customer contracts are taken to have a useful life of 10 years.

Intellectual property

Intellectual property was acquired as part of a business combination. It is recognised at fair value at the date of acquisition and is subsequently amortised on a straight-line basis over its estimated useful life. Intellectual property has a finite life and is carried at cost less any accumulated amortisation and any impairment losses. In calculating amortisation costs, intellectual property is taken to have a useful life of 10 years.

Brand names

Brand names were acquired as part of a business combination. They are recognised at fair value at the date of acquisition and are subsequently amortised on a straight-line basis over their estimated useful lives. Brand names have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. In calculating amortisation costs, brand names are taken to have a useful life of 10 years.

NOTES TO THE FINANCIAL REPORT

10. Non-current assets – intangibles continued

Capitalised development costs

The capitalised development costs intangible asset relates to expenditure incurred on the development, design and construction of cement and lime manufacturing; development, design and construction of lithium processing (see note 12); and BOOSTER-Mag technologies. The costs were recognised on the basis that they were incurred in the development phase, in accordance with AASB 138, through the demonstration of technical feasibility of completion, the intention to complete and use or sell the assets, as well as the clear path to economic benefits, the availability of technical and financial resources, and reliable measurement of expenditure. The capitalised development costs are not amortised until the associated product and service are demonstrated to be available for commercial use and an appropriate amortisation period set. A $0.2m impairment expense was recognized in relation to capitalised development costs associated with a refractory project that has discontinued and costs associated with the decision to move the Leilac 2 facility from Hanover to Ennigeloh.

Patent and trademarks

Patents and trademarks are recognised at cost of acquisition. Patents and trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Amortisation is systematically allocated over the useful life of each patent and trademark. In calculating amortisation costs, patents are taken to have a useful life of 20 years, trademarks are taken to have a useful life of 10 years.

11. Goodwill

	June 2024 $'000	June 2023 $'000
Goodwill	**3,638**	3,638
Total goodwill	**3,638**	**3,638**

Accounting for goodwill

Goodwill arises on the acquisition of a business where the fair value of the consideration exceeds the fair value of the net assets acquired. Goodwill is not amortised, instead it is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried as cost less accumulated impairment losses. The cash generating unit (CGU) to which the goodwill relates is the US Water business.

Goodwill is tested for impairment by comparing the recoverable amount to the carrying value of the asset. For the current period, the recoverable amount was determined based on fair value less costs of disposal calculations which required the use of assumptions. In order to calculate the recoverable amount, cash flows associated with the US operations, which is the cash generating unit to which the goodwill was assigned, was forecasted for the next 5 years. The current budget is the primary source of assumed values. The growth rate used in the cash flow forecast for the terminal value was 3%, being the current year's US inflation rate. The revenue forecast assumes a compound annual growth rate of 9.22% over the 5-year forecast period. The discount rate used in the cash flow forecast was 10%, being an externally sourced rate based on an analysis of the Group. The growth rate of 3% and the discount rate were also used to determine the terminal value.

A sensitivity analysis was performed on the key assumptions of the cash flow forecast to determine how much each of the assumptions would have to move in order for the recoverable amount to drop below the carrying amount of the goodwill. In the case of the revenue growth, it would need to drop to compound annual growth rate of 8.68% before an impairment would need to be recognised. In the case of the discount factor, this would need to rise above 11.6% before an impairment would need to be recognised. Impairment losses on goodwill are taken to the profit or loss and not subsequently reversed.

12. Non-current assets – property, plant and equipment

	June 2024 $'000	June 2023 $'000
Office furniture, fittings & equipment	**2,736**	2,355
Less: accumulated depreciation	**(1,768)**	(1,509)
Bacchus Marsh Calciner and R&D facilities	**26,564**	25,596
Less: accumulated depreciation	**(18,994)**	(17,822)
Slurry manufacturing and application assets	**12,862**	7,781
Less: accumulated depreciation	**(5,837)**	(1,857)
Mining tenements	**1,174**	1,174
Less: accumulated amortisation	**(46)**	(42)
LEILAC plants	**26,272**	22,963
Less: accumulated impairment and depreciation	**(19,671)**	(16,508)
SOCRATCES project	**461**	448
Less: accumulated impairment	**(461)**	(448)
Midstream UJV project [1]	**16,492**	1,474
Land	**838**	838
Total property, plant and equipment	**40,622**	**24,443**

1. The Midstream UJV project is part of an unincorporated joint operation ("UJV") with Pilbara Minerals Limited. The above represents Calix's 45% share of the work in progress on the plant and equipment of this UJV.

NOTES TO THE FINANCIAL REPORT

12. Non-current assets – property, plant and equipment continued

The below table shows the movement in the carrying amounts (dollars) for each class of plant and equipment between the beginning and the end of the year:

	Office furniture, fittings & equipment $'000	Baccus Marsh Calciner & R&D facilities $'000	Slurry assets $'000	Mining tenements $'000	LEILAC plants $'000	SOCRAT -CES project $'000	Mid-stream UJV Project $'000	Land $'000	Total $'000
Balance as at 30 June 2022	291	6,719	4,753	1,136	4,961	—	—	838	**18,698**
Additions	708	2,841	1,567	—	3,266	—	1,474	—	**9,856**
Transfers	—	180	(180)	—	—	—	—	—	**—**
Disposals	—	—	—	—	—	—	—	—	**—**
Depreciation and amortisation expense	(159)	(1,966)	(698)	(4)	(2,141)	—	—	—	**(4,968)**
Realised exchange rate adjustment	6	—	482	—	369	—	—	—	**857**
Balance as at 30 June 2023	**846**	**7,774**	**5,924**	**1,132**	**6,455**	**—**	**1,474**	**838**	**24,443**
Additions	458	1,096	2,011	—	3,785	—	15,018	—	**22,368**[1]
Transfers	11	(11)	—	—	—	—	—	—	**—**
Disposals	—	—	(37)	—	—	—	—	—	**(37)**
Depreciation and amortisation expense	(335)	(1,301)	(850)	(5)	(3,604)	—	—	—	**(6,095)**
Realised exchange rate adjustment	(12)	12	(22)	—	(35)	—	—	—	**(57)**
Balance as at 30 June 2024	**968**	**7,570**	**7,026**	**1,127**	**6,601**	**—**	**16,492**	**838**	**40,622**
At Cost	2,736	26,564	12,862	1,174	26,272	461	16,492	838	**87,400**
Accumulated depreciation & amortisation	(1,768)	(18,994)	(5,837)	(47)	(19,671)	(461)	—	—	**(46,778)**
Net	**968**	**7,570**	**7,026**	**1,127**	**6,601**	**—**	**16,492**	**838**	**40,622**

1. $7,253,000 of the $22,368,000 additions relates to the gain on the Midsream UJV, that is not represented by cashflow from the Group, $15,115,000 of this total relates to cash outflow of the Group.

Recognition and Measurement

Each class of plant and equipment is carried at cost, any accumulated depreciation and impairment losses. Plant and equipment are measured on the cost basis less depreciation and impairment losses. The cost of plant and equipment constructed includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measure reliably. All other repairs and maintenance expenses are charged to the income statements during the financial period in which they are incurred.

Property, plant and equipment, other than freehold land, is depreciated or amortised on a straight-line basis over the expected useful life for the asset. Estimated useful lives and depreciation methods are reviewed at the end of the reporting period. The depreciation rates used for each class for depreciable assets are shown in the list below. Land is not subject to depreciation.

- Office, furniture, fittings and equipment: 10%-25%
- Baccus Marsh calciner and R&D facilities: 5%-25%
- Slurry manufacturing and application assets: 2%-20%
- LEILAC plants: 20-50%
- Mining tenements: extraction rate of ore
- Midstream UJV Project: work in progress – not depreciating yet

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

Mining tenements and associated mineral resources

The costs of acquiring mining tenements and associated mineral resources are capitalised as part of property plant and equipment and amortised over the estimated productive life of each applicable resource. Amortisation commences when extraction of the mineral resource commences. The tenement is expected to be retired in 2044.

Impairment

In the year ended 30 June 2024, no assets were found to require impairment under the Group's accounting policy (2023: $NIL).

NOTES TO THE FINANCIAL REPORT

13. Current liabilities – trade and other payables

	June 2024 $'000	June 2023 $'000
Trade payables	5,119	3,965
Other payables & accrued expenses	7,055	1,302
Total trade and other payables	**12,174**	**5,267**

Recognition and Measurement

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

The carrying amounts of the Group's trade and other payables are denominated in Australian dollars. Due to the short-term nature of the payables, their carrying amount is assumed to approximate fair value. For an analysis of the financial risks associated with trade and other payables refer to Note 22.

14. Borrowings

	June 2024 $'000	June 2023 $'000
Current borrowings		
Loan facility	753	310
Asset financing facilities	7	8
Total current borrowings	**760**	**318**
Non-current borrowings		
Asset financing facilities	—	7
Total non-current borrowings	**—**	**7**
Total borrowings	**760**	**325**

Recognition and Measurement

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds and the redemption amount is recognised as profit or loss over the period of the borrowings using the effective interest rate method.

Where there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Loan facility

Inland Environmental Resources, Inc. (IER) has a working capital facility for up to USD 500,000 with Umpqua Bank to assist with funding capital expenditures at an interest rate of 9.5% p.a.

	Facilities Available	Facilities Drawn
Commonwealth Bank of Australia	AUD 540,000	$NIL

The Commonwealth Bank of Australia facility has an indefinite revolving term that is subject to annual review. The facility is secured by a General Security Interest in Calix that is a second ranking charge.

NOTES TO THE FINANCIAL REPORT

15. Right of use assets and lease liabilities

This note provides information for leases where the group is a lessee.

	June 2024 $'000	June 2023 $'000
Right of use assets		
At the beginning of the period	948	536
Additions	2,116	754
Depreciation	(550)	(351)
Foreign exchange movements	(33)	9
Balance at the end of the period	**2,481**	**948**
Lease liabilities		
At the beginning of the period	992	593
Additions	2,116	754
Interest expense	136	40
Lease payments	(714)	(402)
Foreign exchange movements	(32)	7
Balance at the end of the period	**2,498**	**992**
Current	783	355
Non-current	1,715	637
Balance at the end of the period	**2,498**	**992**
Undiscounted lease payment maturity		
Within 1 year	956	378
2-5 years	1,889	637
5 or more years	59	86
	2,904	**1,101**

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of assets whose fair value is less than $10,000. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties.

The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred. Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index, or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

NOTES TO THE FINANCIAL REPORT

16. Provisions

	June 2024 $'000	June 2023 $'000 restated*
Current provisions		
Employee benefits	**1,909**	1,743
Provision for income tax	**(9)**	(15)
Total current provisions	**1,900**	**1,728**
Non-current provisions		
Employee benefits	**236**	168
Mine rehabilitation provision	**290**	297
Total non-current provisions	**526**	**465**
Total provisions	**2,426**	**2,193**

* The prior period has been restated due to change in reclassification.

Movement in the carrying amounts of the mine rehabilitation provision for provisions between the beginning and the end of the year:

	Mine rehabilitation provision $'000
Balance as at 30 June 2023	**297**
Decreases to provisions	(7)
Balance as at 30 June 2024	**290**

Recognition and Measurement

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cash flows are discounted using market yields on high quality corporate bonds with terms to maturity that match the expected timing of cash outflows.

Rehabilitation provision

The Group recognises a mine rehabilitation provision on the basis that it has an obligation to restore the site of the mine in Myrtle Springs to its original condition and the cost to do so is uncertain. The measurement of the provision is the present value of the best estimate of the expenditure required to settle the obligation as at the end of the reporting period. It should also be noted that a bond of $274,000 was lodged on 9 October 2014 with the South Australia Department of State Development to be applied to rehabilitation of the area at cessation of mining activity, on the basis of a Program for Environmental Protection and Rehabilitation (PEPR) which was approved by the South Australia Department of State Development. This bond appears in Note 8 under deposits paid.

NOTES TO THE FINANCIAL REPORT

17. Deferred revenue

	June 2024 $'000	June 2023 $'000
Current deferred revenue and income	10,104	13,261
Total deferred revenue	**10,104**	**13,261**

Recognition and Measurement

Deferred revenue primarily consists of Government grants received but not yet recognised as other income due to unearned portions of projects. Refer to Note 3 for further information regarding the other income recognition associated with government grants.

18. Issued capital

	June 2024 $'000	June 2023 $'000
Fully paid ordinary shares	161,577	160,803
Costs of fund raising recognised	(7,351)	(7,351)
Total issued capital	**154,226**	**153,452**

a) Fully paid ordinary shares

	2024 Number of shares	2023 Number of shares
At the beginning of the year	181,183,168	161,497,915
Issued during the year	739,608	19,685,253
Balance at the end of year	**181,922,776**	**181,183,168**

	2024 $'000	2023 $'000
At the beginning of the year	160,803	78,277
Issued during the year	774	82,526
Balance at the end of year	**161,577**	**160,803**

b) Costs of fund raising recognised

	2024 $'000	2023 $'000
At the beginning of the year	7,351	5,321
Incurred during the year	—	2,030
At the end of the year	**7,351**	**7,351**

c) Movements in ordinary share capital

	Number of shares	$
30 June 2022 – Opening balance	**161,497,915**	**78,276,547**
EIS withdrawals	1,406,042	935,412
Placement	18,279,211	81,590,885
30 June 2023 – Closing Balance	**181,183,168**	**160,802,844**
EIS withdrawals	739,608	773,516
30 June 2024 – Closing Balance	**181,922,776**	**161,576,360**

NOTES TO THE FINANCIAL REPORT

18. Issued capital continued

Ordinary Shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Ordinary shares are classified as equity. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

ESS withdrawals

Employee Share Scheme ("ESS") withdrawals are facilitated by transferring pre-allocated shares from the ESS trust to ordinary capital. In this way, the share-based payment reserve is reversed for the amount of the shares and the shares are transferred to the recipient. During the year ended 30 June 2024, $nil in shares were issued from the ESS trust (2023: $nil).

EIS withdrawals

Calix Officers & Employee Incentive Scheme (EIS) withdrawals are vested rights that have been exercised by the employee into ordinary capital. The share-based payment reserve is reversed for the amount of the shares and the shares are transferred to the recipient. During the year ended 30 June 2024, $773,516 in shares were issued (2023: $935,412).

19. Reserves

	June 2024 $'000	June 2023 $'000
Foreign currency translation reserve	**493**	289
Share-based payment reserve	**8,942**	4,591
Transactions with NCI reserve	**21,282**	21,282
Total reserves	**30,717**	**26,162**
Foreign currency translation reserve (FCTR)		
At the beginning of the year	**289**	(834)
Non-controlling interest movement of FCTR	**74**	17
Revaluations to foreign currency translation reserve	**130**	1,106
At the end of the year	**493**	**289**
Share-based payment reserve		
At the beginning of the year	**4,591**	2,785
Fair value of EIS rights granted	**5,125**	2,741
Fair value of EIS rights issued	**(774)**	(935)
At the end of the year	**8,942**	**4,591**
Transactions with NCI reserve		
At the beginning of the year	**21,282**	21,282
Reduction in ownership of investment in subsidiary	**—**	—
Transaction costs of divestment	**—**	—
At the end of the year	**21,282**	**21,282**

Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income as described in Note 1(h) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Share-based payment reserve

The share-based payment reserve is used to recognise shares and rights earned by employees and officers as part of the ESS plan and the EIS. Shares issued through the ESS are valued at the grant date fair value of shares issued and vested to employees and directors. These reserves are reversed against share capital held by ESS plan when the shares vest. The rights which are as part of the EIS are valued using options valuation models which take into account vesting criteria, market price and the exercise windows. See Note 20 for more information on share-based payments.

NOTES TO THE FINANCIAL REPORT

20. Share based payments

Calix Officers & Employees Incentive Scheme

On 18 April 2018, at an extraordinary general meeting, the shareholders of Calix approved an EIS to operate once the Company was listed. The Calix Officers & Employees Incentive Scheme ("EIS") provides for the grant of rights and/or options to eligible officers and employees (as determined by the Board) and is intended to provide competitive, performance-based remuneration supporting retention, incentive and reward, and alignment with shareholders. Non-executive and independent directors are not invited to participate in the EIS.

Overview of the EIS

The first round of the EIS was made available to all Calix employees, including KMP (but excluding non-executive directors), at the end of 2018 with an ability to earn parcels of options over the proceeding five-year period to 30 June 2024. The scheme was extended in 2022 with an additional round made available with the ability to earn parcels of options over the proceeding five-year. The Board has determined that the current EIS scheme will be replaced in FY25 with a more traditional short-term and long-term incentive performance rights plan.

The Board typically limits the number of shares over which options will be issued under the EIS to 2% of the total number of shares on issue (i.e. undiluted) in any one year. Subject to any limitations that might apply under the *Corporations Act 2001* or limits under ASIC class order relief, there is no limit on the number of options that may be issued under the EIS. The actual percentage of options on issue will fluctuate as a result of changes in staffing levels.

Performance Gateways

Three Performance Gateways are used to determine performance-vesting in each year and are applied sequentially:

Gateway 1 – SHEQ performance

Gateway 1 is achieving the Company's Safety, Health, Environment, and Quality Action Plan KPIs as agreed with the Board each year. If the Safety Health, Environment, and Quality Action Plan KPIs are not met, then options can be awarded for performance that year. This Performance Gateway is designed to ensure that Safety, Health and Environmental performance of our team members and Quality of our products and services remain paramount at all times. The Action Plan reflects International Standard ISO45001, against which the Company is audited annually.

Gateway 2 – Share price performance

Gateway 2 assesses absolute share price performance over the year as measured by Total Shareholder Return ("TSR"), as described below. TSR is measured as Calix's share price performance, being the 30-day Volume-Weighted Average Price ("VWAP") over the 15 days preceding, and the 15 days after, June 30 in the prior financial year ("Baseline TSR") as compared with the 30-day VWAP over the 15 days preceding and the 15 days after 30 June in the current financial year ("Measured TSR"). If the Measured TSR for a particular financial year is not higher than the Baseline TSR for that period of measurement, any options earned under Performance Gateway 3 (as described below) remain unvested. However, such unvested options may vest if at any time before the end of the financial year immediately after each testing period, the 30-day VWAP for Calix's shares exceeds the applicable Baseline TSR for those unvested options.

Gateway 3 – Performance against KPIs

Gateway 3 measures company and executive performance against KPIs agreed each year with the Board. These KPIs reflect the corporate milestone targets set for each line of business, and are communicated to the market at regular times during the year via the Company's market updates and the scheduled lodgment of its financial reports. Gateway 3 helps to drive achievement of annual performance metrics that balance both short-term and long-term shareholder value creation.

The EIS options that have passed through all three gateways will be classed as "performance-vested". These options will then be subject to tenure-based vesting with one third vesting immediately. The other two thirds will then vest in two equal traches at the end of each of the two full financial years following the performance year, provided the KMP or senior executive remains a full-time employee of the Company.

During the years ended 30 June 2024, the Group recognised a share based payment expense related to the number of options vesting and to be vested in connection with the fulfilment of the vesting conditions related to these financial periods as well as the forecasted value of those options at their expected exercise date. For non senior leadership team employees the fair value of the options was determined to be the share price on the date the offer was given to the employees, this value was determined a Black-Scholes formula. For the senior leadership team a Monte Carlo simulation pricing model was used for valuing the options, as market based conditions attach to these options.

The Monte Carlo simulation model used the following inputs to determine fair value as at 30 June 2024:

Valuation model inputs	Model Inputs
Grant date	1 July 2023
Exercise price	$NIL
Expiry date maximum	30 June 2028
Expected volatility	50-55%
Dividend yield	0%
Average risk-free interest rate	4.28%
Share price at grant date	$4.17
Fair value per option for KMP and senior executives	$3.70 - $3.90

NOTES TO THE FINANCIAL REPORT

20. Share based payments continued

Reconciliation of number of outstanding share options granted:

	June 2024 '000 EIS 1	June 2024 '000 EIS 2	June 2023 '000 EIS 1	June 2023 '000 EIS 2
Opening balance	**4,034**	**1,440**	5,668	833
Granted	**—**	**1,136**	—	1,566
Exercised	**(639)**	**(100)**	(1,355)	(61)
Lapsed	**(14)**	**(117)**	(279)	(127)
Closing balance	**3,381**	**2,359**	**4,034**	**1,440**
Exercisable at year-end	**3,381**	**721**	**4,034**	**493**

All of the outstanding share options granted and exercisable have an exercise price of $NIL. The share options, that were exercised during the year were exercised at a weighted average share price of $2.65.

The fair value of the unexercised EIS 1 options is $1,849,000 and no expense was recognised during the year for any EIS 1 options. The fair value of the unexercised EIS 2 options is $7,142,000. An expense of $5,125,000 was recognised during the year (2023: $2,741,000) for the EIS 2 options that have been granted.

21. Loss per share

	June 2024 $'000	June 2023 $'000
a) Earnings used to calculate basic and diluted EPS from continuing operations	**(26,210)**	(23,415)
	Number	**Number**
b) Weighted average number of ordinary shares during the year used in calculating:		
Basic EPS	**181,547,131**	173,973,451
Diluted EPS	**185,338,655**	177,946,190
c) Earnings per share (cents per share)		
Basic EPS [1]	**(14.44)**	(13.46)

1. Basic EPS is calculated as the profit / (loss) attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, divided by the weighted average number of ordinary shares outstanding during the financial year, adjusted for any bonus elements in ordinary shares issued during the year. Diluted EPS is not presented as potential ordinary shares shall be treated as dilutive, only when their conversion to ordinary shares would decrease EPS or increase the loss per share.

22. Financial risk management

The Group's activities expose it to a variety of financial risks, including market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group's Treasury function is responsible for managing the liquidity requirements of the Group and mitigating these financial risks through continuous monitoring and evaluation.

The Group adheres to a set of policies approved by the Board of Directors, which provide written principles on liquidity risk, foreign exchange risk, interest rate risk, credit risk and the use of derivative financial instruments, as required, for hedging purposes. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. There have been no changes to the Group's exposure to financial risks or the manner in which it manages and measures these risks from the prior year.

The Group holds the following financial instruments, all of which are measured at amortised cost:

	June 2024 $'000	June 2023 $'000
Financial assets		
Cash and cash equivalents	**42,958**	74,466
Current trade and other receivables	**3,921**	1,839
Non-current trade and other receivables	**301**	293
Total financial assets	**47,180**	**76,598**
Financial liabilities		
Trade and other payables	**5,422**	3,432
Current borrowings	**760**	318
Current lease liabilities	**783**	355
Non-current borrowings	**—**	7
Non-current lease liabilities	**1,715**	637
Total financial liabilities	**8,680**	**4,749**

NOTES TO THE FINANCIAL REPORT

22. Financial risk management continued

a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through the maintenance of procedures ensuring to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairments. Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating, or in entities that the Audit and Risk Management Committee ("ARMC") has otherwise cleared as being financially sound.

Where the Group is unable to ascertain a satisfactory credit risk profile in relation to a customer or counterparty, the risk may be further managed through obtaining security by way of personal or commercial guarantees over assets of sufficient value which can be claimed against in the event of any default.

Credit risk exposure

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held, is equivalent to the carrying value of the trade and other receivables (net of any provisions).

There is no significant concentration of credit risk with any single counter party or group of counter parties.

Past due but not impaired

As at 30 June 2024, trade receivables of $20,466 were past due but not impaired (2023: $28,958). These relate to a number of independent customers for whom there is not recent history of default.

The aging analysis of trade receivables is as below:

	June 2024 $'000	June 2023 $'000
Current	**2,346**	1,443
Less than 30 days	**351**	55
Less than 60 days	**19**	—
More than 60 days	**20**	25
Total trade receivables	**2,736**	**1,523**

The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due. The Group does not hold any collateral in relation to theses receivables.

b) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meetings its obligations related to financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding through adequate amount of credit facilities to meet obligations when due.

Management monitors the Groups liquidity levels (comprising undrawn borrowing facilities (Note 14) and cash and cash equivalents (Note 7) on the basis of expected cash flows.

The following table details the Group's remaining contractual maturity for its non-derivative financial assets and liabilities. The table has been drawn up based on the cash flows expected to continue to be received/paid by the Group.

		Contractual cash flows				
	Carrying amount $'000	Total $'000	3 months or less $'000	4-12 months $'000	1-5 years $'000	More than 5 years $'000
2024						
Financial liabilities						
Trade and other payables	12,174	12,174	12,174	—	—	—
Current borrowings	760	761	2	759	—	—
Current lease liabilities	783	956	241	715	—	—
Non-current borrowings	—	—	—	—	—	—
Non-current lease liabilities	1,715	1,948	—	—	1,889	59
	15,432	15,839	12,417	1,474	1,889	59

NOTES TO THE FINANCIAL REPORT

22. Financial risk management continued

		Contractual cash flows				
	Carrying amount $'000	Total $'000	3 months or less $'000	4–12 months $'000	1–5 years $'000	More than 5 years $'000
2023 restated*						
Financial liabilities						
Trade and other payables	5,267	5,267	5,267	—	—	—
Current borrowings	318	329	2	322	5	—
Current lease liabilities	355	378	122	256	—	—
Non-current borrowings	7	8	—	—	8	—
Non-current lease liabilities	637	723	—	—	637	86
	6,584	**6,705**	**5,391**	**578**	**650**	**86**

* The prior period has been represented due to change in reclassification. Refer to Note 1 (i).

c) Interest rate risk

Exposure to interest rate risk relates to cash and cash equivalents and borrowings, details of which are set out in Notes 7 and 14.

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents and interest expenses on borrowings as a result of changes in interest rates. The following analysis shows the impact on post tax profit as a result of a movement in interest income and expense from variable interest rate deposit and borrowing facilities.

	Impact on post tax profit 2024 $'000	Impact on post tax profit 2023 $'000
Increase by 100 basis points	**93**	221
Decrease by 100 basis points	**(93)**	(221)

d) Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value of future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments other than the Australian Dollar (AUD) functional currency of the Group. With instruments being held by overseas entities, fluctuations in US Dollars (USD), UK Pound Sterling (GBP) and Euro (EUR) may impact on the Group's financial results unless those exposures are appropriately hedged.

The following table shows the foreign currency risk on the significant financial assets and liabilities held in denominations of currencies other than the functional currency of the Group.

	June 2024 USD $'000	June 2023 USD $'000
Cash	**936**	721
Trade and other receivables	**1,060**	1,137
Trade and other payables	**(635)**	(1,302)
Foreign exchange exposure	**1,361**	**556**
	GBP £'000	**GBP £'000**
Cash	**215**	75
Trade and other receivables	**—**	—
Trade and other payables	**(90)**	(23)
Foreign exchange exposure	**125**	**52**
	EUR €'000	**EUR €'000**
Cash	**3,537**	10,200
Trade and other receivables	**—**	—
Trade and other payables	**(139)**	(57)
Foreign exchange exposure	**3,398**	**10,143**

NOTES TO THE FINANCIAL REPORT

22. Financial risk management continued

Sensitivity analysis

The table below illustrates the sensitivity of the Group's exposures to changes in USD, GBP and EUR. The table indicates the impact on how the profit / loss reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

	June 2024 $'000	June 2023 $'000
+/- 5% in AUD/USD	**206**	84
+/- 5% in AUD/GBP	**24**	10
+/- 5% in AUD/EUR	**558**	1,663

23. Capital management

The Group's objectives when managing capital are to:

- Safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

	June 2024 $'000	June 2023 $'000
Net debt	**760**	326
Total equity	**83,793**	**103,727**
Net debt to equity ratio	**<1%**	<1%

24. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1 (a).

Subsidiaries	Country of incorporation	% owned 2024	% owned 2023
Calicoat Pty Ltd	Australia	**—**	100%
Calix Lithium Pty Ltd	Australia	**100%**	—
Calix Technology Pty Ltd	Australia	**100%**	100%
MS Minerals Pty Ltd	Australia	**100%**	100%
Leilac Australia Pty Ltd	Australia	**93%**	—
LEILAC Limited	UK	**93%**	93%
Calixhe SA	Belgium	**96%**	96%
Leilac Sarl[1]	France	**93%**	93%
Calix (North America) LLC	USA	**100%**	100%
Inland Environmental Resources, Inc.	USA	**100%**	100%
LEILAC US, Inc	USA	**93%**	—

1. Leilac Sarl was renamed during the year from Calix Europe Sarl.

Consolidation accounting policies

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of assets and liabilities. A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (i.e. parent entity).

The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interest issued by the acquirer. Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. All transaction costs incurred in relation to the business combination are expensed to the consolidated income statement.

NOTES TO THE FINANCIAL REPORT

25. Joint arrangements

The Company holds a 45% interest in the “Midstream UJV”. The unincorporated joint venture agreement requires a supermajority vote, being 75% of the total participating interest, for all major joint arrangement decisions. These include setting budgets, work programs, manager or auditor appointment and other significant actions. The two joint venturers own the assets of the partnership as tenants in common and are jointly and severally liable for the liabilities incurred by the partnership. The entity is therefore classified as a joint operation and the consolidated entity recognises its share of all jointly held assets and liabilities, and their associated revenues and expenses. The $12.2m gain on contribution to the Midstream UJV (2023: $NIL) represents the difference between Calix individual $7.7m contribution to the UJV and Calix $19.9m overall 45% proportionally consolidated share of the UJV. See notes 11 & 12 for further details.

26. Parent entity financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	June 2024 $'000	June 2023 $'000
Current assets	**39,289**	66,847
Total assets	**96,604**	**100,245**
Current liabilities	**11,606**	8,404
Total liabilities	**12,191**	**8,974**
Equity		
Issued capital	**154,226**	153,452
Share option reserve	**8,991**	4,591
Accumulated losses	**(78,803)**	(66,773)
Total equity	**84,414**	**91,270**
Loss for the year	**(12,030)**	(20,225)
Total comprehensive (loss) for the year	**(12,030)**	**(20,225)**

Contingent liabilities

The parent entity and other controlled group companies had no contingent liabilities as at 30 June 2024 (2023: $NIL).

Capital commitments

The parent entity and other controlled group companies had $NIL of capital commitments for property, plant and equipment at as 30 June 2024 (2023: $NIL).

Parent Company Investment in Subsidiary Companies

Investments in subsidiaries are carried at cost in the individual financial statements of Calix Limited. An impairment loss is recognised whenever the carrying amount of the investment exceeds its recoverable amount. Recoverable amount is the higher of value in use and fair value less costs of disposal. The carrying value of the parent's investment in subsidiaries as at 30 June 2024 was $12.2m (2023: $12.2m).

27. Auditors remuneration

During the year ended 30 June 2024, the following fees were paid or payable for services provided by the auditor of the Group, its related practices and non-related audit firms:

	June 2024 $	June 2023 $
Audit and review of financial statements		
KPMG	**278,400**	—
BDO Australia	**—**	223,527
Other services		
Transfer pricing services (BDO Australia)	**—**	29,348
Total remuneration for services	**278,400**	**252,875**

NOTES TO THE FINANCIAL REPORT

28. Key management personnel (KMP) compensation

	June 2024 $	June 2023 $ restated*
Short-term employee benefits	**1,862,780**	1,607,861
Post-employment benefits	**92,602**	75,876
Other long-term benefits	**38,249**	48,003
Share based payments	**687,520**	458,069
Total	**2,681,152**	**2,189,809**

* The prior period has been represented due to change in reclassification. Refer to Note 1(i).

Further information regarding the remuneration policies of the Group and KMP compensation can be found in the Remuneration Report on page 33 of the Annual report.

29. Cash flow information

Reconciliation of cash flows from operating activities with loss after income tax:

	June 2024 $'000	June 2023 $'000
Loss after income tax	**(26,210)**	(23,416)
Add back:		
Depreciation, amortisation and impairment expense	**7,413**	5,861
Interest classified as financing cash flows	**137**	40
Foreign exchange losses/(gains)	**193**	411
Share based payment expense	**5,125**	2,741
Gain on UJV within property, plant and equipment	**(7,253)**	—
Changes in balance sheet items		
Decrease / (Increase) in trade & other receivables	**6,204**	(8,243)
Increase in inventory	**(1,100)**	(938)
Increase in trade and other payables	**6,913**	1,995
Accrual of provisions	**227**	460
(Decrease) / Increase in deferred revenue*	**(5,249)**	3,911
Decrease in deferred tax liabilities	**(79)**	(79)
Net cash used in operating activities	**(13,679)**	**(17,257)**

* The decrease in deferred revenue excludes movements relating to capital expenditure, which is captured under cash flows from investing activities.

30. Contingent liabilities and capital commitments

At 30 June 2024 the Group has committed $9.7m further investment into the Midstream UJV payable within 1 year. There are no further capital commitments beyond 30 June 2025.

31. Non-controlling interests

Equity – non-controlling interests

	June 2024 $'000	June 2023 $'000
Reserves	**1,387**	1,461
Retained profit	**(1,176)**	(229)
	211	**1,232**

The Group applies a policy of treating transactions with non-controlling interests as transactions with equity owners of the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively. Carbon Direct's share of the loss since disposal, $1,329,411 (2023: $381,936), is disclosed as part of non-controlling interest in the income statements.

32. After balance date events

On 23 July 2024, Calix announced it had been awarded a $15 million grant from the Australian Government's Carbon Capture Technologies Program. The grant will support the construction of a world-first renewably powered carbon capture and use demonstration plant in South Australia to produce near zero emissions lime and supply captured industrial CO_2 emissions to the HyGATE funded Solar Methanol 1 project ("SM1"). Further information is available on Calix's website in its investor centre and the ASX market announcements platform.

No other matters or circumstances have arisen since the end of the year which significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future years.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

For the year ended 30 June 2024

Entity name	Country of incorporation / formation	% owned directly or indirectly 2024	Australian or foreign resident	Jurisdiction of foreign resident
Calix Limited	Australia	n/a	Australian	n/a
Calix Lithium Pty Ltd	Australia	100%	Australian	n/a
Calix Technology Pty Ltd	Australia	100%	Australian	n/a
MS Minerals Pty Ltd	Australia	100%	Australian	n/a
Leilac Australia Pty Ltd	Australia	93%	Australian	n/a
Leilac Limited	UK	93%	Foreign	UK
Millennium Generation Limited	UK	93%	Foreign	UK
Calixhe SA	Belgium	96%	Foreign	Belgium
Leilac Sarl	France	93%	Foreign	France
Calix (North America) LLC	USA	100%	Foreign	USA
Inland Environmental Resources, Inc.	USA	100%	Foreign	USA
Leilac US, Inc	USA	93%	Foreign	USA

All of the above entities are body corporates.

Determination of Tax Residency

Section 295 (3A) of the *Corporations Acts 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, “Australian resident” has the meaning provided in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgment as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

Branches (permanent establishments)

Foreign branches of Australian subsidiaries are not separate level entities and therefore do not have a separate residency for Australian tax purposes. Generally, the Australian subsidiary that the branch is a part of will be the relevant tax resident, rather than the branch operations.

DIRECTORS' DECLARATION

1) In the opinion of the Directors of Calix Limited (the 'Company'):
   a) the consolidated financial statements and notes that are set out on pages 46 to 72 and the Remuneration report in sections 33 to 43 in the Directors' report, are in accordance with the *Corporations Act 2001*, including:
      i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
      ii) complying with Australian Accounting Standards and the Corporations Regulations 2001;
   b) the Consolidated entity disclosure statement as at 30 June 2024 set out on page 73 is true and correct; and
   c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2024.

3. The Directors draw attention to Note 1(a) to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:

P J Turnbull AM
Chair
Dated at Sydney day of
27 August 2024

INDEPENDENT AUDITOR'S REPORT

KPMG

Independent Auditor's Report

To the shareholders of Calix Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Calix Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group***'s financial position as at 30 June 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2024
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended
- Notes, including material accounting policies
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2024
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

INDEPENDENT AUDITOR'S REPORT

KPMG

Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Going Concern
- Share Based Payments

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Going Concern

Refer to Note 1b to the Financial Report

The key audit matter	How the matter was addressed in our audit
The Group's use of the going concern basis of accounting and the associated extent of uncertainty is a key audit matter due to the high level of judgement required by us in evaluating the Group's assessment of going concern and the events or conditions that may cast significant doubt on their ability to continue as a going concern. These are outlined in Note 1b. The Directors have determined that the use of the going concern basis of accounting is appropriate in preparing the financial report. Their assessment of going concern was based on cash flow projections. The preparation of these projections incorporated a number of assumptions and significant judgements, and the Directors have concluded that the range of possible outcomes considered in arriving at this judgement does not give rise to a material uncertainty casting significant doubt on the Group's ability to continue as a going concern. We critically assessed the levels of uncertainty, as it related to the Group's ability to continue as a going concern, within these assumptions and judgements, focusing on the following: • The Group's significant cash inflow assumptions particularly, revenue growth and gross margin; • The Group's planned levels of operational and capital expenditures, and the ability of the Group to manage cash outflows within	Our procedures included: • We analysed the cash flow projections by: • Evaluating the underlying data used to generate the projections. We specifically looked for their consistency with the Group's intentions, as outlined in Directors minutes and strategy documents, and their comparability to past practices. • Analysing the impact of reasonably possible changes in projected cash flows and their timing, to the projected periodic cash positions. Assessing the resultant impact to the ability of the Group to pay debts as and when they fall due and continue as a going concern. The specific areas we focused on were informed from our test results of the accuracy of previous Group cash flow projections and sensitivity analysis on key cash flow projection assumptions. • Assessing the Group's significant cash inflow assumptions and judgements for feasibility and timing. We used our knowledge of the Group, its industry, and customers trends and conditions to assess the level of associated uncertainty. • Assessing the planned levels of operating and capital expenditures for consistency of relationships and trends to the Group's

INDEPENDENT AUDITOR'S REPORT

available funding; and • The Group's plans to reduce level of planned research and development expenditure to address going concern. This included the feasibility, projected timing, quantum of potential savings and status of the proposed plans. In assessing this key audit matter, we involved senior audit team members who understand the Group's business, industry, and the economic environment it operates in.	historical results ,our understanding of the business, industry and economic conditions of the Group. • We assessed significant non-routine forecast cash inflows and outflows, including the impact of reducing the level of planned research and development expenditure for feasibility, quantum and timing, and their impact to going concern. We used our knowledge of the Group, its industry and status to assess the level of associated uncertainty. • We read Directors minutes and relevant correspondence with the Group's advisors to understand and the Group's ability to access additional shareholder funds. • We evaluated the Group's going concern disclosures in the financial report by comparing them to our understanding of the matter, the events or conditions incorporated into the cash flow projection assessment, the Group's plans to address those events or conditions, and accounting standard requirements.

Share Based Payments ($5,125,000)

Refer to Note 20 to the Financial Report

The key audit matter	How the matter was addressed in our audit
Valuation of share based payments is a key audit matter due to the size of the balance relative to the Group's results (being 19.5% of loss before tax) and the significant effort required by us to audit the Group's Employee Incentive Scheme plan. The most significant areas of judgement we focused on was assessing the Group's: • Valuation methodology and inputs used by the Group's external expert in the Monte Carlo simulation option pricing model, such as the grant date, share price at grant date, risk-free interest rate and volatility rate for share options containing market conditions;	Our procedures included: • We considered the appropriateness of the Group's accounting for share based payment arrangements against the requirements of the accounting standards. • Read underlying documentation to obtain an understanding of the contractual nature and terms and conditions of the share based payment arrangements. • Tested the inputs used by the Group's external expert in the Monte Carlo simulation option pricing model, such as vesting period, grant date, share price at grant date and number of options issued to underlying offer letters and contracts. • Checked the share price at grant date to the

INDEPENDENT AUDITOR'S REPORT

• The probability of achieving the market conditions that is factored into the grant date fair value; and
• The estimated achievement date of meeting performance against Key Performance Indicator's (Gateway 3) and service conditions for non-market conditions.
 	
We involved valuation specialists to supplement our senior audit team members in assessing this key audit matter.
	issue price of the Group's shares on the Group's quotation on the ASX.
	• Worked with our valuation specialist to:
	  • use our knowledge of the Group and our industry experience, and develop an independent expected volatility assumption from publicly available market data of comparable entities. We compared this to the expected volatility assumption used by the Group.
	  • independently assess and calculate the fair value of the options at grant date using a Monte Carlo simulation option pricing model for the options that contain market conditions, with the publicly available risk-free interest rate, and the share price and expected volatility rate from the procedures noted above. We compared our valuation of the share options to the fair value determined by the Group.
	• Recalculated the share based payment expense over the vesting periods based on the independently determined fair value as outlined from the procedures noted above. We compared this to the share based payment expense recorded by the Group.
	• Assessed the scope, competence and objectivity of the external expert engaged by the Group to assist with the valuation of the employee incentive scheme options that contained market conditions granted during the year.
	• Assessed the probabilities determined by the Group in achieving market conditions by retrospectively assessing the share price at testing date.
	• Assessed the achievement of non-market vesting conditions against those estimated by the Group at grant date.
	• Assessed the appropriateness of disclosures against the requirements of the accounting standards.

INDEPENDENT AUDITOR'S REPORT

Other Information

Other Information is financial and non-financial information in Calix Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

INDEPENDENT AUDITOR'S REPORT

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Calix Limited for the year ended 30 June 2024, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 35 to 43 of the Directors' report for the year ended 30 June 2024.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Daniel Camilleri

Partner

Sydney

27 August 2024

SHAREHOLDER INFORMATION

Additional information required by Australian Securities Exchange Listing Rules and not disclosed elsewhere in this report. The information presented is as at 21 August 2024.

a) Distribution of shareholders

Number of shares held	Number of ordinary shareholders	% of shares
1–1,000	2,913	0.69
1,001–5,000	2,097	3.03
5,001–10,000	732	3.09
10,001–100,000	1,035	15.79
100,001 and over	125	77.39
Totals	**6,902**	**100.00**

There were 1,985 holders of less than a marketable parcel of ordinary shares, based on the closing market price on 21 August 2024 of $0.90

b) Class of shares and voting rights

All shares are ordinary shares. Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

c) Substantial shareholders

Investor	Number of ordinary shares
AustralianSuper Pty Ltd	27,267,676
Tiga Trading Pty Ltd and Thorney Technologies Ltd	13,413,968
Nicholas Merriman & associates	10,966,455

d) Twenty largest shareholders

Shareholder	Number of ordinary shares	% of issued capital
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	37,306,915	20.494%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	16,902,940	9.285%
UBS NOMINEES PTY LTD	14,434,134	7.929%
NICHOLAS MERRIMAN	8,108,286	4.454%
CITICORP NOMINEES PTY LIMITED	6,978,187	3.833%
MR PAUL CROWTHER	5,389,438	2.961%
MARK GEOFFREY SCEATS <SCEATS SUPERANNUATION FUND>	2,847,344	1.564%
DR MARK GEOFFREY SCEATS	2,732,119	1.501%
PIGEONS SUPER PTY LIMITED <THE HODGSON FAMILY S/F A/C>	2,196,597	1.207%
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	1,889,808	1.038%
UBS NOMINEES PTY LTD	1,773,836	0.974%
MR JACOB SHIELDS ULRICH	1,533,133	0.842%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	1,497,250	0.823%
PHIL HODGSON	1,311,148	0.720%
JENEIL SUPER PTY LTD <JENEIL SUPER FUND A/C>	1,266,387	0.696%
MR JOHN ANDREW HAMILTON	1,223,639	0.672%
TURNBULL SUPER FUND PTY LTD <THE TURNBULL SUPER FUND A/C>	1,133,789	0.623%
MR MAXWELL OLIVER CROWTHER	1,000,000	0.549%
MR OLIVER MARCUS CROWTHER	1,000,000	0.549%
MS MEGAN OLIVIA CROWTHER	1,000,000	0.549%
Total	**111,524,950**	**61.265%**

GLOSSARY

Term	Meaning
Aluminium (Al)	Chemical element with the symbol Al
Antimicrobial	Antimicrobial products kill or slow the spread of microorganisms, including bacteria, viruses and fungi.
AMR	Antimicrobial resistance – the development of resistance in bacteria, viruses, fungi and parasites to antimicrobials
ARENA	The Australian Renewable Energy Agency
ASX	The Australian Securities Exchange
APVMA	Australian Pesticides and Veterinary Medicines Authority
ASRS	Australian Sustainability Reporting Standards
BATMn	Calix's core kiln technology – electrified – for battery and catalyst materials production and other applications testing
BOD	Basis of Design
BOS	Basic Oxygen Steelmaking
CAGR	Compound Average Growth Rate (%)
Calcium (Ca)	Chemical element with the symbol Ca
Carbonation	The capture of carbon dioxide by contacting with lime (calcium oxide), to form limestone (calcium carbonate)
Cathode	The positive electrode of a battery
CBAM	Carbon Border Adjustment Mechanism
CBP	Community Benefits Plan
CCS	Carbon Capture and Storage
CCU	Carbon Capture and Use
CCUS	Carbon Capture, Utilisation and/or Storage
CEA StAR	Centre for Environmental and Agricultural Solutions to Antimicrobial Resistance
CO2	Carbon Dioxide
Copper (Cu)	Chemical element with the symbol Cu
CRC	Cooperative Research Centre – Australian Government supported industry-led collaborative research centres
CRC SAAFE	Cooperative Research Centre Solving Antimicrobial Resistance in Agribusiness, Food, and Environments
DAC	Direct Air Capture – the extraction of carbon dioxide directly from the atmosphere
DE&I	Diversity, Equality and Inclusion
EAF	Electric arc furnace – a furnace that heats material by means of an electric arc between two electrodes
EAP	Employee Assistance Program
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
EIS	Employee Incentive Scheme
ESF	Electric Smelting Furnace – Used to convert Direct Reduced Iron (DRI) to iron suitable for a Basic Oxygen Steelmaking (BOS) process.
ESG	Environment, Social and Governance considerations
EU	European Union
ETS	Emissions Trading Scheme
FEED	Front-End Engineering Design
FID	Final Investment Decision

GLOSSARY

Term	Meaning
Fines	Small particles, which are usually very difficult to handle in mineral processing and are often discarded as waste
FY	Financial Year
GHG	Greenhouse gas, often measured in tonnes of CO2 equivalent (tCO2e)
Green Hydrogen	Hydrogen that is produced from an electrolyser using renewable energy
Goethite	A mineral that is an ore of iron
HBI	Hot Briquetted Iron – “bricks” of relatively high purity iron ready for steel-making
H_2-DRI	The process of directly reducing iron ore to metallic iron with hydrogen as the reductant
Hematite	A mineral that is an ore of iron
HILT CRC	Heavy Industry Low-carbon Transition Cooperative Research Centre
Hydrometallurgy	A metal recovery method used to obtain metals from ores and waste materials
HyGATE	German-Australian Hydrogen Innovation and Technology Incubator
IBCs	Intermediate Bulk Containers
IFRS	International Financial Reporting Standards
Iron (Fe)	The chemical element, represented by “Fe” on the periodic table
Iron Ore	Iron oxide mixed with various other minerals, as mined and “pre-processed” (purified) as best as possible
JV	Joint venture
LCA	Lifecycle Assessment or Lifecycle Analysis, is a methodology for assessing environmental impacts associated with all the stages of a product or process
Leilac	Calix’s core calciner technology for Low Emissions Intensity Lime and Cement production with CO2 capture of process emissions
LFP	Lithium Iron Phosphate – a battery cathode material
Lithium (Li)	Chemical element with the symbol Li
Lithium-phosphate / Lithium Salt / “Mid-Stream” Lithium	A form of lithium that is high in lithium content, to be shipped and utilised by battery producers
Lithium ion	The ionic form of lithium (Li+) – a positively charged atom of lithium
Manganese Carbonate (MnCO3)	Form of manganese used mainly in agriculture as a fertiliser supplement
Magnesium (Mg)	Chemical element with the symbol Mg
Manganese (Mn)	Chemical element with the symbol Mn
Magnetite	A mineral that is an ore of iron
Metallurgical Coal	Very high carbon coal
MgO	Magnesium Oxide
MHL	Magnesium Hydroxide Liquid
MOU	Memorandum of Understanding

GLOSSARY

Term	Meaning
Nanoporous	A material with a regular, porous structure, with a pore size generally less than 100 nanometres.
Pelletisation	The formation of pellets from finer materials to aid in handling
PLS	Pilbara Minerals, an Australian lithium mining company
Potassium (K)	Chemical element with the symbol K
Process emissions	Process emissions are inherent to the chemical reaction and are released directly and unavoidably from the chemical processing of raw material.
SDGs	The UN's Sustainable Development Goals designed to serve as a "shared blueprint for peace and prosperity for people and the planet, now and into the future."
Siderite	A mineral that is an ore of iron
Spodumene	A high lithium-containing ore, and the source of the majority of the world's lithium supply
α-Spodumene	A tight Li-crystal formation, from which extraction of Li is difficult
β-Spodumene	A loose Li-crystal formation, from which extraction of Li is much easier than the alpha-form
Reduce / Reduction	The process by which oxygen is removed
Reductant	A material that, through its chemical properties, carries out reduction
RDF	Refuse-derived fuel – a fuel produced from various types of waste
Sponge Iron	Iron Ore that has been reduced (had the oxygen removed) to form metallic iron
Steel	Mainly iron, with some carbon and other trace metals such as nickel, manganese etc depending upon the grade of steel being made
TAM	Total Addressable Market
Tpa	Tonnes per annum
TRL	Technology Readiness Level, as measured on the NASA scale
UJV	Unincorporated Joint Venture
UNGC	The United Nations Global Compact, the world's largest corporate sustainability initiative
Wh / kWh	Watt-hours / kilowatt-hours – a measure of energy
ZEAL	Calix's Zero Emissions ALumina technology
ZESTY	Calix's Zero Emissions Steel TechnologY

CONTACT INFORMATION

DISCLAIMER

This Report has been prepared by Calix Limited (ABN 36 117 372 540) ("Company").

Summary information

This Report contains summary information about the Company and its subsidiaries ("Calix") and their activities current as at 27 August 2024. The information in this report is a general background and does not purport to be complete.

Future Performance

This Report contains certain "forward-looking statements". The words "expect", "future", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this report are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements, including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Such forward-looking statements are by their nature subject to significant uncertainties and contingencies and are based on a number of estimates and assumptions that are subject to change (and in many cases are outside the control of Calix and its directors) which may cause the actual results or performance of Calix to be materially different from any future results or performance expressed or implied by such forward-looking statements. The forward-looking statements should not be relied on as an indication of future value or for any other purpose. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including the Company). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this report will actually occur. Actual results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. The forward-looking statements in this report speak only as of the date of this report. Subject to any continuing obligations under applicable law, the Company disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statements in this report to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based. Nothing in this report will under any circumstances create an implication that there has been no change in the affairs of Calix since the date of this report.

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Securities Exchange listing

Calix Limited shares are listed on the Australian Securities Exchange (ASX).
ASX code: CXL

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Contact us to learn more, join, partner or contribute in another way.

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You can subscribe to Calix's newsletter and company updates via our website, and follow Calix on LinkedIn, Twitter/X and YouTube.

100% Recycled Paper

Calix is committed to sustainable practices. This means we try to reduce printing where possible or we print on 100% recycled paper if printing is necessary. We appreciate your support in this important initiative.