ASX: ABX

Hydrogen Fluoride Pilot Plant Enters Construction Phase

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- Environmental Effects Report submitted for hydrogen fluoride pilot plant in Bell Bay, Tasmania
- Establishment of the pilot plant is proceeding well, encompassing civil, mechanical and electrical design and construction
- Two additional Senior Process Engineers appointed, illustrating the confidence in the ALCORE technology

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ABx Group Limited (ASX: ABX) (**ABx** or the **Company**), via 83%-owned subsidiary ALCORE Limited (**ALCORE**), has submitted the Environmental Effects Report (**EER**) for the hydrogen fluoride pilot plant to the Environmental Protection Authority (**EPA**) Tasmania. Submission of the EER is a major milestone as it demonstrates that environmental management has been incorporated into both the process design and proposed operating framework for the pilot plant.

The establishment of the pilot plant is proceeding well, encompassing minor civil works, site power upgrade, equipment design and manufacture, and balance-of-plant design. The first equipment will be delivered to site in April. Equipment delivery and assembly is planned for Q2 and Q3 2026, with commissioning expected to commence in late Q3 2026.

Two Senior Process Engineers have been appointed to accelerate the project.

Dr Mark Cooksey, Managing Director and CEO of ABx Group, commented:

"The submission of the Environmental Effects Report is another important milestone for our project. We have endeavoured to implement a best practice approach to environmental management, and we look forward to feedback from the EPA.

"The pilot plant itself is proceeding well. We are eagerly anticipating the arrival of the first equipment in April, and to see our vision become a physical reality.

"Our small team has done incredibly well to advance the ALCORE technology to its current state. The appointment of two additional Senior Process Engineers increases our capacity and illustrates our confidence in the technology.

Environmental Effects Report

ALCORE has achieved a milestone on the environmental approval pathway for the pilot plant at the ALCORE Technology Centre (ATC). EPA Tasmania has acknowledged receipt of the draft EER and the review is underway, with feedback expected by the end of April.

The EER details ALCORE's rigorous approach to environmental management, including handling of solid, liquid and gaseous process streams, emissions, noise and site controls. The pilot plant has been designed with a strong focus on controlled handling of process streams and waste minimisation. Submission of the EER is a major milestone in that it demonstrates that environmental management has been incorporated into both the process design and proposed operating framework for the pilot plant.

Pilot Plant Progress

Civil design has been completed, and the building permit application has been lodged. The minor construction works will commence shortly after approval being received. The site power upgrade design has been completed, with the construction scope and schedule now clearly planned and defined.

Detailed engineering is continuing across the pilot plant, including process, structural, utility and battery-limit integration. This has involved significant engagement with Kempe Engineering, a leading global specialist provider of innovative engineering solutions and asset services for aluminium smelting, major resource and other major industries, and BFluor Chemicals, an originally South African consulting service and fluorochemical equipment manufacturing company with extensive experience in technology implementation across the entire global fluorochemical value chain. This work supports the transition from design to construction.

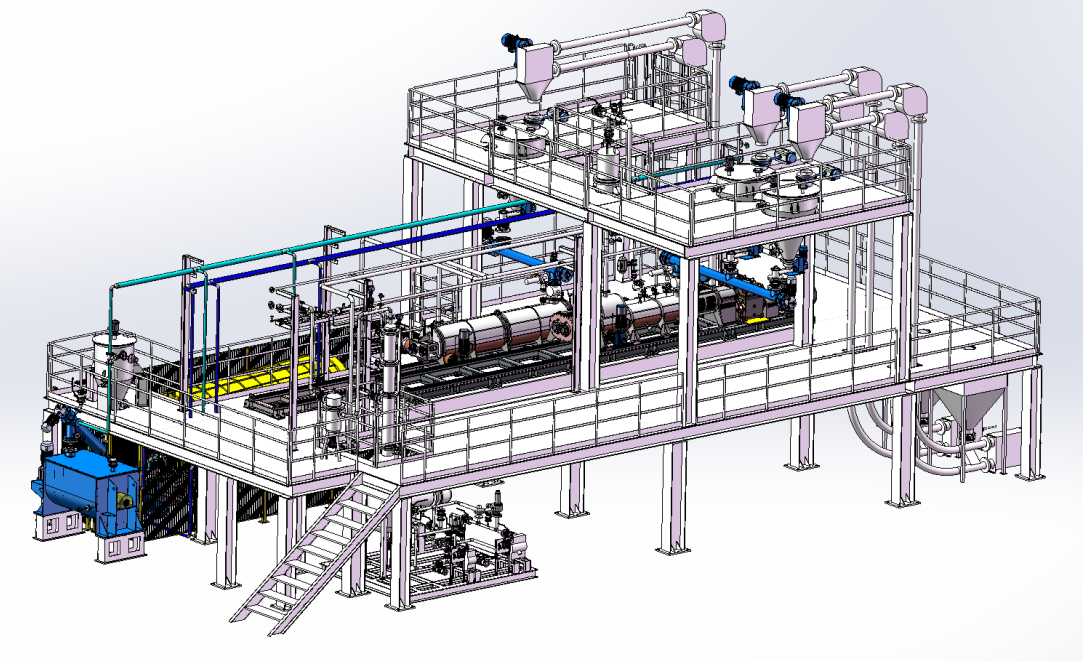

Figure 1: 3D view of part of hydrogen fluoride pilot plant

The broader balance-of-plant design is well advanced. This includes overall plant layout, equipment positioning, piping sizing and routing, electrical and instrument cable routing, and the integration of utilities and site services. The 3D model will also be used to develop access and maintenance provisions, support construction planning and installation sequencing, and improve commissioning readiness across the ATC site.

Strengthened ALCORE Team

ALCORE continues to strengthen the team that will commission and operate the continuous pilot plant. Following the appointment of the Site Operations Manager in December, two Senior Process Engineers have been appointed and are expected to commence by the end of April.

This expansion of the technical and operational team is an important part of ALCORE's execution plan. It ensures additional capability is in place as the project advances through approvals, site preparation, construction and commissioning.

Next Steps

The first equipment will be delivered to site in April. Equipment delivery and assembly is planned for Q2 and Q3 2026, with commissioning expected to commence in late Q3 2026. The revised timing primarily reflects an expansion of engineering scope during detailed design phase, together with further design modifications and updates required to meet Australian Standards, regulatory requirements, site-specific safety criteria and plant operability and maintainability requirements. The updated schedule also aligns delivery and installation with civil approval and site construction sequencing.

Business Development

ALCORE is engaging with the Australian and global fluorine industry to identify additional commercial opportunities for the technology, particularly for the production of other critical minerals.

Strategic Importance of Hydrogen Fluoride

Hydrogen fluoride is a precursor chemical for aluminium fluoride, refrigerants, fluoropolymers and battery chemicals, and is essential in the manufacturing processes for semiconductors and solar cells. The global market for hydrogen fluoride is over US$3 billion.

Hydrogen fluoride is mainly produced from fluorspar, which is obtained from the mineral fluorite. Australia does not mine any fluorite, or produce any fluorspar, hydrogen fluoride or fluorochemicals, and so must import all its requirements. Notably, Australia is the world's largest producer of aluminium metal without domestic aluminium fluoride production, an essential chemical for aluminium smelting.

In 2024, China produced 79% of the world's acidspar, the grade of fluorspar required for hydrogen fluoride production.[1] Furthermore, China added fluorine to the 2025 Catalogue of

[1] Project Blue, Fluorspar supply & demand outlook, Fluorine Forum 2025, 22-24 October 2025.

Goods Subject to Export License Administration, meaning that a licence is required to export fluorspar out of China.

Because of the importance of fluorochemicals and the above supply risks, fluorspar (or fluorine) is recognised as a critical mineral by Australia, the United States, Europe, Japan, and Canada. The ALCORE process for hydrogen fluoride production provides a solution to Australia's strategic supply risk for hydrogen fluoride and fluorochemicals.

An example of the importance of fluorine is that it is required for rare earth metal production, and the use of hydrogen fluoride to process rare earth ores is being investigated. ALCORE is in discussions with companies active in these fields.

This announcement is approved for release by the board of ABx Group Limited.

Go to the ABx Investor Hub to ask any questions of management.

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About ABx Group Limited

ABx Group Limited (ABx) is a uniquely positioned Australian company delivering materials for a cleaner future.

The three priority projects are:

- **Heavy rare earths**: Supplying light and heavy rare earths from Tasmania into Western supply chains
    - Maiden mixed rare earth carbonate produced and positive customer feedback received
    - Processing Options Analysis conducted in partnership with external experts
- **Clean fluorine chemical production**: Producing industrial chemicals from aluminium smelter by-product (ALCORE)
    - Continuous pilot plant under construction in Bell Bay, Tasmania
- **Near-term bauxite production**: Mining bauxite resources for the aluminium, cement and fertiliser industries

- Agreements executed with Good Importing International for bauxite projects in Queensland and New South Wales, and $2.7 million initial payment has been received
- Approvals well advanced for DL130 bauxite project in northern Tasmania

ABx endorses best practices on agricultural land and strives to leave land and environment better than we find it. We only operate where welcomed.

Disclaimer Regarding Forward Looking Statements

This ASX announcement (Announcement) contains various forward-looking statements. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements are inherently subject to uncertainties in that they may be affected by a variety of known and unknown risks, variables and factors which could cause actual values or results, performance, or achievements to differ materially from the expectations described in such forward-looking statements.

ABx does not give any assurance that the anticipated results, performance, or achievements expressed or implied in those forward-looking statements will be achieved.

Competent Persons Statement

The information in this report that relate to Exploration Information and Mineral Resources are based on information compiled by Ian Levy who is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Levy is a qualified geologist and a director of ABx Group Limited.

Mr Levy has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of exploration Results, Mineral Resources and Ore Reserves. Mr Levy has consented in writing to the inclusion in this report of the Exploration Information in the form and context in which it appears.