



ASX ANNOUNCEMENT

13 July 2023

## OPERATIONS AND INFRASTRUCTURE UPDATE

### HIGHLIGHTS

- Q4 FY23 revenue of \$1.5m is the highest in the Company's history.
- Successful road trial of Entyr's products on main arterial road upgrade in Victoria in collaboration with Victorian Government, NTRO, Seymour Whyte and Alex Fraser
- Inline shredder now fully operational, reducing shredding cost by approximately 50%.
- Significant progress with infrastructure plan post the completion of the capital raising to support the Company's operations through to the final stage of commercialisation.

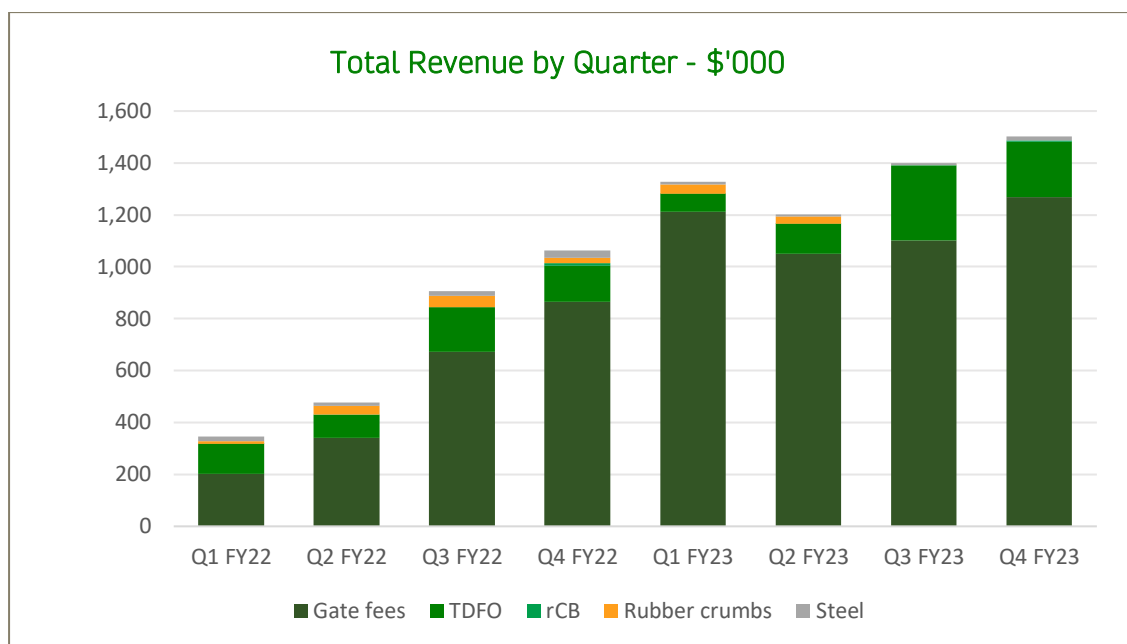
Environmental technology company **Entyr Limited** (ASX: ETR) ("**Entyr**" or the "**Company**") is pleased to provide the following operations update to shareholders.

Following completion of the Company's capital raise, as announced on 10 May 2023, Entyr has moved into the construction phase, investing in critical site infrastructure required to meet the Company's strategy. During this phase tyre collection and primary processing will continue, maintaining the established customer base and providing a positive cash contribution. During this phase, the thermal desorption units will only operate intermittently and as a result, it is anticipated that operational costs will be reduced.

### Operations

Tyre collections continue to improve with significant progress towards achieving our goal of 1,500 tonnes per month. Entyr now has 6 trucks collecting tyres from its customer base on a daily basis with the intention to add an additional truck in the coming months.

Revenue has continued to grow in Q4 FY23, with Entyr having the highest quarterly revenue in the Company's history.



Total Revenue by quarter for the last two financial years

The reduced cost model Entyr has for the construction phase whereby the thermal desorption units are only run when practical, while the infrastructure build is occurring has seen a significant reduction in cash burn in the month of June 2023, excluding infrastructure spend. Planned revenue is forecasted to increase over the next few months with a continued focus on cost control, which is likely to see ongoing improvement in this area.

### Victorian road trial

Melbourne's, Pound Road West Upgrade recently completed an exciting Victorian-first trial that used Entyr's recovered carbon product that's made from end-of-life tyres as a substitute material in road construction – potentially paving the way for future road upgrades to use more sustainable asphalt.

As part of the trial, a 500m section of the Pound Road West was paved with a high-recycled content asphalt mix containing Entyr's recovered carbon product extracted from waste tyres, in place of the fine ground limestone normally used in standard asphalt mixes.

Fine ground limestone is commonly used as a modifier in asphalt, but the mining and manufacturing process produces considerable CO<sub>2</sub> emissions – the production of one tonne of fine ground limestone generates around 1.2 tonnes of CO<sub>2</sub>.

By replacing fine ground limestone with Entyr's Recovered Carbon Black, CO<sub>2</sub> emissions were lowered substantially during asphalt production on the trial.

Over the past two years, Entyr in partnership with the National Transport Research Organisation (NTRO) has conducted validations and road trials using NTRO's world-class laboratories. Over eight trial locations have been constructed and monitored across Queensland, which have shown that for every tonne of end-of-life tyres processed into Recovered Carbon Black carbon emissions are reduced by 500kg.



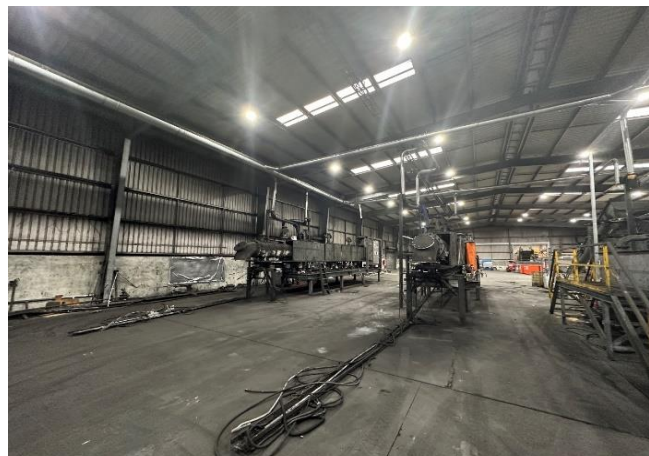
*Pond road asphalt trial*

The successful road trial was a collaboration between, the Victorian Government, NTRO, Alex Fraser, Entyr and Seymour White and is part of the approval process for potential normalised use of the product aligned with future expansion of Entyr to Victoria.

## **Infrastructure**

### **Thermal Desorption Unit operational improvement**

Thermal Desorption Unit (TDU) 1 & 2 have been disassembled and moved to align with TDU 3 & 4. This will allow for an increase in throughput of TDU 1 & 2 in line with TDU 3 & 4 capability.



*Thermal Desorption Units*

## Shredder unit

The inline shredder unit is now fully operational with throughput volumes and operating costs meeting expectations. The unit has been processing at a rate up to 1,500 tonnes per month (approx. 18,000t per annum). Shredding costs have already reduced by 50% with the Company targeting a 75% reduction in processing costs once at full site capacity.



*Inline shredder system*

## Milling and bagging unit

Entyr is pleased to announce that the new carbon milling and bagging unit project has commenced with the demolition of the redundant carbon separation towers. Design for the new milling and bagging system is complete and the procurement process will commence in the coming weeks. Current component and construction lead times have this project completed on schedule as planned in 4Q CY2023. The new milling and bagging unit will not only reduce repairs maintenance spend and operating costs it will also provide a dust free operating environment in addition to the ability to control rCB particle size which is a requirement for offtake markets.

## Distributed Control System upgrade

A new automated control system that manages the key functions of the operational facility is currently being installed. The SCADA based system is currently in testing phase and on track for completion over the next few months. The new distributed control system on the SCADA platform replaces an in-house developed system that had platform stability issues and did not have the required functionality for automation of operational processes. It is anticipated that the new system will provide a reliable, upgradable platform that will allow for more efficient daily operations, reduced plant downtime and repairs and maintenance costs.



TDU02 – Overview screen

## Yard infrastructure

The upgrades to the yard infrastructure are now complete. This included a new ring road, carpark, concrete hard stand areas and yard surface upgrade. This upgrade has now resolved the issues of maintaining operations during wet weather and satisfying compliance with fire and environmental licensing conditions. It has also enabled the implementation of an effective traffic management plan resulting in significant safety improvements. Additionally, it has also enabled easy handling of the increases in tyre volumes that are now being achieved.



*Yard and ring road*

The Company looks forward to providing shareholders with a further operating and strategic update for the quarter end 30 June 2023 (Q4) and at the full year 2023 results.

Authorised for release by:  
**Mike Barry**  
Chairman

**For further information, please contact:**  
**Investors** – David Wheeley – CEO - [David.Wheeley@entyr.com.au](mailto:David.Wheeley@entyr.com.au)  
**Website** – [www.entyr.com.au](http://www.entyr.com.au)

### ***About Entyr Limited***

*Entyr Limited (Entyr) (ASX: ETR) is a revolutionary tyre processing company that applies unique, next-generation thermal desorption technology to cleanly convert tyres into valuable sustainable products including waste to energy opportunities. Entyr holds Australia's first environmental approvals for thermal treatment of rubber and is in commercial production at its facility in Stapylton, Queensland.*

*Entyr's technology is a significant advancement on other methods of processing waste tyres due to low emissions, no hazardous by-products and requires no chemical intervention. It is the only process that meets the standard emissions criteria set by the Australian regulators for this type of technology.*