

14 October 2020

PROGRESS WITH NEW AND EXISTING PEARL GLOBAL CUSTOMERS

Highlights:

- **Successful completion of trials of Pearl's fuel products through Aussee Road Services and Stanley Roads' asphalt plants.**
- **Aussee and Stanley will soon be capable of running exclusively on Pearl's tyre-derived fuels, instead of diesel; and using Pearl's carbon char to improve asphalt quality and further lower costs.**
- **Pearl and Aussee are now focusing efforts on commercialising Zeroad™, an exciting innovation which will see Queenslanders' waste tyres put back into Queensland roads through Pearl's tyre-derived liquid fuel and carbon char**
- **Stanley owns and operates one of Australia's 120 asphalt plants, a significant addressable market for Pearl Global**

Environmental technology company Pearl Global Limited (**Pearl or the Company**) (ASX: PG1) provides the following update to shareholders.

Successful trials with Aussee paving the way for new products and sales

Pearl has made significant progress in its development plans with Aussee Road Services Pty Ltd (Aussee) since the Company released its Activities Update to the ASX on 22 September 2020.

Aussee has successfully completed trials of Pearl's fuels which indicate that Aussee's asphalt plant will soon be capable of running exclusively on Pearl's waste tyre-derived fuels. Aussee has confirmed that the asphalt plant upgrades to accept Pearl's fuels as a replacement to diesel are nearing completion.

Aussee General Manager, Mr. David Simmons, said:

"Pearl Global's process and trial proved to be very effective. The fuel oil and carbon char used in this particular trial delivered outstanding performance both at the plant and in the pavement itself."

The Company is pleased by the progress in its relationship with Aussee and the parties are now focusing efforts on commercialising Zeroad™, an exciting new innovation in the asphalt industry which will see Queenslanders' waste tyres put back into Queensland roads through Pearl Global's tyre-derived liquid fuel and carbon char.

An interested local council is now trialing products based on the Zeroad process, with this work paving the way for market growth opportunities for both Pearl and Aussee.

Aussee Director, Mr Peter Ozoux, said:

“Months of meticulous planning and effort are now paying off for both Aussee and Pearl Global as our trials have confirmed Pearl's product quality, their performance and their safety in commercial production facilities. This is an exciting development as to my knowledge, the combination of using a tyre-derived fuel and a tyre-derived carbon char in making asphalt is a world first.

“We see longevity in our joint initiative with Pearl Global and are confident that Zeroad will be a resounding success. We are also proud to announce that our plant will be fully capable of running exclusively on Pearl's fuels in the coming weeks.”

Aussee and Pearl Global are jointly working on market communications and product demonstrations with interested local bodies to showcase their product development.



Figure 1: Installation of the tank which will facilitate running of Aussee's asphalt plant exclusively on Pearl Global fuels, showing co-branding of Zeroad and Pearl Global

Successful trials with Stanley Roads secure new customer for Pearl Global

On 22 September 2020, the Company announced it was strengthening its sales channels within the domestic asphalt market and expanding from previous exclusivity provisions in the Queensland market. As a result, the Company has completed successful trials with a second asphalt manufacturing group, Stanley Roads.

Based in Brisbane, Stanley Roads has more than 50 years of experience and expertise in the road construction industry. Stanley Roads consists of a number of companies – Stanley Road Construction which is responsible for road construction works, Stanley Asphalt which produces asphalt and road base products, Stanley Resource Recovery which processes road construction waste and Stanley Equipment Solutions, a related equipment hire company.

Over the past three weeks, the parties have implemented Phase One of their relationship, working to modify Stanley's plant operations to allow the processing of Pearl's tyre-derived liquid fuels as a replacement for diesel fuel. The Company is pleased to advise that the testing of Pearl's fuels through the asphalt process has been successful.

Mr. Rob Pollock, Stanley Roads Asphalt Divisional Manager, said:

"We are very pleased with the results of Pearl's fuels and its long-burn qualities in our process so far. We can see the potential for significant cost savings. Using the fuels as well as the carbon char produced from Pearl's facility, for which we have just placed an initial order, is an exciting development for both Stanley and Australia's asphalt industry."

"We understand that our future in this industry is reliant on developing a reliable and socially responsible supply chain, a sustainable community, and ensuring strong stakeholder relationships. We are proud to partner with Pearl to implement their environmentally-friendly technologies and approaches to deliver superior solutions."

Mr. Gary Foster, Chairman of Pearl Global, added:

"We are delighted with the results of our latest trials and proud to work with both Aussee and Stanley to enhance their efficiency and sustainability. We are developing these relationships at a time when the asphalt and bitumen industry governing bodies are motivating their members to move towards more recycled or reclaimed products over virgin resources."

"Governments and councils are placing greater emphasis on environmentally friendly asphalt, and this is becoming increasingly evident in the council tender bidding process. What Pearl is providing are products that can reduce our customers' costs, improve the asphalt, and provide opportunities to win tenders based on environmental sustainability."

The advancement of Pearl's products within the domestic asphalt market supports a substantial growth opportunity, with approximately 120 asphalt plants nationally producing 10 million metric tonnes per annum of asphalt according to the Australian Asphalt Pavement Association. Pearl has the ability to expand its locations to support the domestic market.

Share Issuance to complete purchase of Australian Tyre Processors

Pearl has agreed to issue 1,714,286 million ordinary shares in lieu of a cash payment of \$156,000 for the final tranche payment of the acquisition of Australian Tyre Processors.

Authorised by:
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Chairman

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About Pearl Global Limited

Pearl Global Limited (Pearl) (ASX:PG1) is a revolutionary tyre processing company that applies unique, next-generation thermal desorption technology to cleanly convert tyres into valuable secondary products including waste to energy opportunities. Pearl holds Australia's first environmental approvals for the thermal treatment of rubber and is in commercial production at its facility in Stapylton, Queensland.

Pearl's technology is a significant advancement on other methods of processing waste tyres because it has low emissions, no hazardous by-products and requires no chemical intervention.