



December 2025 Update

Muswellbrook Site:

The Board made a strategic decision to eliminate the risk of reliance on third parties for secure tenure. A site was located at Muswellbrook in the NSW Hunter Valley and the land was purchased by Ethtec in December 2021. The Construction of the new Facility has been completed, and the Certificate of Occupancy for the Hunter Pilot BioRefinery [HPB] was issued by the NSW Government in February 2025. The new site and facility provide Ethtec with a dedicated and solid foundation to focus on development of the Ethtec Process technology and meaningfully progress along the commercialisation pathway.

Plant reassembling:

Following the issue of the Certificate of Occupancy, Ethtec staff commenced unpacking and reassembling the plant and equipment in the HPB. The plant and equipment for production of lignocellulosic sugars solutions (hydrolysates), [the stage that had previously been reached at the Harwood site], requires some modification, parts replacement and refurbishment for operation in the new facility. This is a time-consuming exercise, however, it presents the opportunity to apply the experience gained and the learnings obtained from operating the initial plant at Harwood and implement improved process techniques. Ethtec is aiming to have the refurbished and modified plant and equipment reassembled by December 2026. Simultaneously, Ethtec will be installing and commissioning the new pilot scale fermentation plant and equipment.

ARENA funding:

In 2017 Ethtec was the recipient of the largest investment by ARENA in a biofuels research project in Australia. Due to the timing of the ARENA funding announcement and the delay in securing a risk-free site for the Project, the ARENA Funding Agreement could not be activated until early 2022. Ethtec has now completed 4 of the 6 milestones under the ARENA Funding Agreement. Ethtec is in constant communication with ARENA regarding the disruptions to the Project due to events outside the control of Ethtec. ARENA continues to be highly supportive of the Project and has approved Variations to the ARENA Funding Agreement reflecting the disruptions to the Project.

Fermentation breakthrough:

Earlier this year Ethtec obtained a yeast from a Danish company. In benchmarking fermentation trials using hydrolysates produced in 2015 in the Ethtec Pilot Plant on the Harwood Sugar Mill site and stored since that time, the yeast demonstrates rapid simultaneous fermentation to ethanol of the C5 and C6 sugars in the hydrolysates. This result achieves a key objective of the Project and is a significant technical breakthrough. In addition, it is an incredible discovery that the Ethtec hydrolysates, which are up to 10 years old, used in the fermentation trials show no significant deterioration.

Marketing:

Ethtec's objective is to commercialise 2G ethanol production technology and to license the technology to interested parties. While the Pilot Plant Project is being conducted, in anticipation of a successful outcome the Board has moved to engage with potential licensees of the Ethtec Process technology.

In September 2025 the Federal Government announced that it will invest \$1.1 billion over ten years to incentivise production of Low Carbon Liquid Fuels (LCLFs) such as 2G ethanol in Australia through the Cleaner Fuels Program. The purpose of the Program is to stimulate private investment in onshore LCLF refineries, back local innovators and increase fuel supply resilience. The Board believes that the Cleaner Fuels Program is game changing and provides the pathway to commercialise the Ethtec Process for production of 2G ethanol.

Sustainable Aviation Fuel (SAF) conference:

Dr Reeves and the Chairman, Robert Carey, attended a SAF conference held in Melbourne in July 2025. The conference was attended by representatives of Qantas, Boeing, Airbus, Cathay Pacific, State Governments, fuel companies, the Australian Department of Defence, CSIRO, ARENA and many other interested parties. Most major airlines have committed to using SAF to meet emission reduction targets by 2050. The conference proceedings highlighted that 2G ethanol is the preferred platform chemical for production of SAF.

Lanza Jet's announcement on Thursday 13 November 2025 that it had overcome its Jet Fuel production issues and was now successfully producing Jet Fuel from its production facility in Georgia US, is good news for Ethtec. Jet Zero will be incorporating the Lanza Jet technology at their production facility to be built in Townsville. The facility will need ethanol to produce Jet Fuel and the Ethtec technology is well placed to take advantage of this development.

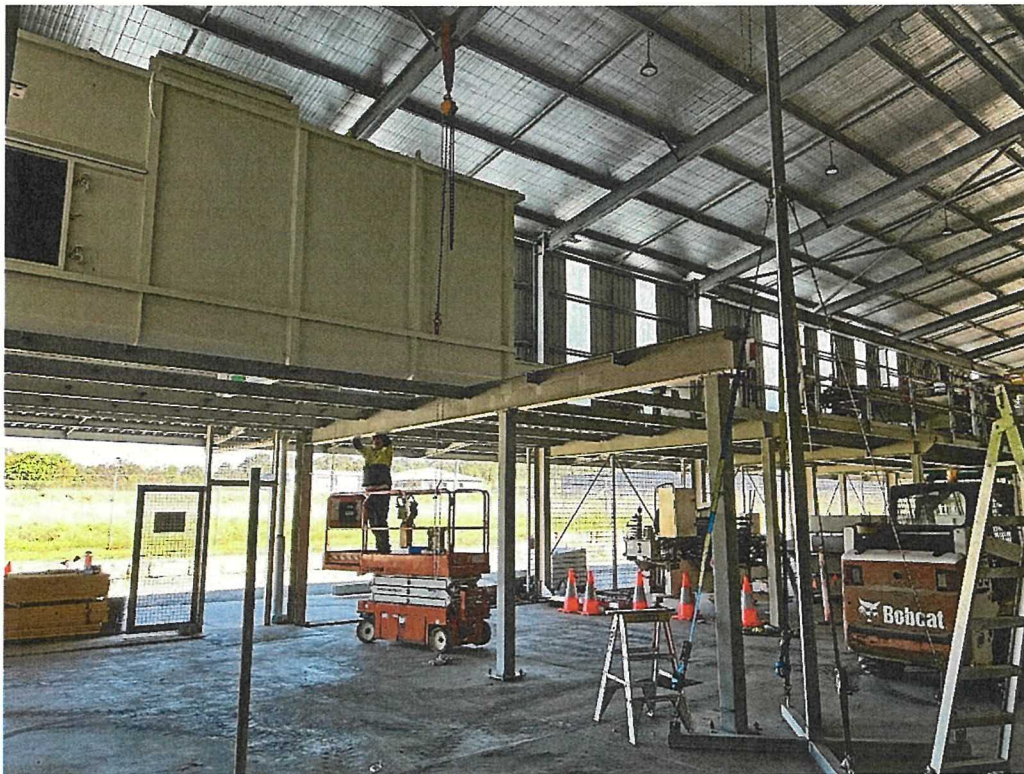
Ethtec opportunity:

It was acknowledged by many of the speakers at the Melbourne SAF conference that Queensland has an abundance of resources (sugar cane bagasse, timber, etc.), that could serve as feedstock for production of 2G ethanol. It was also acknowledged that there is not currently commercially available an environmentally sustainable and economically viable process for production of 2G ethanol. This represents a very significant opportunity for Ethtec to progress commercialisation of the Ethtec Process.

Robert M Carey

Chairman

Ethanol Technologies Pty Limited.



Ethtec staff installing refurbished equipment in the new facility in Muswellbrook